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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)**

**PROPOSED RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE  
FOR EVERY TWO SHARES HELD ON THE RECORD DATE**

**Underwriter of the Rights Issue**

**CHUNG NAM SECURITIES LIMITED**

**PROPOSED RIGHTS ISSUE**

The Company proposes to raise approximately HK\$43.9 million before expenses by issuing not less than 41,820,601 new Shares and to raise approximately HK\$52.7 million before expenses by issuing not more than 50,184,721 new Shares to the Qualifying Shareholders by way of the rights issue at a subscription price of HK\$1.05 per Rights Share on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date.

The estimated net proceeds of the Rights Issue will be approximately HK\$41.7 million (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) to HK\$50.3 million (assuming (i) no repurchase of Shares and (ii) the Issue Mandate are fully utilised on or before the Record Date). The Company intends to apply the net proceeds from the Rights Issue to finance the possible investment of hotel development project and the remaining will be used as general working capital of the Group. As at the date of this announcement, the Company is in negotiation for investing in a hotel development project in the Southeast Asia, however, no definitive agreement has been entered into.

**The Rights Issue is conditional, inter alia, upon the fulfillment of the conditions set out under the section headed “Conditions of the Rights Issue” of this announcement. Accordingly, the Rights Issue may or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue could not become unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.**

## **GENERAL**

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders at the general meeting.

The Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Posting Date and the Prospectus will be despatched to the Non-Qualifying Shareholders for information only.

## **PROPOSED RIGHTS ISSUE**

On 21 November 2012, the Company and the Underwriter entered into the Underwriting Agreement in respect of the proposed Rights Issue.

### **Issue statistics**

Basis of the Rights Issue	: One (1) Rights Share for every two (2) Shares held on the Record Date
Number of existing Shares in issue as at the date of this announcement	: 83,641,203
Number of Rights Shares	: not less than 41,820,601 Rights Shares (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) and not more than 50,184,721 Rights Shares (assuming (i) no repurchase of Shares and (ii) the Issue Mandate are fully utilised on or before the Record Date) ( <i>Note</i> )
Subscription Price	: HK\$1.05 per Rights Share with nominal value of HK\$0.01 each

#### *Note:*

Assuming further issue of new Shares upon full utilisation of the Issue Mandate and no repurchase of Shares on or before the Record Date, a total of 16,728,240 new Shares may fall to be issued. Accordingly, an additional 8,364,120 Rights Shares would be issued, in which case the maximum number of Rights Shares that may be issued by the Company pursuant to the Rights Issue will increase to 50,184,721.

As at the date of this announcement, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares. Assuming no further issue of new Shares or repurchase of Shares on or before the Record Date, the 41,820,601 nil-paid Rights Shares proposed to be provisionally allotted represent 50% of the Company's issued share capital as at the date of this announcement and 33.3% of the Company's issued share capital as enlarged by the issue of the 41,820,601 Rights Shares.

### **Qualifying Shareholders**

The Company will send the Prospectus Documents to Qualifying Shareholders only. To qualify for the Rights Issue, a Shareholder must:

1. be registered as a member of the Company at the close of business on the Record Date; and
2. be a Qualifying Shareholder.

In order to be registered as members of the Company at the close of business on the Record Date, Shareholders must lodge any transfers of Shares (together with the relevant share certificates) with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Thursday, 29 November 2012.

### **Closure of register of members**

The register of members of the Company will be closed from Friday, 30 November 2012 to Tuesday, 4 December 2012, both days inclusive. No transfer of Shares will be registered during this period.

### **Rights of Overseas Shareholders**

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

The Company will make enquiries pursuant to Rule 13.36(2) of the Listing Rules regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place(s) or the requirements of the relevant regulatory body or stock exchange in that (those) place(s), the Rights Issue

will not be available to such Overseas Shareholders. Further information in this connection will be set out in the Prospectus. The Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send any PAL and EAF to them.

Arrangements will be made for Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of more than HK\$100 will be paid pro rata to the Non-Qualifying Shareholders. The Company will retain individual amounts of HK\$100 or less for the benefits of the Company. Any unsold entitlement of Non-Qualifying Shareholders, together with any Rights Shares provisionally allotted but not accepted, will be made available for excess application on EAFs by Qualifying Shareholders.

### **Subscription Price**

The Subscription Price for the Rights Shares is HK\$1.05 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, application for excess Rights Shares under the Rights Issue or when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- a) a discount of approximately 41.34% to the closing price of HK\$1.79 per Share as quoted on the Stock Exchange on the Last Trading Day;
- b) a discount of approximately 43.00% to the average closing price of HK\$1.842 per Share as quoted on the Stock Exchange for the five consecutive trading days prior to the Last Trading Day; and
- c) a discount of approximately 31.97% to the theoretical ex-right price of approximately HK\$1.543 per Share based on the closing price of HK\$1.79 per Share as quoted on the Stock Exchange on the Last Trading Day.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the prevailing market price of the Shares. The Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Subscription Price which has been set as a discount to the closing price of the Shares on the Last Trading Day with an objective to encourage existing Shareholders to take up their entitlements so as to participate in the potential growth of the Company, to be fair and reasonable and in

the best interests of the Company and the Shareholders as a whole. The net price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) will be approximately HK\$1.

### **Basis of provisional allotments**

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) Shares in issue and held on Record Date, being not less than 41,820,601 Rights Shares and not more than 50,184,721 Rights Shares at a price of HK\$1.05 per Rights Share. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for.

### **Fractions of Rights Shares**

The Company will not provisionally allot fractions of Rights Shares. The aggregate of fractions of the Rights Shares will be sold by the Company in the market, and, if a net premium can be obtained the proceeds will be retained by the Company for its own benefit. Any unsold aggregate of fractions of the Rights Shares will be made available for excess application by the Qualifying Shareholders.

### **Status of the Rights Shares**

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* with the then existing Shares in issue in all respects. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid after the date of allotment and issue of the Rights Shares.

### **Application for excess Rights Shares**

Qualifying Shareholders may apply, by way of excess application, for any unsold entitlements of the Non-Qualifying Shareholders and for any Rights Shares provisionally allotted but not accepted. Applications for excess Rights Shares may be made by completing the EAFs for application for excess Rights Shares and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Directors will allocate the excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

1. preference will be given to applications for less than a board lot of Rights Shares where they appear to the Directors that such applications are made to round up odd-lot holdings to whole-lot holdings and that such applications are not made with the intention to abuse this mechanism; and

2. subject to availability of excess Rights Shares after allocation under principle (1) above, the excess Rights Shares will be allocated to Qualifying Shareholders based on a sliding scale with reference to the number of the excess Rights Shares applied by them (i.e. Qualifying Shareholders applying for a smaller number of Rights Shares are allocated with a higher percentage of successful application but will receive a lesser number of Rights Shares; whereas Qualifying Shareholders applying for a larger number of Rights Shares are allocated with a smaller percentage of successful application but will receive a higher number of Rights Shares), and with board lot applications to be made on a best effort basis.

Investors with their Shares held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

Investors whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company, must lodge all necessary documents with the Registrar for completion of the relevant registration by 4:30 p.m. on Thursday, 29 November 2012.

### **Share certificates and refund cheques for Rights Issue**

Subject to the fulfillment of the conditions of the Rights Issue, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Friday, 28 December 2012. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Friday, 28 December 2012 by ordinary post to the applicants at their own risk.

### **Application for listings**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the

respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Both nil-paid Rights Shares and fully-paid Rights Shares will be traded in board lots of 10,000 Shares.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms, which are registered in the register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon the following being fulfilled:

1. the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of and permission to deal in all the Rights Shares, in both nil-paid and fully-paid forms, by no later than the Posting Date;
2. the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong of one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by a resolution of the Directors (and all other documents required to be attached thereto) not later than the Posting Date and otherwise in compliance with the Listing Rules and the Companies Ordinance;
3. the posting of the Prospectus Documents to the Qualifying Holders and the posting, to the extent reasonably practicable, of the Prospectus for information purposes only to the Oversea Shareholders; and
4. compliance with and performance of all the undertakings and obligations of the Company under the terms of the Underwriting Agreement.

In the event that the above conditions have not been fulfilled and/or waived in whole or in part by the Underwriter on or before 29 March 2013 (or such other date as the Underwriter and the Company may agree), all liabilities of the parties to the Underwriting Agreement shall cease and determine and no party shall have any claim against the other party save for any antecedent breach of the Underwriting Agreement and the Rights Issue will not proceed.

## **UNDERWRITING ARRANGEMENT**

### **The Underwriting Agreement**

Date : 21 November 2012

Underwriter : Chung Nam Securities Limited

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, the Underwriter is a third party independent of the Company and its connected persons (as defined under the Listing Rules)

Total number of Rights Shares being underwritten by the Underwriter : The Underwriter has conditionally agreed pursuant to the Underwriting Agreement to underwrite the Rights Shares not subscribed by the Qualifying Shareholders on a fully underwritten basis to a maximum extent, being not less than 41,820,601 Rights Shares and not more than 50,184,721 Rights Shares, subject to the terms and conditions of the Underwriting Agreement

Commission : 2.5% of the aggregate Subscription Price of the Underwritten Shares as determined on the Record Date

### **Termination of the Underwriting Agreement**

The Underwriter shall have the right to terminate the arrangements set out in the Underwriting Agreement by notice in writing given to the Company at any time prior to 4:00 p.m. on the third Business Day after the Acceptance Date, if:

- (a) in the reasonable opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:-
  - (i) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or



- (ii) the occurrence of any local, national or international event or change, whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement, of a political, financial, economic, currency market or other nature (whether or not ejusdem generis with any of the foregoing) or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
  - (iii) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
  - (iv) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole;
  - (v) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
  - (vi) the commencement or taking by any third party of any litigation or claim or other action against any member of the Group which is or might be material to the Group taken as a whole; or
- (b) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the PRC or other jurisdiction relevant to the Group or any member of the Group and a change in currency conditions for the purpose of this clause includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of the Underwriter makes it inexpedient or inadvisable to proceed with the Rights Issue;

- (c) the Prospectus when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which in the reasonable opinion of the Underwriter is material to the Group as a whole and is likely to affect materially and adversely the success of the Rights Issue or might cause a prudent investor not to accept the Rights Shares provisionally allotted to it;
- (d) the Company commits any material breach of or omits to observe any of the material obligations or material undertakings expressed to be assumed by it under the Underwriting Agreement;
- (e) if, at or prior to the Latest Time for Termination :
  - (i) any material breach of any of the warranties or undertakings of the Company contained under the Underwriting Agreement comes to the knowledge of the Underwriter; or
  - (ii) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties of the Company contained under the Underwriting Agreement untrue or incorrect in any material respect comes to the knowledge of the Underwriter,

the Underwriter shall be entitled by notice in writing to the Company prior to the Latest Time for Termination to elect to rescind the Underwriting Agreement.

**Upon the giving of such notice, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine (save for any antecedent breaches thereof) and no party to the Underwriting Agreement shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement. If the Underwriter exercises such right, the Rights Issue will not proceed.**

#### **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES**

**The Rights Issue is conditional, inter alia, upon the fulfillment of the conditions set out under the section headed “Conditions of the Rights Issue” of this announcement. Accordingly, the Rights Issue may or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled will bear the risk that the Rights Issue could not become**

**unconditional and may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the securities of the Company.**

**EXPECTED TIMETABLE FOR THE RIGHTS ISSUE**

2012

Last day of dealing in Shares on a cum-entitlement basis .....	Tuesday, 27 November
First day of dealing in Shares on an ex-entitlement basis.....	Wednesday, 28 November
Latest time for lodging transfer of Shares in order to be qualified for Subscription of the Rights Issue.....	4:30 p.m. on Thursday, 29 November
Register of members of the Company closes (both dates inclusive) .....	Friday, 30 November to Tuesday, 4 December
Record Date .....	5:00 p.m. on Tuesday, 4 December
Register of members of the Company reopens.....	Wednesday, 5 December
Despatch of Prospectus Documents.....	Wednesday, 5 December
First day of dealing in nil-paid Rights Shares .....	Friday, 7 December
Latest time for splitting nil-paid Rights Shares.....	4:30 p.m. on Tuesday, 11 December
Last day of dealing in nil-paid Rights Shares .....	Friday, 14 December
Latest time for acceptance of and payment for Rights Shares .....	4:00 p.m. on Wednesday, 19 December

Latest time for the Rights Issue to become unconditional.....	4:00 p.m. on Monday, 24 December
Announcement of the results of the Rights Issue to be posted on the Stock Exchange's website .....	Thursday, 27 December
Refund cheques for wholly and partially unsuccessful excess applications to be posted.....	Friday, 28 December
Share certificates for Rights Shares to be posted .....	Friday, 28 December
Dealing of Rights Shares in fully paid form commences.....	9:00 a.m. on Monday, 31 December

#### **SHAREHOLDING STRUCTURE OF THE COMPANY**

Set out below is the shareholding structure of the Company assuming that there is no change in the shareholding structure of the Company from the date of this announcement to immediately after completion of the Rights Issue save pursuant to further issue of new Shares upon the utilisation of the Issue Mandate.

## Scenario 1:

Assuming no further issue of new Shares or repurchase of Shares on or before the Record Date:

	As at the date of announcement		Immediately after completion of the Rights Issue assuming all Qualifying Shareholders take up their respective allotment of Rights Shares in full		Immediately after completion of the Rights Issue assuming no Qualifying Shareholders takes up any of the Rights Shares and the Underwriter takes up the Rights Shares to the maximum extent	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
<b>Directors</b>						
Chuang Yueheng Henry	24,530,293	29.33%	36,795,439	29.33%	24,530,293	19.55%
Wong Ying Seung Asiong	8,315,200	9.94%	12,472,800	9.94%	8,315,200	6.63%
Tsui Hung Wai Alfred	4,234,000	5.06%	6,351,000	5.06%	4,234,000	3.38%
Fung Yue Tak, Derek	3,954,000	4.73%	5,931,000	4.73%	3,954,000	3.15%
<b>Underwriter</b>	—	0.00%	—	0.00%	41,820,601	33.33%
<b>Public Shareholders</b>	<u>42,607,710</u>	<u>50.94%</u>	<u>63,911,565</u>	<u>50.94%</u>	<u>42,607,710</u>	<u>33.96%</u>
Total	<u>83,641,203</u>	<u>100.00%</u>	<u>125,461,804</u>	<u>100.00%</u>	<u>125,461,804</u>	<u>100.00%</u>

## Scenario 2:

Assuming further issue of new Shares upon full utilisation of the Issue Mandate and no repurchase of Shares on or before the Record Date:

	As at the date of announcement		Assuming no repurchase of Shares, further issue of new Shares upon full utilisation of the Issue Mandate on or before the Record Date		Immediately after completion of the Rights Issue assuming all Qualifying Shareholders take up their respective allotment of Rights Shares in full		Immediately after completion of the Rights Issue assuming no Qualifying Shareholders takes up any of the Rights Shares and the Underwriter takes up the Rights Shares to the maximum extent	
	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %	Number of Shares	Approx. %
<b>Directors</b>								
Chuang Yueheng Henry	24,530,293	29.33%	24,530,293	24.44%	36,795,439	24.44%	24,530,293	16.30%
Wong Ying Seung Asiong	8,315,200	9.94%	8,315,200	8.28%	12,472,800	8.28%	8,315,200	5.52%
Tsui Hung Wai Alfred	4,234,000	5.06%	4,234,000	4.22%	6,351,000	4.22%	4,234,000	2.81%
Fung Yue Tak Derek	3,954,000	4.73%	3,954,000	3.94%	5,931,000	3.94%	3,954,000	2.63%
<b>Underwriter</b>								
<b>Public Shareholders</b>							50,184,721	33.33%
Maximum amount of new Shares issued under the Issue Mandate	—	0.00%	16,728,240	16.67%	25,092,360	16.67%	16,728,240	11.11%
Other public Shareholders	42,607,710	50.94%	42,607,710	42.45%	63,911,565	42.45%	42,607,710	28.30%
<b>Total</b>	<u>83,641,203</u>	<u>100.00%</u>	<u>100,369,443</u>	<u>100.00%</u>	<u>150,554,164</u>	<u>100.00%</u>	<u>150,554,164</u>	<u>100.00%</u>

*Note:*

This scenario is for illustrative purpose. Pursuant to the Underwriting Agreement, the Underwriter undertakes that in the event that the Underwriter is required to take up the Rights Shares pursuant to its underwriting obligations:

- (i) The Underwriter shall not subscribe, for its own account, for such number of untaken shares which will result in the shareholding of it and parties acting in concert (within meaning of the Takeovers Code) with it in the Company to exceed 29.9% or more of the issued share capital of the Company upon the completion of the Rights Issue; and
- (ii) The Underwriter shall and shall cause the sub-underwriters to procure independent places to take up such number of Rights Shares as necessary to ensure that the public flat requirements under Rule 8.08 of the Listing Rules are complied with upon completion of the Rights Issue.

## **REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS**

The Company and its subsidiaries are principally engaged in the business of property investment, investment in securities trading, money lending and investment holding.

The gross proceeds of the Rights Issue will be not less than approximately HK\$43.9 million (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) but not more than approximately HK\$52.7 million (assuming (i) no repurchase of Shares and (ii) the Issue Mandate are fully utilised on or before the Record Date). The estimated net proceeds of the Rights Issue will be approximately HK\$41.7 million (assuming no further issue of new Shares or repurchase of Shares on or before the Record Date) to HK\$50.3 million (assuming (i) no repurchase of Shares and (ii) the Issue Mandate are fully utilised on or before the Record Date). Accordingly, the Company intends to apply the net proceeds from the Rights issue to finance the possible investment of hotel development project and the remaining will be used as general working capital of the Group. As at the date of this announcement, the Company is in negotiation for investing in a hotel development project in the Southeast Asia, however, no definitive agreement has been entered into.

The Board considers that it is prudent to finance the Group's long term growth by way of the Rights Issue which will not only strengthen the Group's capital base and enhance its financial position without increasing finance costs, but will also allow all Qualifying Shareholders the opportunity to participate in the growth of the Group through the Rights Issue at a price lower than the current market price of the Shares. Accordingly, the Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

## **PREVIOUS FUND RAISING EXERCISE IN THE PRIOR 12-MONTH PERIOD**

On 24 October 2012, the Company announced its proposed issue of bonds in a maximum principal amount of HK\$250 million. Since then, the Company has not yet issued any bonds.

Save as disclosed above, the Company has not conducted any fund raising activities in the past twelve months immediately preceding the date of this announcement:

## **GENERAL**

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to the approval of the Shareholders at the general meeting.

The Prospectus Documents setting out details of the Rights Issue will be despatched to the Qualifying Shareholders on the Posting Date and the Prospectus will be despatched to the Non-Qualifying Shareholders for information only.

## **DEFINITIONS**

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Acceptance Date”	19 December 2012 (or such other date as the Underwriter may agree in writing with the Company as the latest date for acceptance of, and payment for, Rights Shares and application and payment for excess Rights Shares)
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and Public Holiday) on which banks are generally open for business more than five hours in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Company”	Willie International Holdings Limited (stock code:273), a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“EAF”	the form of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, being in such usual form as may be agreed between the Company and the Underwriter
“Group”	the Company and its subsidiaries



“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate granted at the annual general meeting of the Company held on 22 May 2012 pursuant to which the Directors have been authorised to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at 22 May 2012
“Last Trading Day”	21 November 2012, being the date of the Underwriting Agreement
“Latest Time for Termination”	4:00 p.m. on the third Business Day following the Acceptance Date
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholders”	those Overseas Shareholders whom the Directors, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“PAL”	the renounceable provisional allotment letter(s) proposed to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Posting Date”	such date as maybe designated by the Company for the posting of the Prospectus Documents, which is currently expected to be 5 December 2012
“PRC”	the People’s Republic of China

“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus, PAL and EAF
“Qualifying Shareholders”	Shareholder(s) whose name(s) appear on the register of members of the Company as at the close of business on the Record Date, other than the Excluded Shareholders
“Record Date”	4 December 2012, the record date to determine entitlements to the Rights Issue
“Registrar”	the share registrar and transfer office of the Company in Hong Kong, being Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Rights Issue”	the proposed issue by way of rights on the basis of one Rights Share for every two Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Rights Shares”	Shares to be issued and allotted under the Rights Issue, being not less than 41,820,601 Shares and not more than 50,184,721 Shares
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$1.05 per Rights Share
“Underwriter”	Chung Nam Securities Limited, a corporation licensed to carry out type 1 (dealing in securities) regulated activities within the meaning of the SFO

“Underwriting Agreement”	the underwriting agreement dated 21 November 2012 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue
“Underwritten Shares”	not less than 41,820,601 and not more than 50,184,721 Rights Shares underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“%” or “per cent.”	percentage or per centum

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

Hong Kong, 21 November 2012

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

*Executive Directors:*

Dr. Chuang Yueheng, Henry  
Mr. Wong Ying Seung, Asiong  
Mr. Tsui Hung Wai, Alfred  
Mr. Fung Yue Tak, Derek

*Independent Non-Executive Directors:*

Mr. Cheung Wing Ping  
Mr. Wen Louis  
Mr. Yau Yan Ming, Raymond  
Mr. Frank H. Miu  
Mr. Antonio Maria Santos