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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 —  
DISPOSAL OF FINANCIAL ASSETS  
AND  
RESUMPTION OF TRADING**

**THE DISPOSAL**

The Board is pleased to announce that on 29 August 2013 before trading hours, the Group conditionally sold 15,960,500 Radford Shares at the price of HK\$1.4412 per Radford Share through the Agent. Upon completion of the Disposal, the Group will receive HK\$23,002,272.60 and will recognize a gain of HK\$8,318,612.60 (exclusive of transaction costs).

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in relation to the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company pursuant to the Listing Rules and is subject to the reporting and announcement requirements thereunder.

**RESUMPTION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 a.m. on 29 August 2013 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 6 September 2013.

## THE DISPOSAL

The Board is pleased to announce that on 29 August 2013 before trading hours, the Vendor (a wholly-owned subsidiary of the Company) conditionally sold 15,960,500 Radford Shares, representing approximately 8.52% of Radford's issued share capital on 28 August 2013. These 15,960,500 Radford Shares conditionally sold have been classified as part of the financial assets in the Group's financial statements.

By way of an appointment letter executed by the Vendor on 28 August 2013 after trading hours, the Vendor has authorised the Agent to sell the 15,960,500 Radford Shares to the Purchaser at the price of HK\$1.4412 per Radford Share. The Agent has subsequently confirmed to the Group that the Disposal has been concluded before trading hours on 29 August 2013 with the execution of the Agreement. As the Agreement covers transactions other than the Disposal by the Group, the Agent has provided an abstract of information on the Agreement relevant to the Disposal with details as follows:

Agreement date:	29 August 2013
Parties:	(1) The Agent (representing the Vendor, which is a wholly-owned subsidiary of the Company to sell Radford Shares) (2) HEC, which is the holding company of the Agent to guarantee, among others, the Agent's performance and observance of the Agreement (3) The Purchaser (buyer of Radford Shares)
Asset to be disposed of:	15,960,500 Radford Shares held by the Vendor
Consideration:	HK\$23,002,272.60 receivable by the Vendor from the Purchaser upon completion of the Disposal

To the best of the Board's knowledge, information and belief and having made all reasonable enquiries, the Purchaser and the ultimate beneficial owner(s) of the Purchaser are third parties independent of the Company and the connected persons of the Company. The Agent has also informed that the Purchaser and the ultimate beneficial owner(s) are also third parties independent of the Agent and the Agent's connected persons to assure the Group that the Agent's negotiations with the Purchaser have been conducted on arm's length basis.

While the Company holds approximately 10.38% equity interest in HEC as at the date of this announcement, the Agent and HEC are not connected persons (as defined in

the Listing Rules) of the Company. The Company understands that the Agent is an investment holding company and is having other commercial negotiations with the Purchaser. The Board believes that negotiation of terms for and execution of the Disposal through the Agent would be beneficial to both the Group and the Agent because the Vendor's authorization may enhance the Agent's bargaining power vis-à-vis the Purchaser. There is no fee, commission or other form of remuneration payable by the Group to the Agent for the Disposal.

The aggregate value of Consideration amounting to HK\$23,002,272.60 (exclusive of transaction costs) will be settled by the Purchaser by way of remittance of the money into the Vendor's bank account on completion of the Disposal. Netting of transaction costs around HK\$23,000, the amount of net proceeds is approximately HK\$22,979,000. It is expected that the Group will recognize a gain of HK\$8,318,612.60 (exclusive of transaction costs), representing the Consideration less the carrying value (HK\$14,683,660) of the 15,960,500 Radford Shares sold. The selling price at HK\$1.4412 per Radford Share was at about 81% premium to the on-market 5-day average closing prices of Radford Shares at HK\$0.796 per Radford Share from 22 August 2013 to 28 August 2013. This selling price is believed to be the highest price that can be obtained after arm's length negotiations with the Purchaser through the Agent and taking account of the Purchaser's possible intention or likelihood to acquire a controlling interest in Radford.

### **Conditions Precedent and Completion**

According to the information provided by the Agent, completion of the Disposal as part of the Agreement shall take place on: (i) a day falling within two business days after the date when all of the conditions precedent under the Agreement are satisfied on or before 5:00 p.m. on 31 October 2013 (or such later date and time as the parties to the Agreement may agree); or (ii) the first date any Radford Shares represented by acceptances in the conditional cash offer as mentioned in the condition precedent numbered 1 below are paid for by the Purchaser (or such other date as the parties to the Agreement may agree provided that such agreed date cannot be earlier than the first date any Radford Shares represented by acceptances in the said conditional cash offer are paid for by the Purchaser). Based on the information provided by the Agent and Radford's announcement dated 5 September 2013, the conditions precedent under the Agreement are summarized as follows:

- 1) valid acceptances of the Purchaser's conditional cash offer being received by the closing date of the offer in accordance with the Hong Kong Code on Takeovers and Mergers in respect of such number of Radford Shares (excluding Radford Shares acquired by the Purchaser under the Agreement) which will result in the Purchaser holding at least 53.98% of the voting rights in Radford;

- 2) the listing status of Radford on the Stock Exchange not being revoked or withdrawn at any time prior to completion of the Agreement, and there being no indication from the Stock Exchange or Securities and Futures Commission of Hong Kong that the listing status of Radford will be suspended, cancelled, revoked or withdrawn at any time after the completion of the Agreement as a result of transactions contemplated thereunder;
- 3) Radford or its subsidiaries having (i) bank deposits and cash of not less than HK\$140,000,000 maintained in a designated bank account; (ii) consolidated net assets of not less than HK\$140,000,000, as at the date of and immediately prior to the completion of the Agreement;
- 4) since Radford's last financial year end date (i.e. 31 December 2012), and save as disclosed in Radford's announcements up to and including 26 August 2013, there having been no change, effect, fact, event or circumstance which has had or would reasonably be expected to have a material adverse effect on, or to cause a material adverse change in, the general affairs, management, financial position, business, prospects, conditions (whether financial, operational, legal or otherwise), earnings, solvency, current or future consolidated financial position, shareholders' equity or results of operations of Radford or any Radford Group company, whether or not arising in the ordinary course of business provided however that so long as Radford has consolidated net assets of not less than HK\$140,000,000 at the date of completion of the Agreement, any change of Radford's consolidated net assets value since 31 December 2012 shall not affect the fulfillment of this condition precedent;
- 5) no dividend or other distribution (whether in cash or in kind) having been declared, made or paid by Radford during the period from the date of the Agreement to the date of completion of the Agreement;
- 6) the warranties made by the Agent and HEC under the Agreement remaining true and accurate and not misleading in all material respects; and
- 7) all requisite consents, authorizations, approvals and waivers in connection with the entering into and performance of the terms of the Agreement having been obtained by the relevant parties.

The conditions precedent numbered 1 to 5 above are related to a conditional cash offer relating to Radford Shares. Further details of the conditional cash offer are shown in Radford's announcement dated 5 September 2013. The Company does not express any opinion on the terms of the said conditional cash offer.

As the Group is not a party signing the Agreement and the Group's authorisation to the Agent is restricted to the sale of the 15,960,500 Radford Shares to the Purchaser at the price of HK\$1.4412 per Radford Share, the Group is not bound by the warranties and obligations under the Agreement. However, the Group would take necessary steps on its own part to facilitate the completion of the Disposal.

**WARNING: Completion of the Disposal is conditional upon the satisfaction of all conditions precedent in the Agreement (as summarised above). There is no assurance by the Company that all of the conditions will be fulfilled. Accordingly, the Disposal may or may not proceed. Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

### **INFORMATION ON RADFORD GROUP**

Radford is an investment company under Chapter 21 of the Listing Rules and makes its investments in accordance with its investment objectives and policies. Radford Group is principally engaged in investing in listed and unlisted securities in Hong Kong.

Save as the Company's shareholding in Radford as disclosed above, the Company and Radford do not have any other business relationship as at the date of this announcement. Upon completion of the Disposal, the Group will cease to hold any Radford Shares.

According to the latest net asset value announcement published by Radford, the value of the unaudited consolidated net assets of Radford Group as at 31 July 2013 was approximately HK\$163 million. Further financial information of Radford for the past two financial years ended 31 December 2012 and 31 December 2011 based on the latest audited consolidated financial statements published by Radford is set out as below:

	<b>For the year ended 31 December 2012</b>	<b>For the year ended 31 December 2011</b>
	<i>(HK\$ 000)</i>	<i>(HK\$ 000)</i>
Loss before taxation	(73,744)	(213,916)
Loss after taxation	(73,744)	(213,916)

## **INFORMATION ON THE GROUP**

The Group is principally engaged in the business of property investment, investment in securities trading, money lending and investment holding.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

The Group conditionally sold the Radford Shares in order to capture the opportunity of realizing a profit on this listed investment as well as to strengthen the liquidity of the Group after a review of the current increasing volatile stock market conditions. The Company intends to use the net proceeds from the Disposal for general working capital of the Group.

The Board (with Mr. Cheung Wing Ping abstaining from participating and voting in the Board meeting as he is also a director of Radford) considers that the terms of the Disposal are on normal commercial terms attractive to the Board and are fair and reasonable after considering the following factors:

- (a) the selling price of HK\$1.4412 per Radford Share is at about 81% premium to on-market 5-day average closing price of Radford Shares at HK\$0.796 per Radford Share from 22 August 2013 to 28 August 2013; and
- (b) the selling price of HK\$1.4412 per Radford Share is at about 65% premium to the latest published net asset value per Radford Share at approximately HK\$0.872 as at 31 July 2013.

As the Disposal will result in a profit and strengthen the general working capital of the Group, the Board considers that the Disposal is in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in relation to the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company pursuant to the Listing Rules and is subject to the reporting and announcement requirements thereunder.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange was suspended with effect from 9:00 a.m. on 29 August 2013 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the shares of the Company with effect from 9:00 a.m. on 6 September 2013.

## **RESPONSIBILITY STATEMENT**

In this announcement, the Company does not express any opinion on the terms of the conditional cash offer relating to Radford Shares as summarised in the section headed “Conditions Precedent and Completion” above and the summary of the conditional cash offer in this announcement is based on details shown in Radford’s announcement dated 5 September 2013. All directors of the Company issuing this announcement jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

## **DEFINITIONS**

The following expressions in this announcement have the meanings set out below unless the context requires otherwise:

“Agent”	Murrsa Capital Management Limited, a company incorporated in the British Virgin Islands with limited liability, which is a subsidiary of HEC
“Agreement”	the sale and purchase agreement entered into on 29 August 2013 between the Agent, HEC and the Purchaser in relation to, among others, the Disposal
“Board”	the board of Directors
“Company”	Willie International Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 273)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	HK\$23,002,272.60 receivable by the Vendor from the Purchaser for the Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of 15,960,500 Radford Shares by the Vendor through the Agent on 29 August 2013 at the price of HK\$1.4412 per Radford Share

“Group”	the Company and its subsidiaries
“HEC”	HEC Capital Limited, a company incorporated in the Cayman Islands with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Eagle Ride Investments Limited, a company incorporated in the British Virgin Islands with limited liability
“Radford”	Radford Capital Investment Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 901)
“Radford Group”	Radford and its subsidiaries
“Radford Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of Radford
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Pearl Decade Limited, an investment holding company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“%”	percent

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

Hong Kong, 6 September 2013

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

*Executive Directors:*

Dr. Chuang Yueheng, Henry  
Mr. Wong Ying Seung, Asiong  
Mr. Cheung Wing Ping  
Ms. Cheung Ka Yee  
Mr. Man Wai Chuen

*Independent Non-executive Directors:*

Mr. Wen Louis  
Mr. Yau Yan Ming, Raymond  
Mr. Frank H. Miu  
Dr. Antonio Maria Santos