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**Willie International Holdings Limited**  
**威利國際控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 273)

**DISCLOSEABLE TRANSACTION**  
**- ACQUISITION OF 25% INTEREST IN AMERINVEST**  
**RESUMPTION OF TRADING**

On 20th March, 2006, the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Vendor pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Shares in Amerinvest, representing 25% of the issued share capital of Amerinvest at the Sale Price of HK\$69,900,000.

The Agreement when aggregated with the First Acquisition constitutes a discloseable transaction for the Company under Chapter 14.06 and 14.22 of the Listing Rules.

A circular containing details of the Agreement will be despatched to the Shareholders as soon as practicable.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 21st March, 2006 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 23rd March, 2006.

**THE AGREEMENT**

Date: 20th March, 2006

Parties to the Agreement: Honour Era Group Limited as Vendor  
Smart Way Resources Limited as Purchaser  
Mr. Li as guarantor of the Vendor

The Vendor is beneficially owned by Mr. Li. The Purchaser is an indirect wholly-owned subsidiary of the Company.

The Vendor agreed to sell and the Purchaser agreed to purchase 2,500 Sale Shares in Amerinvest, representing 25% of the issued share capital of Amerinvest for a consideration of HK\$69,900,000.

Completion shall take place on the seventh day after the date of the Agreement (or if such day is not a business day, the next business day).

**Consideration:**

The aggregate consideration payable by the Purchaser under the Agreement is HK\$69.9 million payable as follows:-

- (i) HK\$25 million on completion of the Agreement;
- (ii) HK\$44.9 million as deferred consideration on the day falling 3 weeks from the date of the Agreement (or if such day is not a business day, the next business day).

The consideration was arrived at after arms length negotiations between the Vendor and the Purchaser based on the consideration paid by the Company under the First Acquisition.

The consideration paid by the Company for the initial 25% of Amerinvest acquired under the First Acquisition was HK\$66.25 million, which was satisfied by the issue of 250 million new shares in the Company. The market value of such consideration shares based on the closing price of the shares of the Company on 20th March 2006 was approximately HK\$118 million. The higher price per Sale Share paid by the Company for the 25% interest in Amerinvest under the Agreement also reflects a premium paid for the acquisition of a larger combined stake in Amerinvest to give the Company a total of 50% shareholding interest in Amerinvest.

**AMERINVEST/THE VENDOR**

As at the date of this announcement, Amerinvest is held 25% by the Vendor, 25% by the Purchaser, 49.65% by Mr. Wang Sing and 0.35% by China Capital on trust for Mr. Li. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Mr. Li and the Vendor are not Connected Persons of the Company and are otherwise independent of the Company and Connected Persons of the Company. So far as the Company is aware, there is no other significant on-going business relationship between Mr. Wang Sing and Mr. Li save that they are co-investors in Amerinvest.

After completion of the Agreement, Amerinvest will be held 50% by the Purchaser, 49.65% by Mr. Wang Sing, and 0.35% by China Capital on trust for Mr. Li. Currently, Mr. Wang Sing is the sole director of Amerinvest. It is the commercial agreement between the parties that the Purchaser will not nominate any representatives on board of Amerinvest on completion of the Agreement. In future, subject to commercial negotiations, the Company may consider putting representatives on the board of Amerinvest.

Amerinvest was incorporated on 2nd January, 2003. Amerinvest is an investment holding vehicle set up for the purpose of exploring and investing in coking and chemical projects in the PRC. Amerinvest holds 25% of the registered capital of West China Coking.

Based on the unaudited financial statements of Amerinvest for the period from 2nd January, 2003 (date of incorporation) to 31st December, 2005, the unaudited net asset value of Amerinvest was approximately HK\$36,389,677 and the unaudited net loss was approximately HK\$1,095,425.

Based on the unaudited financial statements of West China Coking for the 11 months ended 30th November, 2005, the unaudited turnover and net profit were approximately RMB593.2 million and RMB52.4 million respectively. The unaudited total assets and net assets of West China Coking as at 30th November, 2005 were approximately RMB926.0 million and RMB202.9 million respectively.

The unaudited net asset value of Amerinvest comprises of cash and investment in 25% of West China Coking in the approximate amounts of HK\$2 million and HK\$34.4 million respectively. Amerinvest's attributable share of the net assets of West China Coking (based on its shareholding) was RMB 50.7 million, based on the unaudited financial statements of West China Coking for the 11 months ended 30th November, 2005.

After Completion of the Agreement, Amerinvest will be treated as an associate in the accounts of the Company.

## **WEST CHINA COKING**

As set out in the announcement of the Company dated 17th January, 2006 and circular dated 7th February, 2006 in relation to the First Acquisition, China Capital has informed the Company that the existing agreement between Amerinvest and the existing shareholders of West China Coking contemplates a right ("Right") for Amerinvest to acquire an additional 29.8% interest in West China Coking and thus becoming the controlling shareholder of West China Coking and two other projects which are expected to have an additional annual production of approximately 2.1 million tons of coke and approximately 500,000 tons of synthetic ammonia in the event that Amerinvest can raise US\$100 million by February 2006 for West China Coking and the two other projects described above. The Company has not entered into any agreement in relation to the provision of the financing for such amount and is under no obligation to do so. Pursuant to the terms of the Agreement, the Vendor and Mr. Li represented to the Company that Mr. Wang Sing on behalf of Amerinvest is in negotiations with the existing shareholders of West China Coking to extend the Right and that the Vendor and Mr. Li are confident that Mr. Wang Sing can procure the extension of the Right and the Right is not adversely affected by the Agreement.

## **GENERAL INFORMATION**

The Agreement when aggregated with the First Transaction constitutes a discloseable transaction under Chapter 14.06 and 14.22 of the Listing Rules.

## **REASONS FOR THE TRANSACTION**

Pursuant to the First Acquisition, the Company acquired a 25% stake in Amerinvest from China Capital, a company wholly-owned by Mr. Wang Sing, which transaction was completed on 9th March 2006.

As disclosed in the circular dated 7th February, 2006 relating to the First Acquisition, the Directors consider that West China Coking has strong business results and prospects in the production and distribution of coke and the related gas chemicals. West China Coking possesses solid support from its existing shareholders and has an experienced management

team responsible for its strategic planning and business development. With the leadership of Mr. Wang Sing in Amerinvest and West China Coking, the Company's investment in Amerinvest is expected to have promising prospects. In the event that the Company acquires a further stake of the appropriate size in Amerinvest, the Company is able to consolidate the results of Amerinvest into the Group whenever the business performance of Amerinvest and the investment terms are desirable for the Company. Most of the Company's existing investments are start up investments which are still in the start up stages and may take a longer period than originally expected to achieve breakeven and contribution to the Group. In comparison, West China Coking is already in operation and has proven results.

The Agreement allows the Company to further consolidate its interest in Amerinvest, which is expected to have a promising outlook, based on reasons as disclosed in the Company's announcement and circular in relation to the First Acquisition as summarised above.

## **GENERAL**

The Group is principally engaged in investment holding. The Group through various subsidiaries is engaged in (i) property investments; (ii) investment in trading securities; (iii) automobile sales and repairing in the PRC; (iv) provision of brokerage and financial services; and (v) investments in coke and related gas chemical business.

A circular containing details of the Agreement will be despatched to Shareholders as soon as practicable.

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## **DEFINITIONS**

The following terms are used in this announcement within the meanings set opposite them:-

“Agreement”	the sale and purchase agreement dated 20th March, 2006 between Mr. Li, the Vendor, the Purchaser and the Company in relation to the sale and purchase of the Sale Shares at the Sale Price;
“Amerinvest”	Amerinvest Coal Industry Holding Company Limited, a company incorporated in the British Virgin Islands;
“Amerinvest Group”	Amerinvest and West China Coking;
“Associates”	has the meaning ascribed thereto in the Listing Rules;
“Board”	the board of directors of the Company;
“China Capital”	China Capital Advisors Corporation, a company incorporated in the Cayman Islands;

“Company”	Willie International Holdings Limited, a company incorporated in Hong Kong, whose shares are listed on the Stock Exchange;
“Connected Person(s)”	has the meaning ascribed thereto in the Listing Rules;
“Directors”	the directors of the Company;
“First Acquisition”	the Company’s acquisition of 25% of the issued share capital of Amerinvest pursuant to the conditional sale and purchase agreement dated 12th January, 2006 entered into by China Capital and the Purchaser, details of which were set out in the Company’s announcement dated 17th January, 2006 and circular dated 7th February, 2006;
“Group”	the Company and its subsidiaries;
“Mr. Li”	Mr. Li Wai Lung;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“Purchaser”	Smart Way Resources Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company;
“Sale Price”	HK\$69,900,000;
“Sale Shares”	2,500 shares in Amerinvest, representing 25% of the issued share capital of Amerinvest;
“Shareholder(s)”	holder of (a) share(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	Honour Era Group Limited, a company incorporated in the British Virgin Islands; and
“West China Coking”	曲靖大為焦化制供氣有限公司 West China Coking & Gas Company Limited, a company incorporated in the People’s Republic of China.

As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Chuang Yueheng, Henry, Mr. King Phillip, Mr. Lo Kan Sun and Mr. Wong Ying Seung, Asiong and five independent non-executive directors, namely Mr. Lam Ping Cheung, Mr. Miu Frank H., Mr. Nakajima Toshiharu, Ms. Lin Wai Yi and Mr. Liu Jian.

By order of the Board  
**Willie International Holdings Limited**  
**Chuang Yueheng, Henry**  
*Chairman*

Hong Kong, 22nd March, 2006