

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.*



**VINDA INTERNATIONAL HOLDINGS LIMITED**  
**維達國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3331)**

**Financial Adviser to the Company**



**MAJOR AND CONNECTED TRANSACTIONS**

**AMENDMENT AGREEMENT TO THE SALE AND PURCHASE AGREEMENT  
IN RELATION TO  
THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF  
SCA HYGIENE KOREA CO. LTD., SCA HYGIENE MALAYSIA SDN BHD  
AND SCA TAIWAN LTD.**

Reference is made to the Announcement in relation to, among other things, the proposed acquisition by the Company of the entire issued share capital of each of SCA Malaysia, SCA Korea and SCA Taiwan from SCA Group.

**AMENDMENT AGREEMENT TO THE SALE AND PURCHASE AGREEMENT**

On 27 December 2015, the Company and SCA Group entered into the Amendment Agreement to amend certain terms of the Sale and Purchase Agreement. Pursuant to the Amendment Agreement (among other things):

- (i) the parties agreed that the Acquisition will be completed in two stages such that the Company will (a) procure Vinda Paper Industrial, an indirect wholly-owned subsidiary of the Company, to acquire and complete the acquisition of the entire issued share capital of SCA Malaysia on the First Completion Date; and (b) procure SCA Malaysia to acquire and complete the acquisition of the entire issued share capital of each of SCA Korea and SCA Taiwan on the Second Completion Date, being the Business Day immediately following the First Completion Date;

- (ii) the parties agreed on the form of the instrument constituting the Convertible Note, and certain of the principal terms of the Convertible Note as previously set out in the Announcement have been amended; and
- (iii) in consideration of SCA Group agreeing to fix the Margin in respect of the Convertible Note, the Company has agreed to pay the Commitment Fee to SCA Group in cash on the earlier of the termination of the Sale and Purchase Agreement and the Second Completion Date (or such later date as the Company and SCA Group may agree in writing).

#### **IMPLICATIONS UNDER THE LISTING RULES WITH RESPECT TO THE COMMITMENT FEE**

As each of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the obligation on the Company to pay SCA Group the Commitment Fee is less than 0.1%, the obligation on the Company to pay the Commitment Fee is fully exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

#### **GENERAL**

As disclosed in the Announcement and the subsequent announcement of the Company dated 30 November 2015, a circular containing, among other things, details of the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement), the advice from the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders, the recommendations from the Independent Board Committee and the notice convening the EGM together with the proxy form and other information as required under the Listing Rules will be despatched to the Shareholders on or before 31 December 2015.

**Completion of the transactions contemplated under the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement) is conditional upon the satisfaction of certain conditions as disclosed in the Announcement and this announcement, including the approval of the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement) and the transactions contemplated thereunder by the Independent Shareholders at the EGM. Accordingly, the transactions contemplated under the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement) may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.**

Reference is made to the Announcement in relation to, among other things, the proposed acquisition by the Company of the entire issued share capital of each of SCA Malaysia, SCA Korea and SCA Taiwan from SCA Group. Unless otherwise indicated, capitalised terms defined in the Announcement shall have the same meanings when used in this announcement.

## **AMENDMENT AGREEMENT TO THE SALE AND PURCHASE AGREEMENT**

On 27 December 2015, the Company and SCA Group entered into the Amendment Agreement to amend certain terms of the Sale and Purchase Agreement. Pursuant to the Amendment Agreement (among other things):

- (i) the parties agreed that the Acquisition will be completed in two stages such that the Company will (a) procure Vinda Paper Industrial, an indirect wholly-owned subsidiary of the Company, to acquire and complete the acquisition of the entire issued share capital of SCA Malaysia on the First Completion Date; and (b) procure SCA Malaysia to acquire and complete the acquisition of the entire issued share capital of each of SCA Korea and SCA Taiwan on the Second Completion Date, being the Business Day immediately following the First Completion Date;
- (ii) the parties agreed on the form of the instrument constituting the Convertible Note, and certain of the principal terms of the Convertible Note as previously set out in the Announcement have been amended, including but not limited to the following:
  - (a) the rate of interest on the Convertible Note for each interest period of three months has been fixed at HIBOR plus the Margin of 1.10% per annum;
  - (b) the expiry date of the term of the Convertible Note has been changed from 31 December 2016 to 31 March 2017;
  - (c) apart from an automatic conversion of the Convertible Note upon the occurrence of a Mandatory Conversion Event (which is the “Conversion Event” pursuant to the Sale and Purchase Agreement before amendment as disclosed in the Announcement), SCA Group will have the option (but not any obligation), upon the occurrence of an Optional Conversion Event, to convert in full or in part the outstanding principal amount of the Convertible Note held by it up to the Maximum Optional Principal Amount into Conversion Shares; and
  - (d) the performance by the Company of its obligations under the Convertible Note will be jointly and severally guaranteed by certain members of the Group; and
- (iii) in consideration of SCA Group agreeing to fix the Margin in respect of the Convertible Note, the Company shall pay the Commitment Fee to SCA Group in cash on the earlier of the termination of the Sale and Purchase Agreement and the Second Completion Date (or such later date as the Company and SCA Group may agree in writing).

Further details of the amendments to the Sale and Purchase Agreement pursuant to the Amendment Agreement are set out below.

### **Two-stage completion of the Acquisition**

The sale and purchase of the Sale Shares will be completed in two stages as follows:

- (i) on the First Completion Date, the Company will procure Vinda Paper Industrial to acquire and complete the acquisition of the entire issued share capital of SCA Malaysia; and

- (ii) on the Second Completion Date, the Company will procure SCA Malaysia to acquire and complete the acquisition of the entire issued share capital of each of SCA Korea and SCA Taiwan.

Immediately after Second Completion, SCA Malaysia, SCA Korean and SCA Taiwan will become indirect wholly-owned subsidiaries of the Company.

*Conditions precedent*

First Completion is conditional upon the following conditions being fulfilled or waived in accordance with the terms of the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement):

- (i) the approval by the Independent Shareholders of the Company at the EGM of the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement) and the transactions contemplated thereunder having been obtained;
- (ii) all approvals, consents, authorisations and licences (so far as are necessary) in relation to the transactions contemplated under the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement) having been obtained from the relevant governmental authorities; and
- (iii) the Listing Committee of the Stock Exchange having granted listing of and permission to deal in, the Consideration Shares (subject to the allotment and issue of the Consideration Shares) and the Conversion Shares to be issued and allotted upon conversion of the Convertible Note.

Second Completion is conditional upon the following conditions being fulfilled or waived in accordance with the terms of the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement):

- (a) First Completion having taken place in accordance with the terms of the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement); and
- (b) the conditions to First Completion remaining satisfied.

If the conditions to First Completion and the conditions to Second Completion set out above have not been satisfied or waived by 5:00 p.m. on 31 March 2016 (or such later date as agreed between SCA Group and the Company in writing), the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement) shall lapse and have no further effect (save for several clauses as provided under the agreement).

*Purchase price*

The initial purchase price for the Sale Shares (being the sum of HK\$2,800,000,000 less the Estimated Net Debt) will be payable by the Company on the Second Completion Date. Hence, the Consideration Shares and the Convertible Note will be issued by the Company to SCA Group on the Second Completion Date, and the cash portion of the purchase price will be payable by the Company to SCA Group on the Second Completion Date out of the proceeds of the Commercial Loan from Shareholder in respect of which the Company as borrower and AB SCA Finans (publ) as lender will enter into the Commercial Loan from Shareholder Agreement at or prior to Second Completion.

The initial purchase price for the Sale Shares will be adjusted such that the final purchase price will be determined by taking into account the surplus or the deficits (i) between the amount of actual net debt of the Target Companies at the First Completion Date and the Estimated Net Debt; and (ii) between the amount of working capital of the Target Companies as at the First Completion Date and the agreed aggregate amount of normalized working capital of the Target Companies at HK\$143,709,000.

#### *Licence Agreement*

The Licence Agreement entered into by SCA Hygiene AB and the Company on 28 October 2015 will become effective on the Second Completion Date.

#### **Amendments to the principal terms of the Convertible Note**

The amended principal terms of the Convertible Note are set out below:

Issuer:	The Company
Principal amount:	HK\$502,058,018
Term:	From the date of issue of the Convertible Note (being the Second Completion Date) until 31 March 2017
Interest:	HIBOR plus the Margin, payable every 3 months in arrears
Conversion period:	Any time during the term of the Convertible Note
Conversion price:	HK\$15.868 per Share (subject to the adjustments as described in “Adjustments to conversion price” below)
Conversion Shares:	The outstanding principal amount of the Convertible Note will be convertible into Conversion Shares at the conversion price as set out above. The Conversion Shares will rank pari passu in all respects with all existing Shares in issue as at the date of allotment and issue of the Conversion Shares.
Mandatory Conversion Event:	A Mandatory Conversion Event occurs if after trading hours of any trading day in Hong Kong during the term of the Convertible Note, the entire outstanding principal amount of the Convertible Note at that time can be converted into Conversion Shares without resulting in the percentage of issued share capital of the Company in the hands of the public shareholders being less than 25% (after taking into account the dilutive effect of the Conversion Shares).

Mandatory conversion:	Upon the occurrence of a Mandatory Conversion Event, the Company shall notify SCA Group in writing within one business day from the date of occurrence of such Mandatory Conversion Event and, within 5 business days from the date of such notice, the entire outstanding principal amount of the Convertible Note held by SCA Group shall be converted into Conversion Shares based on the conversion price applicable at the time, provided that if upon the actual issuance of the Conversion Shares pursuant to Mandatory Conversion Event, the percentage of issued share capital of the Company in the hands of the public shareholders will be less than 25% (after taking into account the dilutive effect of the Conversion Shares), no conversion of the Convertible Note shall take place and the Company shall notify SCA Group in writing again upon the next occurrence of a Mandatory Conversion Event.
Optional Conversion Event:	<p>An Optional Conversion Event occurs if after trading hours of any trading day in Hong Kong during the term of the Convertible Note: (a) no Mandatory Conversion Event has occurred; and (b) at least 10% of the initial principal amount of the Convertible Note can be converted into Conversion Shares without resulting in the percentage of issued share capital of the Company in the hands of the public shareholders being less than 25% (after taking into account the dilutive effect of the Conversion Shares).</p> <p>The maximum principal amount of the Convertible Note which can be converted into Conversion Shares without resulting in the percentage of issued share capital of the Company in the hands of the public shareholders being less than 25% (after taking into account the dilutive effect of the Conversion Shares) upon the occurrence of an Optional Conversion Event shall be referred to as the “<b>Maximum Optional Principal Amount</b>”.</p>
Optional conversion at the election of SCA Group:	Upon the occurrence of an Optional Conversion Event, the Company shall notify SCA Group in writing within one business day from the date of occurrence of such Optional Conversion Event. SCA Group shall have the option (but not any obligation) to elect at its sole discretion, by way of notice in writing to the Company within 5 business days from the date of occurrence of such Optional Conversion Event, to convert in full or in part such outstanding principal amount of the Convertible Note held by it up to the Maximum Optional Principal Amount into Conversion Shares based on the conversion price applicable at the time.

Upon such election by SCA Group, the Company shall issue the Conversion Shares to SCA Group within 5 business days from the date of the notice of such election by SCA Group, provided that if:

- (a) upon the actual issuance of the Conversion Shares pursuant to an Optional Conversion Event, the percentage of issued share capital of the Company in the hands of the public shareholders will be less than 25% (after taking into account the dilutive effect of the Conversion Shares), no conversion of the Convertible Note shall take place and the Company shall notify SCA Group in writing again upon the next occurrence of an Optional Conversion Event; or
- (b) a Mandatory Conversion Event occurs at any time after the occurrence of an Optional Conversion Event but prior to the actual issuance of Conversion Shares pursuant to such Optional Conversion Event, no conversion of the Convertible Note shall take place pursuant to such Optional Conversion Event, and the provisions relating to the Mandatory Conversion Event shall apply.

For the avoidance of doubt, SCA Group shall not convert the Convertible Note into Conversion Shares if no Mandatory Conversion Event or Optional Conversion Event has occurred.

Adjustments to  
conversion price

The conversion price of the Convertible Note shall be adjusted upon the occurrence of the following events:

- (a) Bonus issue

If the Company shall issue Shares credited as fully paid to the Shareholders by way of capitalization of profits or reserves which does not constitute any dividend or distribution, the conversion price shall be adjusted by multiplying the conversion price in effect immediately prior to the date of issue of such Shares by the following fraction:

$$\frac{A}{B}$$

where:

A = the number of Shares in issue immediately before the issue of such Shares; and

B = the number of Shares in issue immediately after the issue of such Shares.

(b) Alteration to nominal value of the Shares

If there shall be an alteration to the nominal value of the Shares as a result of consolidation or subdivision, the conversion price shall be adjusted by multiplying the conversion price in effect immediately prior to the date on which such alteration becomes effective by the following fraction:

$$\frac{A}{B}$$

where:

A = the number of Shares in issue immediately before such alteration; and

B = the number of Shares in issue immediately after such alteration.

(c) Demerger

If the Company or any of its subsidiary or (pursuant to arrangements with the Company or any of its subsidiaries) any other person or entity shall offer any securities in connection with which offer Shareholders as a class are entitled to participate in arrangements whereby such securities may be acquired by them, the conversion price shall be adjusted by multiplying the conversion price in effect immediately prior to the first date on which the Shares are traded ex-rights on the Stock Exchange by the following fraction:

$$\frac{A-B}{A}$$

where:

A = the Current Market Price (as defined in the terms and conditions of the Convertible Note) of one Share on the business day immediately preceding the date of the first public announcement of such offer; and

B = the Fair Market Value (as defined in the terms and conditions of the Convertible Note), on the date of the first public announcement of such offer, of the portion of such offer attributable to one Share (or if such date is not a business day, the immediately preceding business day).



(d) Other events; contemporaneous events

If any holder of the Convertible Note reasonably determines that (i) an adjustment should be made to the conversion price as a result of event(s) or circumstance(s) not referred to in the abovementioned price adjustment events; or (ii) more than one event which gives rise or may give rise to an adjustment to the conversion price has occurred or will occur within such a short period of time that a modification to the operation of the adjustment provisions is required in order to give the intended result; or (iii) one event which gives rise or may give rise to more than one adjustment to the conversion price has occurred or will occur such that a modification to the operation of the adjustment provisions is required in order to give the intended result, it shall notify the Company and the Company shall, at its own expense, use all reasonable endeavours to procure that such adjustment (if any) to the conversion price as is fair and reasonable to take account thereof and the date on which such adjustment should take effect shall be determined by an expert provided that the conversion price may not be increased pursuant to this price adjustment event.

Prepayment/early repayment:

The Company shall not be entitled to prepay or early repay any portion of the Convertible Note during the term of the Convertible Note.

Events of default:

Each of the following events is an event of default:

- (a) the Company or an Obligor does not pay on the due date any amount payable in respect of the Convertible Note unless its failure to pay is caused by administrative or technical error and payment is made within three (3) business days of its due date;
- (b) the Company or an Obligor does not comply with any provision of the Note Documents (other than those referred to in paragraph (a) above), unless the failure to comply is capable of remedy and is remedied within ten (10) business days of the earlier of the holder of the Convertible Note giving notice to the Company or the relevant Obligor, or the Company or the relevant Obligor becoming aware of the failure to comply;
- (c) any Financial Indebtedness of the Company or any Group Company is not paid when due or within any originally applicable grace period, or, as a result of an event of default, any Financial Indebtedness of any Group Company becomes or may become due and payable prior to its specified maturity or any commitment for any Financial Indebtedness of any Group Company is cancelled, provided that the aggregate amount of the relevant Financial Indebtedness in respect of which the foregoing events have occurred exceeds HK\$10,000,000;

- (d) an Insolvency Event has occurred in relation to the Company or any Group Company;
- (e) any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction is levied affecting any asset of a Group Company having an aggregate value of HK\$10,000,000 or more and is not (i) discharged within 30 business days or (ii) contested in good faith by such Group Company and by all appropriate means;
- (f) any thing at any time required to be done in order (i) to enable the Company lawfully to enter into, exercise its rights and perform and comply with its obligations under the Convertible Note, (ii) to ensure that those obligations are legal, valid, binding and enforceable and (iii) to make the Note Documents admissible in evidence in the courts of the British Virgin Islands, the Cayman Islands and/or Hong Kong is not done;
- (g) any representation or statement made or deemed to be made by the Company or an Obligor in the Note Documents or any other document delivered by or on behalf of the Company in connection with any Note Document is or proves to have been incorrect or misleading in a material respect when made or deemed to be made;
- (h) any Group Company suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a material part of its business which, when taken together, will constitute a Material Adverse Effect;
- (i) an Obligor is not or ceases to be a subsidiary of the Company;
- (j) the auditors of the Group qualify the audited consolidated financial statements of the Company;
- (k) the Company or an Obligor rescinds or purports to rescind or repudiates or purports to repudiate or evidences an intention to rescind or repudiate a Note Document;
- (l) any material adverse change occurs to the Company or an Obligor which has or, in the reasonable opinion of the holder(s) of the Convertible Note, is likely to have a Material Adverse Effect;
- (m) it is or will become unlawful for the Company or an Obligor to perform or comply with any of its obligations under any of the Note Documents; or
- (n) the Shares shall cease to be listed on the Stock Exchange or steps are taken by or on behalf of the Company to effect such cessation.

Redemption at maturity:	Upon maturity of the Convertible Note, if the Convertible Note has not been converted into Conversion Shares, the Company shall redeem all the outstanding principal amount of the Convertible Note at par plus accrued interest on the last day of the term of the Convertible Note.
Redemption upon event of default:	Upon the occurrence of an event of default, SCA Group may, by notice to the Company, request the Company to redeem all the outstanding principal amount of the Convertible Note plus accrued interest.
Issuer shall have no right to redeem:	During the term of the Convertible Note, the Company shall not have the right to redeem any portion of the Convertible Note at its election.
Transfer/assignment:	SCA Group can freely transfer/assign the Convertible Note to its affiliates without the Company's prior consent.

### **Commitment Fee**

In consideration of SCA Group agreeing to fix the Margin in respect of the Convertible Note, the Company shall pay the Commitment Fee to SCA Group in cash on the earlier of the termination of the Sale and Purchase Agreement and the Second Completion Date (or such later date as the Company and SCA Group may agree in writing).

### **REASONS FOR AND BENEFIT OF ENTERING INTO THE AMENDMENT AGREEMENT**

Based on professional advice, it would be more beneficial for the Company to complete the Acquisition by way of a two-stage process. The amendments to the principal terms of the Convertible Note were agreed to by the Company after arm's length negotiations with SCA Group, taking into account (i) the benefit of being able to put forward a fixed rate of interest for the Convertible Note for consideration by the Independent Shareholders at the EGM; and (ii) the greater flexibility provided by the extension of the term of the Convertible Note and the additional Optional Conversion Event for SCA Group to convert the outstanding principal amount of the Convertible Note into Conversion Shares (subject to the Company being able to maintain its minimum public float of 25% required under the Listing Rules).

The Directors, including the independent non-executive Directors but excluding Mr. Johann Christoph Michalski, Mr. Jan Christer Johansson, Mr. Carl Magnus Groth and Mr. Ulf Olof Lennart Soderstrom, who, being former or current employees of Svenska Cellulosa Aktiebolaget SCA (publ), had elected to abstain from voting, consider that the terms of the Amendment Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

### **IMPLICATIONS UNDER THE LISTING RULES WITH RESPECT TO THE COMMITMENT FEE**

As each of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the obligation on the Company to pay SCA Group the Commitment Fee is less than 0.1%, the obligation on the Company to pay the Commitment Fee is fully exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## GENERAL

As disclosed in the Announcement and the subsequent announcement of the Company dated 30 November 2015, a circular containing, among other things, details of the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement), the advice from the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders, the recommendations from the Independent Board Committee and the notice convening the EGM together with the proxy form and other information as required under the Listing Rules will be despatched to the Shareholders on or before 31 December 2015.

**Completion of the transactions contemplated under the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement) is conditional upon the satisfaction of certain conditions as disclosed in the Announcement and this announcement, including the approval of the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement) and the transactions contemplated thereunder by the Independent Shareholders at the EGM. Accordingly, the transactions contemplated under the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement) may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Acquisition”	means the acquisition of the Sale Shares pursuant to the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement)
“Amendment Agreement”	means the amendment agreement dated 27 December 2015 and entered into between the Company and SCA Group in relation to the amendment of certain terms in the Sale and Purchase Agreement
“Announcement”	means the announcement of the Company dated 29 October 2015 in relation to the Acquisition
“Commitment Fee”	means 40% per annum of the Margin, calculated on the initial principal amount of the Convertible Note (being HK\$502,058,018) for the period from the date of the Amendment Agreement until the earlier of the termination of the Sale and Purchase Agreement and the Second Completion Date
“Conversion Shares”	means the Shares to be issued and allotted upon conversion of the Convertible Note upon the occurrence of a Mandatory Conversion Event or an Optional Conversion Event
“Convertible Note”	means the convertible note as constituted by a convertible note instrument to be issued by the Company and to be subscribed by SCA Group upon Second Completion

“Deed of Guarantee”	means the deed of guarantee to be entered into by the Obligors on the date on which the Convertible Note is constituted, in favour of the holder(s) of the Convertible Note from time to time, pursuant to which the Obligors will jointly and severally guarantee the performance by the Company of its obligations under the Convertible Note
“Financial Indebtedness”	means any indebtedness of the Group (other than the Convertible Note) for or in respect of (among others) moneys borrowed, amount raised under any credit facility or note purchase facility, amount raised by the issue of shares redeemable at the option of the holder, liability in respect of any finance or capital lease, derivative transaction entered into in connection with protection against fluctuation in any rate or price, and liability in respect of any guarantee or indemnity for any of the foregoing
“First Completion”	means completion of the sale and purchase of the entire issued share capital of SCA Malaysia pursuant to the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement)
“First Completion Date”	means the first calendar month end date falling on or after the fifth Business Day after the date on which the conditions to First Completion are satisfied or waived, or such other date as the Company and SCA Group may agree in writing
“Group”	means the Company and its subsidiaries, and each, a “Group Company”
“HIBOR”	means, in relation to the Convertible Note: (a) the applicable Screen Rate; or (b) if no Screen Rate is available for the Convertible Note, the Interpolated Screen Rate; or (c) if (i) no Screen Rate is available for HK\$; and (ii) no Screen Rate is available for the Convertible Note and it is not possible to calculate an Interpolated Screen Rate for the Convertible Note, the Reference Bank Rate
“Insolvency Event”	means in relation to any person, includes, among others, any of the following events: (a) such person is unable, admits inability or is deemed or declared under law to be unable to pay its debts as they fall due, suspends or threatens to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors with a view to rescheduling any of its indebtedness; (b) the value of the assets of such person is less than its liabilities; (c) a moratorium is declared in respect of any indebtedness of such person; and (d) corporate action or legal proceedings is taken in relation to the winding-up, dissolution, administration or reorganisation of such person

“Interpolated Screen Rate”	means in relation to HIBOR for the Convertible Note, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between: (a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the interest period of three months; and (b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the interest period of three months, each as of the relevant time on the Quotation Date for HK\$
“Mandatory Conversion Event”	means the event upon the occurrence of which the Convertible Note will be converted into Conversion Shares as described in the section headed “Amendment Agreement to the Sale and Purchase Agreement — Amendments to the principal terms of the Convertible Note — Mandatory Conversion Event” in this announcement
“Margin”	means, in relation to the Convertible Note, 1.10% per annum
“Material Adverse Effect”	means a material adverse effect on (a) the business, operations, property, condition (financial or otherwise) or prospects of the Group taken as a whole; (b) the ability of the Company to perform its obligations under the Convertible Note; or (c) the validity or enforceability of the instrument constituting the Convertible Note or the rights or remedies of any holder of the Convertible Note under the Convertible Note
“Maximum Optional Principal Amount”	means the maximum principal amount of the Convertible Note which can be converted into Conversion Shares upon the occurrence of an Option Conversion Event as described in the section headed “Amendment Agreement to the Sale and Purchase Agreement — Amendments to the principal terms of the Convertible Note — Option Conversion Event” in this announcement
“Note Documents”	means the instrument constituting the Convertible Note, the terms and conditions of the Convertible Note and the Deed of Guarantee
“Obligor”	means certain members of the Group which will, pursuant to the Deed of Guarantee, guarantee the performance by the Company of its obligations under the Convertible Note
“Optional Conversion Event”	means the event upon the occurrence of which the Convertible Note will be converted into Conversion Shares as described in the section headed “Amendment Agreement to the Sale and Purchase Agreement — Amendments to the principal terms of the Convertible Note — Optional Conversion Event” in this announcement
“Quotation Date”	means, in relation to any period for which an interest rate of the Convertible Note is to be determined, two Business Days before the first day of such period

“Reference Bank Rate”	means, in relation to HIBOR for the Convertible Note, the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to SCA Group at its request by the Reference Banks, as the rate at which the relevant Reference Bank could borrow funds in the Hong Kong interbank market, in HK\$ and for the relevant period, were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in HK\$ and for that period
“Reference Banks”	means Citibank, Deutsche Bank and ANZ
“Sale Shares”	means the entire issued share capital of each of SCA Malaysia, SCA Korea and SCA Taiwan
“Screen Rate”	means, in relation to HIBOR for the Convertible Note, the percentage rate per annum for the relevant period displayed on the appropriate page of the Reuters screen. If the agreed page is replaced or service ceases to be available, SCA Group may specify another page or service displaying the appropriate rate after consultation with the Company
“Second Completion”	means completion of the sale and purchase of the entire issued share capital of each of SCA Korea and SCA Taiwan pursuant to the Sale and Purchase Agreement (as amended and supplemented by the Amendment Agreement)
“Second Completion Date”	means the Business Day immediately following the First Completion Date, or such other date as the Company and SCA Group may agree in writing
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Vinda Paper Industrial”	means Vinda Paper Industrial (H.K.) Co. Limited, a limited liability company established under the laws of Hong Kong and an indirect wholly-owned subsidiary of the Company

By order of the Board of  
**Vinda International Holdings Limited**  
**LI Chao Wang**  
*Chairman*

Hong Kong, 27 December 2015

As at the date of this announcement, the Board comprises:

*Executive Directors:*

Mr. LI Chao Wang

Ms. YU Yi Fang

Mr. Johann Christoph MICHALSKI

Mr. DONG Yi Ping

Ms. LI Jieli

*Non-executive Directors:*

Mr. Jan Christer JOHANSSON

Mr. Carl Magnus GROTH

Mr. Ulf Olof Lennart SODERSTROM

*Independent Non-executive Directors:*

Mr. KAM Robert

Mr. TSUI King Fai

Mr. WONG Kwai Huen, Albert

Mr. CHIA Yen On

*Alternate Directors:*

Mr. CHIU Bun (alternate to Mr. MICHALSKI and Mr. SODERSTROM)

Mr. Gert Mikael SCHMIDT (alternate to Mr. JOHANSSON and Mr. GROTH)