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恒安國際集團有限公司*

HENGAN INTERNATIONAL GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1044)

Websites: <http://www.hengan.com>

<http://www.irasia.com/listco/hk/hengan>

VOLUNTARY ANNOUNCEMENT

This announcement is made by Hengan International Group Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The Group holds the land use right to a parcel of land in Wu Yuan Bay District, Xiamen City, Fujian Province, the People’s Republic of China (the “**PRC**”) with a total site area of approximately 30,000 square meters (the “**Land**”).

The Group’s headquarters are currently located in Anhai which is a town in the south of Jinjiang City, Fujian Province, the PRC. In order to satisfy the Group’s business expansion and operational needs and to attract more talent, the Group had commenced building an office building, training centre and ancillary facilities on the Land since May 2010.

Having considered the Land’s strategic location, and after conducting feasibility study and market research, the Group now proposes to convert the abovementioned training centre into a hotel (the “**Hotel**”). Aside from this project, the Group has no plan to develop other hotel projects. The Group’s principal business shall remain to be the manufacturing, distribution and sale of personal hygiene products as well as food and snacks in the PRC.

Since the Company’s management shall continue to focus on the existing principal business of the Group, in order to provide high quality hotel management services and to increase the investment return of the Group, Fujian Hengan Holding Xiamen Business Trade Co., Ltd, a wholly-owned subsidiary of the Group, had entered into a management agreement with Hilton Hotel Management (Shanghai) Co., Ltd. (“**Hilton Management**”), a third party management company on 8 September 2012, pursuant to which the management and operational rights of the Company shall be outsourced for 15 years. To the best of the Company’s Directors’ knowledge, information and belief, having made all reasonable enquiries, each of Hilton Management and its ultimate beneficial owner is a third party independent of and not connected with the Company or its connected persons (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Group had previously paid capital expenditure of approximately HK\$220 million in connection with the training centre (including land, construction fee and ancillary facilities). The capital expenditure for converting the training centre into the Hotel is approximately HK\$360 million, with

HK\$40 million, HK\$240 million and HK\$80 million to be incurred respectively in the second half of year 2012, 2013 and 2014. The start-up cost for hotel operation is approximately HK\$20 million. The funding of the abovementioned will be satisfied by the internal resources of the Group. The Company believes the abovementioned expenditure will not have any material impact upon the Group's finance, business or operations.

The Company estimates that the Hotel shall commence business in October 2014. The specific timing will be subject to actual market conditions.

The Company confirms that currently there are no negotiations or agreements relating to the relevant transaction which are discloseable under Rule 13.23 of the Listing Rules; neither is the Board of Directors aware of any matter discloseable under the general obligations imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

By Order of the Board
Hengan International Group Company Limited
Sze Man Bok
Chairman

Hong Kong, 9 September 2012

As at the date of this announcement, our Executive Directors are Mr. Sze Man Bok, Mr. Hui Lin Chit, Mr. Hung Ching Shan, Mr. Xu Shui Shen, Mr. Xu Da Zuo, Mr. Xu Chun Man, Mr. Sze Wong Kim, Mr. Hui Ching Chi and Mr. Loo Hong Shing Vincent; and our Independent Non-Executive Directors are Mr. Chan Henry, Mr. Wang Ming Fu and Ms. Ada Ying Kay Wong.

* *For identification purpose only*