

*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.*



## **SONAVOX INTERNATIONAL HOLDINGS LIMITED**

### **上聲國際控股有限公司**

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

(Stock Code: 8226)

## **CONNECTED TRANSACTION**

The Board announces that on 5 November 2009, the Agreement was entered into between Shangsheng Technology and Shangsheng Electronics in relation to the acquisition of certain machinery from Shangsheng Electronics by Shangsheng Technology.

### **INTRODUCTION**

The Board announces that on 5 November 2009, the Agreement was entered into between Shangsheng Technology and Shangsheng Electronics in relation to the acquisition of certain machinery from Shangsheng Electronics by Shangsheng Technology.

### **THE AGREEMENT**

#### **Parties**

- (a) Shangsheng Technology, which is principally engaged in manufacture and sales of loudspeaker systems for automobiles; and
- (b) Shangsheng Electronics, which is principally engaged in manufacture and sales of loudspeaker systems for home theatre and automotive aftermarket.

As at date of this announcement, Shangsheng Electronics was ultimately owned by each of Mr. Yang Tsu Ying and Mr. Yang Ching Yau as to 5% and 90% respectively. Mr. Yang Tsu Ying and Mr. Yang Ching Yau are both executive Directors and Shangsheng Electronics, being their associates, is a connected person of the Company. Hence, the transaction contemplated under the Agreement constitutes connected transaction for the Company under Rule 20.13(1)(a) of the GEM Listing Rules. As an applicable percentage ratio is more than 2.5% but less than 25% and the total consideration is less than HK\$10,000,000, the transaction contemplated under the Agreement will therefore only be subject to the reporting and announcement requirements pursuant to Rule 20.32(2) of the GEM Listing Rules.

## **Subject matter**

Pursuant to the Agreement, Shangsheng Electronics has agreed to sell and Shangsheng Technology has agreed to acquire 10 injection moulding machines of various models and one size reduction equipment.

## **Consideration**

The consideration to be paid in cash by Shangsheng Technology to Shangsheng Electronics for the 10 injection moulding machines and one size reduction equipment shall be RMB3,552,935 (equivalent to approximately HK\$4,040,042) which was negotiated between the parties on an arm's length basis and on normal commercial terms. In determining the consideration, Shangsheng Technology and Shangsheng Electronics have considered the aggregate net book value of the injection moulding machines and the size reduction equipment of RMB3,552,718 (equivalent to approximately HK\$4,039,796) as at 30 September 2009. The original purchase cost of the injection moulding machines and the size reduction equipment paid by Shangsheng Electronics was RMB4,644,814 (equivalent to approximately HK\$5,281,618) during 2003 to 2007.

## **REASONS FOR THE TRANSACTION**

The Group is principally engaged in the investment holding, manufacturing and sale of loudspeaker systems to customers in the PRC and overseas markets. The Group acquired the injection moulding machines and the size reduction equipment in order to expand its production facilities and operation size. The Directors believe that such acquisition will contribute positively to the future development and growth of the Group. Having regard to the above factors, the Directors consider that the terms and conditions of the Agreement are fair and reasonable and that the transaction is on normal commercial terms and is in the interest of the Shareholders as a whole.

## **DEFINITIONS**

“Agreement”	the agreement dated 5 November 2009 and entered into between Shangsheng Technology and Shangsheng Electronics in relation to the acquisition of certain machinery from Shangsheng Electronics by Shangsheng Technology
“Board”	the board of Directors
“Company”	Sonavox International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange

“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	collectively, the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Shangsheng Electronics”	上聲電子(蘇州工業園區)有限公司 (Shangsheng Electronics (Suzhou Industrial Park) Company Limited), a company established in the PRC and is owned by each of Mr. Yang Tsu Ying and Mr. Yang Ching Yau (both being executive Directors) as to 5% and 90% respectively
“Shangsheng Technology”	蘇州上聲科技有限公司 (Suzhou Shangsheng Technology Co. Ltd.), a company established in the PRC and a non-wholly-owned subsidiary of the Company
“%”	per cent.

By order of the Board  
**Sonavox International Holdings Limited**  
**Yang Tsu Ying**  
*Chairman*

Hong Kong, 5 November 2009

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Yang Tsu Ying and Mr. Yang Ching Yau; and three independent non-executive Directors, namely Mr. Yiu Chi Wah, Mr. Fan Chi Fai, Paul, and Mr. Lee Fang Yu.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the Company’s website at [www.sonavox.com.hk](http://www.sonavox.com.hk).*

*For the purpose of this announcement, translations of RMB into HK\$ or vice versa have been calculated by using an exchange rate of RMB1.00 = HK\$1.1371.*