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WONSON INTERNATIONAL HOLDINGS LIMITED

(和成國際集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 651)

LETTER OF INTENT

On 28 September 2007, the Company has entered into a legally binding Letter of Intent with an independent third party, pursuant to which the Company may acquire (subject to the Formal Agreement) from the Vendor the entire interest in the Target which holds 100% interests in the PRC Subsidiary. The Target Group is principally engaged in ship building and repairing.

Pursuant to the terms of the Letter of Intent, the Proposed Acquisition is subject to the completion of the Due Diligence Review and the negotiation and finalization of the terms and conditions in relation thereof. **Accordingly, the Proposed Acquisition may or may not proceed.**

Subject to the terms and conditions of the Letter of Intent and upon completion of the Due Diligence Review, the parties to the Letter of Intent will enter into the Formal Agreement. Further announcement will be made by the Company when the Formal Agreement is being entered into by the parties to the Letter of Intent.

This announcement is made pursuant to Rule 13.09 of the Listing Rules. The Proposed Acquisition, if materializes, may constitute a notifiable transaction for the Company under the Listing Rules and the Company shall comply with the relevant disclosures and/or shareholders' approval requirements of the Listing Rules where appropriate.

As the Proposed Acquisition may or may not proceed, shareholders and investors of the Company should exercise caution in dealing in the Shares.

Consideration	The basis of consideration and purchase price are subject to, among other things, further negotiation and finalization and will be fixed upon completion of the Due Diligence Review.
Payment terms	The total consideration shall be satisfied by a combination of (i) cash; (ii) new Shares, to be issued, at an issue price of HK\$0.15 per Share; and (iii) convertible notes of the Company, to be issued, which are exercisable by the convertible note holders at a conversion price of HK\$0.15 per new Share. The basis in respect of the issue price of the new Shares and the conversion price of the convertible notes were determined between the Company and the Vendor, among other things, after arm's length negotiations with reference to the Company's recent share price performance. The combination of payment by which the consideration to be satisfied is subject to further negotiation and finalization and will be fixed upon completion of the Due Diligence Review.
Refundable Deposit	Pursuant to the terms of the Letter of Intent, after the execution of the Letter of Intent, a refundable deposit of HK\$50,000,000 (the "Deposit") will be deposited with a mutually agreed escrow agent who shall act as a stakeholder and hold the Deposit until the satisfactory completion of the Formal Agreement whereupon the Deposit will be released to the Vendor as partial payment of the total consideration as stipulated in the Formal Agreement.
Due diligence	The Company has two months from the date of the Letter of Intent to conduct the Due Diligence Review and to determine whether or not to proceed with the Proposed Acquisition.
Lapse of the Letter of Intent	In the event that the Company is not satisfied with the result of the Due Diligence Review, among other things, of the affairs of the Target Group on or before the expiry of the Due Diligence Review Period, the Letter of Intent will lapse and neither party shall have any obligations towards the other party nor has any claims against the other party.

Exclusivity	The Vendor undertakes to the Company that during the Due Diligence Review Period, the Company has the exclusive right to negotiate and execute the formal agreement in respect of the Proposed Acquisition.
Non-legal binding terms	<p>The Vendor undertakes to the Company that:</p> <ul style="list-style-type: none"> (i) the aggregate profits after tax shown in the audited consolidated accounts of the PRC Subsidiary for the financial year ending 31 December 2008 in accordance with Hong Kong Financial Reporting Standards shall not be less than HK\$600,000,000 (the “Profit Guarantee”). Compensation for not fulfilling the Profit Guarantee requirement is subject to, among other things, further negotiation and finalization upon completion of the Due Diligence Review; and (ii) the fair market value of the assets of the PRC Subsidiary to be shown in a valuation report issued by an independent valuer shall be not less than HK\$2,000,000,000.

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GENERAL

The Group is principally engaged in metals trading and investments in securities. The Board considers that the Proposed Acquisition represents an attractive opportunity for the Group to diversify into a new business segment.

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As the Proposed Acquisition may or may not proceed, shareholders and investors of the Company should exercise caution in dealing in the Shares.

Trading in the Shares on the Stock Exchange has been suspended from 9:30 a.m. on 28 September 2007 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares from 9:30 a.m. on 2 October 2007.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Wonson International Holdings Limited, a company incorporated in Bermuda with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Due Diligence Review”	a due diligence review of the financial condition, legal and other affairs of the Target Group to the satisfaction of the Company
“Due Diligence Review Period”	two months from the date of the Letter of Intent
“dwt”	deadweight tonnes, a unit of a vessel's capacity for cargo, fuel oil, stores and crew, measured in metric tonnes of 1,000 kilograms

“Formal Agreement”	a formal legally binding (and subject to various conditions) sales and purchase agreement to be entered into by the parties to the Letter of Intent
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Letter of Intent”	the letter of intent dated 28 September 2007 and entered into between the Company and the Vendor in relation to the Proposed Acquisition
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“PRC Subsidiary”	江西江洲聯合造船有限責任公司, a company established in the PRC and a wholly-owned subsidiary of the Target
“Proposed Acquisition”	the proposed acquisition of the entire issued share capital of the Target from the Vendor by the Company pursuant to the Formal Agreement
“Share(s)”	the ordinary share(s) of HK\$0.001 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	INPAX Technology Limited, a company incorporated in the British Virgin Islands with limited liability and wholly owned by the Vendor
“Target Group”	Target and its subsidiaries

“Vendor”

Million King Investments Limited, a company incorporated in the British Virgin Islands with limited liability which holds 100% interests in the Target

By Order of the Board
Wonson International Holdings Limited
Chau On Tai Yuen
Chairman

Hong Kong, 28 September 2007

As at the date of this announcement, (i) the executive Directors are Mr. Chau On Tai Yuen, Mr. Tang Chi Ming, Ms. Cheung Sze Man and Mr. Chen Zhong Min; and (ii) independent non-executive Directors are Ms. Chan Ling, Eva, Mr. Chan Sek Nin, Jackey and Mr. Sin Chi Fai.

** For identification purposes only*