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## **IDT INTERNATIONAL LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 167)**

### **DISCLOSEABLE TRANSACTION**

#### **DISPOSAL OF PROPERTY**

The Board is pleased to announce that on February 18, 2014, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement for the sale and purchase of the Property with the Purchaser. Pursuant to the Provisional Agreement, the Vendor has agreed to sell and the Purchaser has agreed to purchase the Property at the Consideration, subject to and upon the terms of the Provisional Agreement. Upon Completion, a gain in the estimated sum of approximately HK\$23.0 million before tax and expenses is expected to accrue to the Group as a result of the Disposal.

As the highest applicable percentage ratio in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and accordingly, is subject to the announcement requirement but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

#### **THE PROVISIONAL AGREEMENT**

Date : February 18, 2014  
Vendor : Integrated Display Technology Limited  
Purchaser : P . Lachman (Hong Kong) Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of and is not a connected person (as defined in the Listing Rules) of the Company.

#### **Sale and Purchase**

Pursuant to the Provisional Agreement, the Vendor will sell the Property to the Purchaser upon the terms contained therein. A formal agreement for the sale and purchase of the Property shall be signed by the Vendor and the Purchaser on or before March 3, 2014. The formal agreement will incorporate the terms and conditions contained in the Provisional Agreement and any other terms to be mutually agreed between the Vendor and the Purchaser.

## **Consideration**

The consideration is HK\$28,777,888 and payable in cash by the Purchaser to the Vendor in the following manner:

- (i) HK\$700,000 has been paid by the Purchaser to the Vendor as initial deposit and partial payment of the Consideration upon signing of the Provisional Agreement;
- (ii) HK\$2,177,788.80 shall be payable to the Vendor as further deposit and partial payment of the Consideration on or before March 3, 2014; and
- (iii) The remaining balance of the Consideration of HK\$25,900,099.20 shall be payable by the Purchaser to the Vendor upon completion on or before March 28, 2014.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser, taking into account the prevailing market price of properties in the same building.

## **Completion**

Completion of the sale and purchase of the Property shall take place on or before the Completion Date.

## **Information of the Property**

The Property is located at Unit A, 5<sup>th</sup> Floor, Kaiser Estate, No. 41 Man Yue Street, Hunghom, Kowloon, Hong Kong with a total gross floor area of approximately 7,994 square feet. The Property is currently vacant.

## **FINANCIAL IMPACT OF THE DISPOSAL AND USE OF PROCEEDS**

Taking into account the carrying value of approximately HK\$5.8 million at January 31, 2014 of the Property, upon Completion, a gain in the estimated sum of approximately HK\$23.0 million before tax and expenses is expected to accrue to the Group as a result of the Disposal.

It is intended that the net proceeds of the Disposal are to be used by the Group for general working capital purposes.

## **REASONS FOR THE DISPOSAL**

The Property was previously used as the Group's office. Following the restructuring of the Group and relocation of staff to other offices, the Property has been surplus to the operational requirements of the Group. The Directors consider that the Disposal represents a good opportunity for the Group to realize the value of the Property. The Directors (including Independent Non-Executive Directors of the Company) are of the view that the Provisional Agreement is entered into after arm's length negotiations and the terms therein are in accordance with the normal practice in the property market and the Disposal is on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio in respect of the Disposal is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company and accordingly, is subject to the announcement requirement but exempt from the Shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **INFORMATION ON THE COMPANY AND THE GROUP**

The principal business activity of the Company is investment holding. The Group is principally engaged in investment holding, design, development, manufacturing, marketing and distribution of lifestyle electronic products.

## **INFORMATION ON THE PURCHASER**

As informed by the Purchaser, its principal business activity is import and export.

## **DEFINITIONS**

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

“Board”	the board of Directors of the Company
“Company”	IDT International Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange
“Completion”	completion of the Disposal in accordance with the terms of the Provisional Agreement
“Completion Date”	a date on or before March 28, 2014
“Consideration”	HK\$28,777,888
“Directors”	the directors of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser at the Consideration subject and upon the terms and conditions of the Provisional Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Unit A, 5 <sup>th</sup> Floor, Kaiser Estate, No. 41 Man Yue Street, Hunghom, Kowloon, Hong Kong
“Provisional Agreement”	the provisional agreement for the sale and purchase of the Property entered into between the Vendor and the Purchaser on February 18, 2014
“Purchaser”	P . Lachman (Hong Kong) Limited
“Shareholders”	holders of the ordinary shares of HK\$0.10 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendor”	Integrated Display Technology Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By Order of the Board  
**IDT International Limited**  
**Dr. Raymond Chan**  
*Chairman & Group Chief Executive Officer*

Hong Kong, February 18, 2014

*The Directors of the Company as at the date of this announcement are Dr. Raymond Chan (Chairman & Group Chief Executive Officer), Mrs. Chan Pau Shiu Yeng, Shirley and Mr. Leong Mun Hoong as Executive Directors; Mr. Lo Kai Yiu, Anthony, Mr. Kao Ying Lun, Mr. Jack Schmuckli and Dr. Kenichi Ohmae as Independent Non-Executive Directors.*

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