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If you have sold or transferred all your shares in Willie International Holdings Limited, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**GRANT OF GENERAL MANDATES
RE-ELECTION OF DIRECTORS
AND
REFRESHMENT OF SCHEME MANDATE LIMIT
UNDER THE SHARE OPTION SCHEME**

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	an annual general meeting of the Company to be held at 9:00 a.m. on Tuesday, 30 May 2006 at 30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong
“Board”	board of directors of the Company
“Company”	Willie International Holdings Limited
“Directors”	the directors of the Company
“General Mandates”	the general mandates to issue and repurchase Shares proposed to be granted at the AGM
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	24 April, 2006, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“New Issue Mandate”	a general mandate proposed to be sought at the AGM to authorize the Directors to issue new Shares up to 20% of the Shares in issue as at the date of the AGM and the extension thereof by a separate resolution to include the Shares repurchased under the Repurchase Mandate on the terms set out in the notice of AGM
“Options”	options to subscribe for Shares under the Share Option Scheme;
“Repurchase Mandate”	a general mandate proposed to be sought at the AGM to authorise the Directors to repurchase Shares up to 10% of the Shares in issue as at the date of the AGM on the terms set out in the notice of AGM;
“Scheme Mandate Limit”	has the meaning ascribed thereto in the section headed “Refreshment of the 10% Scheme Mandate Limit under the Share Option Scheme” in the Letter from the Board in this circular;

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Share Option Scheme”	the share option scheme adopted by the Company at the extraordinary general meeting of the Company dated 20 November, 2002;
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company;
“Shareholders”	holders of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers



Willie International Holdings Limited

威利國際控股有限公司

(Incorporated in Hong Kong with limited liability)

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Executive Directors

Mr. Chuang Yueheng, Henry

Mr. King Phillip

Mr. Lo Kan Sun

Mr. Wong Ying Seung, Asiong

Registered office:

32nd Floor, China United Centre

28 Marble Road

North Point

Hong Kong

Independent Non-executive Directors

Mr. Lam Ping Cheung

Mr. Miu Frank H.

Mr. Nakajima Toshiharu

Ms. Lin Wai Yi

Mr. Liu Jian

28 April, 2006

To the Shareholders

Dear Sir/Madam,

**GRANT OF GENERAL MANDATES
RE-ELECTION OF DIRECTORS
AND
REFRESHMENT OF SCHEME MANDATE LIMIT**

INTRODUCTION

The purpose of this circular is to set out details of the grant of General Mandates, re-election of directors and refreshment of the Scheme Mandate Limit at which resolutions will be proposed to the shareholders to consider and, if thought fit, approve the grant of General Mandates and refreshment of the Scheme Mandate Limit at the AGM and the re-election of Directors.

GRANT OF GENERAL MANDATES

The general mandate with maximum number of 620,298,997 shares has been granted to the Directors to issue new Shares at the extraordinary general meeting of the Company held on 23 February, 2006. There are 620,298,997 shares under the general mandate outstanding and will be expired on 30 May 2006. Therefore, the Directors are seeking the passing of an ordinary resolution at the AGM to grant the general and unconditional mandates to the Board to exercise all powers of the Company to (i) allot and issue new Shares up to 20% of the Shares in issue at the date of passing such resolution at the AGM; and (ii) to purchase Shares on the Stock Exchange up to a maximum of

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10% of the issued share capital of the Company at the date of passing such resolution at the AGM. In addition, it is further proposed, by way of a separate ordinary resolution, that the New Issue Mandate be extended so that the Directors be given a general mandate to issue further shares in the Company equal to the aggregate nominal value of the Shares repurchased by the Company under the Repurchase Mandate.

An explanatory statement containing information relating to the Repurchase Mandate as required pursuant to the Listing Rules, is set out in the Appendix I of this circular.

RE-ELECTION OF DIRECTORS

At the AGM, ordinary resolutions will also be proposed to re-elect Mr. Chuang Yueheng, Henry, Mr. Lam Ping Cheung, Mr. Miu Frank H., Mr. King Phillip and Mr. Liu Jian as Directors according to the articles of association of the Company. To enable Shareholders to make an informed decision on the re-election of these retiring Directors, the biographical details of the retiring Directors, as required under Chapter 13 of the Listing Rules, are set out in the Appendix II to this circular for the information of Shareholders.

REFRESHMENT OF THE 10% SCHEME MANDATE LIMIT UNDER THE SHARE OPTION SCHEME

The Share Option Scheme was adopted on 20 November, 2002. Pursuant to the terms of the Share Option Scheme, among other things:

- (1) the overall limit on number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time (the “Overall Limit”); and
- (2) the Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 10% of the Shares in issue on the day on which dealings in the Shares first commence on the Stock Exchange (“Scheme Mandate Limit”).

The Company may renew the Scheme Mandate Limit at any time subject to prior Shareholders’ approval in general meeting and the Stock Exchange granting listing of and permission to deal in the Shares to be issued upon exercise of options pursuant to the refreshment of the Scheme Mandate Limit. However, the total number of Shares which may be issued upon exercise of all Options granted under the Share Option Scheme and any other share option schemes of the Company under the Scheme Mandate Limit as “refreshed” must not exceed 10% of the Shares in issue as at the date of the Shareholders’ approval for the refreshment of the Scheme Mandate Limit.

In this connection, Options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised) will not be counted for purpose of calculating the Scheme Mandate Limit as “refreshed”.

LETTER FROM THE BOARD

Apart from the Share Option Scheme, the Company has no other share option scheme in issue as at the Latest Practicable Date. No trustee has been appointed for the Share Option Scheme.

The “refreshed” Scheme Mandate Limit of the Share Option Scheme was 219,408,635 Shares, being 10% of the Shares of the Company in issue at the date of approval on 30 May, 2005. As at the Latest Practicable Date, Options carrying rights to subscribe for up to a total of 219,408,635 Shares have been granted under the Share Option Scheme which were all granted in 2006, 139,408,635 were exercised and 80,000,000 were not exercised. There was no option cancelled and lapsed.

If the Scheme Mandate Limit is “refreshed” at the AGM, on the basis of 3,421,494,988 Shares in issue as at the Latest Practicable Date and assuming that no Shares are issued or purchased by the Company prior to the AGM, the Scheme Mandate Limit will be “refreshed” to 342,149,498 Shares and the Company will be allowed to grant further Options under the Share Option Scheme carrying the rights to subscribe for a maximum of 342,149,498 Shares (the “Refreshed Limit”).

On the basis of 3,421,494,988 Shares in issue as at the Latest Practicable Date, the 30% Overall Limit represents a total of 1,026,448,496 Shares. There are 80,000,000 options granted and yet to be exercised under the Share Option Scheme. Accordingly, the Refreshed Limit arising from the “refreshing” of the Scheme Mandate Limit does not exceed the 30% Overall Limit as at the Latest Practicable Date.

The purpose of the Share Option Scheme is to enable the Company to grant options to participants, including but not limited to Directors, employees and connected persons of the Group or their associates who, in the sole discretion of the Board, have contributed or will contribute to the Group, to provide them with the opportunity to acquire proprietary interests in the Company and to encourage participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole. This will be an incentive for the participants of the Share Option Scheme to contribute to the success of the Group. Given the depletion of the existing Scheme Mandate Limit, the Share Option Scheme cannot continue to serve its intended purpose of benefiting the Group and the Shareholders unless the Scheme Mandate Limit is “refreshed”. For these reasons, a resolution will be proposed at the AGM for “refreshing” the Scheme Mandate Limit.

Application will be made to the Stock Exchange for granting the listing of and permission to deal in the Shares to be issued upon exercise of options pursuant to the refreshment of the Scheme Mandate Limit.

RECOMMENDATION

The Board is of the opinion that the grant of General Mandates and the refreshment of the Scheme Mandate Limit are in the best interests of the Company and Shareholders as a whole, and so recommends Shareholders to vote in favour of the resolutions to be proposed at the AGM.

PROCEDURES FOR DEMANDING A POLL BY SHAREHOLDERS

Article 81 of the Company’s articles of association sets out the following procedure by which Shareholders may demand a poll.

LETTER FROM THE BOARD

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded:

- (i) by the chairman of such meeting;
- (ii) by at least three members present in person or by proxy and entitled to vote at the meeting;
- (iii) by any member or members present in person or by proxy and representing not less than one tenth of the total voting rights of all the members having the right to vote at the meeting;
or
- (iv) by a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the shares conferring that right.

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

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide all the information in relation to the Repurchase Mandate for your consideration.

SHARE CAPITAL

As at the Latest Practicable Date, there were 3,421,494,988 Shares in issue. Subject to the passing of the relevant ordinary resolution and on the basis that no further Shares are issued or repurchased prior to the date of the AGM, the Company would be authorised to repurchase up to a maximum of 342,149,498 Shares.

REASONS FOR THE REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to have general authority from the Shareholders to enable the Directors to repurchase Shares on the Stock Exchange. Such repurchase may, depending on marketing conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and its Shareholders.

FUNDING OF THE REPURCHASES

It is proposed that repurchases of securities under the Repurchase Mandate would be financed from distributable profits or the proceeds of a fresh issue of shares. In repurchasing the securities, the Company may only apply funds legally available for such purpose in accordance with the memorandum and articles of association of the Company and the laws of Hong Kong.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited accounts of the Company for the year ended 31 December, 2005), in the event that the proposed Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the previous twelve months prior to the Latest Practicable Date were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2005		
May	0.295	0.200
June	0.265	0.216
July	0.249	0.139
August	0.223	0.154
September	0.230	0.170
October	0.244	0.158
November	0.249	0.186
December	0.270	0.200
2006		
January	0.370	0.249
February	0.400	0.330
March	0.375	0.530
April	0.550	0.495

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell any of the Shares to the Company.

No connected person (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell any of the Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules and the laws of Hong Kong.

EFFECT OF THE TAKEOVERS CODE

If a shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to repurchase Shares pursuant to the

Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purpose of the Hong Kong Codes on Takeovers and Mergers and Share Repurchases (“Takeovers Code”). Accordingly, a shareholder or group of shareholders acting in concert can obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Heritage International Holdings Limited held 626,560,000 Shares, representing approximately 18.31% of the issued share capital of the Company, and will hold approximately 20.35% of the issued share capital of the Company in the event the Repurchase Mandate is exercised in full. Assuming that there are no alterations to the existing shareholdings in the Company, so far as the Directors is aware, the exercise of the Repurchase Mandate in full will not give rise to any obligation on any Shareholder to make a mandatory offer under Rules 26 and 32 of the Takeovers Code in accordance with the terms of the ordinary resolution to be proposed at the AGM.

SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of the Shares (whether on the Stock Exchange or otherwise) has been made by the Company during the six months preceding the Latest Practicable Date.

To enable Shareholders to make an informed decision on the re-election of the retiring Directors, we set out below the biographical details of the retiring Directors for the information of Shareholders.

1. Mr. Chuang Yueheng, Henry

Aged 50, was appointed Chairman of the Company in 2002. He holds Master's degrees in Engineering and in Business Administration from the University of Southern California in the United States of America. He has over 13 years of experience in corporate finance and development. Mr. Chuang has not held any other positions in other listed public companies in the last three years. He is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company.

At as the Latest Practicable Date, Mr. Chuang did not have any interests in any shares or underlying shares of the Company within the meaning of Part XV of the SFO. Save as aforesaid, Mr. Chuang did not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. He was paid a director's emolument of HK\$2,412,000 for the year ended 31 December 2005. Mr. Chuang's director emolument is determined by the Board with reference to his duties and responsibilities with the Company. The Board is not aware of any other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

2. Mr. King Phillip

Aged 35, was appointed Managing Director of the Company in 2005. He holds a Master's degree in Business Administration from the University of San Francisco in the United States of America. He has over 16 years of experience in real estate investment, management and development. He is also an independent non-executive director of Glory Future Group Limited, a publicly listed company in Hong Kong. He is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company.

At as the Latest Practicable Date, Mr. King did not have any interests in any shares or underlying shares of the Company within the meaning of Part XV of the SFO. Save as aforesaid, Mr. King did not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. He was paid a director's emolument of HK\$601,000 for the year ended 31 December 2005. Mr. King's director emolument is determined by the Board with reference to his duties and responsibilities with the Company. The Board is not aware of any other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

3. Mr. Lam Ping Cheung

Aged 54, was appointed Director of the Company in 2002. He is a solicitor and the partner of Messrs. Andrew Lam & Co.. He holds a Bachelor's degree in Social Science from the Chinese University of Hong Kong. He is an independent non-executive director of Golden Resources

Development International Limited, Kith Holdings Limited, Qualipak International Holdings Limited, Inner Mongolia Development (Holdings) Limited, Unity Investments Holdings Limited, China Velocity Group Limited and Espco Technology Holdings Limited, all of which are publicly listed companies in Hong Kong. He is also a non-executive director of Ngai Lik Industrial Holdings Limited, a publicly listed company in Hong Kong. He has not entered into service contract with the Company but has agreed with the Company for a term of 3 years and subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company.

As at the Latest Practicable Date, Mr. Lam did not have any interests in any shares or underlying shares of the Company within the meaning of Part XV of the SFO. Save as aforesaid, Mr. Lam did not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. He was paid a director's emolument of HK\$120,000 for the year ended 31 December 2005. Mr. Lam's director emolument is determined by the Board with reference to his duties and responsibilities with the Company. The Board is not aware of any other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

4. Mr. Miu Frank H.

Aged 57, was appointed Director of the Company in 2004. He holds a Juris Doctor's degree from Harvard Law School in the United States of America and a Bachelor's degree in Economics and Accounting from St. John's University in the United States of America. He has extensive experience in law, accounting, project investment and food business. He is also an independent non-executive director of Asia Commercial Holdings Limited, China Sci-Tech Holdings Limited, Heritage International Holdings Limited and Wonson International Holdings Limited, all of which are publicly listed companies in Hong Kong. He has not entered into service contract with the Company but has agreed with the Company for a term of 3 years and subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company.

At as the Latest Practicable Date, Mr. Miu did not have any interests in any shares or underlying shares of the Company within the meaning of Part XV of the SFO. Save as aforesaid, Mr. Miu did not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. He was paid a director's emolument of HK\$120,000 for the year ended 31 December 2005. Mr. Miu's director emolument is determined by the Board with reference to his duties and responsibilities with the Company. The Board is not aware of any other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

5. Mr. Liu Jian

Aged 37, have been appointed Director of the Company in 2006. He holds a Bachelor's degree of Electrical Engineering from the Fudan University, Shanghai in the People's Republic of China, as

well as a Master's degree in Chinese Law from the Jilin University in the People's Republic of China. He is a Senior Economist by profession and has over 13 years of experience in corporate finance and investment banking. Mr. Liu is the Vice President of the Century Securities Company Limited, Beijing. Mr. Liu has not held any other positions in other listed public companies in the last three years. He has not entered into service contract with the Company but has agreed with the Company for a term of 3 years and subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the articles of association of the Company.

At as the Latest Practicable Date, Mr. Liu did not have any interests in any shares or underlying shares of the Company within the meaning of Part XV of the SFO. Save as aforesaid, Mr. Liu did not have any relationships with any directors, senior management or substantial or controlling shareholders of the Company. He is entitled to a director's emolument of HK\$10,000 per month. Mr. Liu's director emolument is determined by the Board with reference to his duties and responsibilities with the Company. The Board is not aware of any other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.