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QINGDAO HOLDINGS INTERNATIONAL LIMITED

青島控股國際有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00499)

DISCLOSEABLE TRANSACTION – ACQUISITION OF PROPERTY

On 1 December 2015, the Purchaser entered into the Agreement with the Vendor for the Acquisition at a total consideration of HK\$25.8 million.

As the highest applicable Percentage Ratio of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION

The Board is pleased to announce that on 1 December 2015, the Purchaser entered into the Agreement with the Vendor in respect of the Acquisition of the Property at a total consideration of HK\$25.8 million. The Purchaser and the Vendor shall enter into the Formal Agreement on or before 14 December 2015.

THE AGREEMENT

The major terms of the Agreement are set out below:

Date: 1 December 2015

Parties: Purchaser: Royal Asset Investments Limited (皇置投資有限公司), an indirect wholly-owned subsidiary of the Company

Vendor: Prime Happy Limited (本怡有限公司), an Independent Third Party

* For identification purpose only

Property: Unit No. 8, 26th Floor, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong.

Consideration: HK\$25.8 million, which has been, or is to be, paid in the following manner:

- (a) HK\$800,000 was paid upon the signing of the Agreement as an initial deposit;
- (b) HK\$1,780,000 shall be paid on or before 14 December 2015 as a further deposit; and
- (c) HK\$23,220,000 shall be paid upon Completion on or before 31 December 2015 as the remaining balance of the Consideration.

All deposits paid or payable by the Purchaser has been paid or shall be paid to the Vendor's solicitors as stakeholder who shall not release the same to the Vendor until Completion.

Sub-sale: The Vendor is selling the Property as confirmor and the Agreement is subject to the terms and conditions of the principal agreement entered into between the Vendor and the head vendor.

Completion: The Completion shall take place on or before 31 December 2015. The Property shall be delivered on vacant possession basis upon Completion.

The Consideration has been determined after arm's length negotiations between the Vendor and the Purchaser by reference to (a) the prevailing market conditions, (b) the location of the Property, (c) the market prices of other comparable properties in the vicinity of the Property, and (d) the valuation report prepared by an independent valuer appointed by the Company. Based on the valuation report, the market value of the Property (on vacant possession basis) as at 1 December 2015 was HK\$23 million.

The Consideration will be funded by internal resources of the Group.

In consideration of the service rendered by the Property Agent, each of the Vendor and the Purchaser shall pay an amount of HK\$129,000 and HK\$200,000, respectively, to the Property Agent as its commission.

INFORMATION OF THE PROPERTY

The Property is located in the commercial area of Admiralty of Hong Kong. The total saleable area of the Property is about 943 square feet. Based on the valuation report prepared by an independent valuer appointed by the Company, the market value of the Property as at 1 December 2015 was HK\$23 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The purpose of the Acquisition is to secure office space for the Group to facilitate further growth of the Group. It is beneficial to the Group in the long run to own office premises to reduce its exposure to the rental fluctuation in the Hong Kong property market. The terms and conditions of the Agreement were determined on normal commercial terms after arm's length negotiations between the Purchaser and the Vendor.

Accordingly, the Directors (including the independent non-executive Directors) consider that (a) the Acquisition has been made on normal commercial terms, (b) such terms are fair and reasonable and (c) the Acquisition is in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable Percentage Ratio of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL INFORMATION ON THE PURCHASER AND THE VENDOR

Information on the Purchaser

The Purchaser is a company incorporated in Hong Kong and principally engaged in property investment and leasing of properties. The Group is principally engaged in the leasing of investment properties, property investments, sub-leasing of car parking spaces and the provision of loan financing.

Information on the Vendor

The Vendor is an investment company incorporated in Hong Kong with limited liability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor, the head vendor and their respective ultimate beneficial owner(s) are Independent Third Party.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following respective meanings:

“Acquisition”	the acquisition of the Property by the Purchaser pursuant to the terms of the Agreement
“Agreement”	the preliminary agreement for sale and purchase of the Property dated 1 December 2015 and entered into between the Vendor and the Purchaser
“Board”	the board of Directors
“Company”	Qingdao Holdings International Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange
“Completion”	the completion of the Acquisition
“Consideration”	the total consideration of HK\$25.8 million for the Acquisition
“Directors”	the director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Vendor and the Purchaser in relation to the Acquisition
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) or company(ies) which is/are not connected with the Company or the connected person of the Company as defined in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time)

“Percentage Ratio(s)”	the percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction for the purposes of Chapter 14 of the Listing Rules
“Property”	Unit No. 8, 26th Floor, Tower 1, Admiralty Centre, No. 18 Harcourt Road, Hong Kong
“Property Agent”	Centraline Property Agency Limited (中原地產代理有限公司), an estate agent company with licence no. C-000227, as the property agent of the Vendor and the Purchaser in relation to the Acquisition
“Purchaser”	Royal Asset Investments Limited (皇置投資有限公司), an indirect wholly-owned subsidiary of the Company, a company incorporated in Hong Kong
“Share(s)”	ordinary share(s) of the Company with a par value of HK\$0.1 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Prime Happy Limited (本怡有限公司), a company incorporated in Hong Kong
“%”	per cent

By order of the Board
Qingdao Holdings International Limited
Xing Luzheng
Executive Director and Chairman

Hong Kong, 2 December 2015

As at the date of this announcement, the Executive Directors are Mr. Xing Luzheng (Chairman), Mr. Chen Mingdong (Vice-chairman), Mr. Zhang Lianqing (Chief Executive Officer), Mr. Jiang Yi, Mr. Wang Yimei and Mr. Yuan Zhi; the Non-executive Director is Mr. Zhang Zhenan; and the Independent Non-executive Directors are Mr. Yin Tek Shing, Paul, Mr. Wong Tin Kit, Ms. Zhao Meiran and Mr. Li Xue.