
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Willie International Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or the bank, licensed securities dealer or other agent through whom the sale was effected for transmission to the purchaser or 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)

- (1) PLACING OF NEW SHARES UNDER SPECIFIC MANDATE**
(2) GRANT OF ISSUE MANDATE
(3) REFRESHMENT OF THE SCHEME MANDATE LIMIT
AND
(4) NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Placing Agent



Chung Nam Securities Limited

**Independent financial adviser to the Independent Board Committee and
Independent Shareholders of Willie International Holdings Limited**

VINCO 

Grand Vinco Capital Limited

(A wholly-owned subsidiary of Vinco Financial Group Limited)

A letter from the Board is set out on pages 4 to 13 of this circular and a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 14 of this circular. A letter of advice from Vinco Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 15 to 22 of this circular.

A notice convening the EGM of the Company to be held on 28 January 2010 at 30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong at 9:00 a.m. is set out on pages 23 to 26 of this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish.

11 January 2010

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	4
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	14
LETTER FROM VINCO CAPITAL	15
NOTICE OF EGM	23

DEFINITIONS

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

“associate(s)”	the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“business day”	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for business
“Company”	Willie International Holdings Limited (Stock code: 273), a company incorporated in Hong Kong with limited liability and the shares of which are listed on main board of the Stock Exchange
“Connected Person(s)”	the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong on Thursday, 28 January 2010 at 9:00 a.m. to consider and approve, inter alia, the New Placing Agreement, the transactions contemplated thereunder (including the grant of the Specific Mandate), the Grant of Issue Mandate and the refreshment of the Scheme Mandate Limit
“General Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 2 June 2009 to allot, issue and deal with Shares up to 20% of the issued share capital of the Company as at that date
“Grant of Issue Mandate”	the general mandate proposed to be sought at the EGM to authorise the Directors to allot, issue and deal with new Shares not exceeding 20% of the issued share capital of the Company as at the date of the EGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board established by the Board to advise the Independent Shareholders in respect of the Grant of Issue Mandate

DEFINITIONS

“Independent Shareholders”	any Shareholders other than controlling Shareholders of the Company and their associates or, where there are no controlling Shareholders, the executive Directors and the chief executive of the Company and their respective associates
“June Placing Agreement”	the placing agreement entered into on 19 June 2009 between the Company and the Placing Agent in relation to the Placing of Convertible Notes and New Shares
“Latest Practicable Date”	6 January 2010, 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
“Overall Limit”	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
“New Placing Agreement”	the placing agreement entered into between the Placing Agent and the Company dated 28 December 2009 in respect of the Placing of New Shares
“Placees”	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the New Placing Agreement
“Placing Agent”	Chung Nam Securities Limited, a corporation licensed to carry on type 1 (dealing in securities) regulated activities under the SFO
“Placing of Convertible Notes and New Shares”	the placing on best effort basis by the Placing Agent of convertibles notes up to an aggregate principal amount of HK\$600 million and up to 600,000,000 placing shares to be issued by the Company pursuant to the June Placing Agreement
“Placing of New Shares”	the placing of 200,000,000 new Shares at the Placing Price pursuant to the New Placing Agreement
“Placing Price”	HK\$0.45 per Share
“Placing Shares”	200,000,000 new Shares to be placed under the Placing of New Shares

DEFINITIONS

“Scheme Mandate Limit”	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
“SFO”	the Securities and Futures Ordinance (Chapter 571 of The Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Share Option(s)”	options to subscribe for Shares granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 20 November 2002
“Specific Mandate”	a specific mandate to be sought from the Shareholders at the EGM to allot and issue the Placing Shares pursuant to the New Placing Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Termination Agreement”	the termination agreement entered into on 28 December 2009 between the Company and the Placing Agent in relation to the termination of the June Placing Agreement
“Vinco Capital”	Grand Vinco Capital Limited, a wholly-owned subsidiary of Vinco Financial Group Limited (stock code: 8340), a corporation licensed to carry out business in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Grant of Issue Mandate
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



Willie International Holdings Limited

威利國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 273)

Executive Directors

Dr. Chuang Yueheng, Henry
Mr. King Phillip
Mr. Wong Ying Seung, Asiong
Mr. Wang Lin

Registered Office and Head Office:

32/F., China United Centre
28 Marble Road
North Point
Hong Kong

Independent Non-executive Directors

Mr. Cheung Wing Ping
Mr. Liu Jian
Mr. Wen Louis
Mr. Yau Yan Ming, Raymond

11 January 2010

To the Shareholders

Dear Sir or Madam,

**(1) PLACING OF NEW SHARES UNDER SPECIFIC MANDATE
(2) GRANT OF ISSUE MANDATE
(3) REFRESHMENT OF THE SCHEME MANDATE LIMIT
AND
(4) NOTICE OF THE EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

On 28 December 2009, due to the unfavourable market conditions, the Company and the Placing Agent entered into the Termination Agreement to terminate the June Placing Agreement so as to terminate the proposed Placing of Convertible Notes and New Shares. To replace the June Placing Agreement, on 28 December 2009 after trading hours, the Company and the Placing Agent entered into the New Placing Agreement as the replacement, pursuant to which the Placing Agent has conditionally agreed to place, on a fully underwritten basis, 200,000,000 new Shares to the Placees at a price of HK\$0.45 per Placing Share.

The Company also intends to put forward the proposals for the Grant of Issue Mandate and the refreshment of the Scheme Mandate Limit for approval by Shareholders at the EGM.

This circular contains further details of the New Placing Agreement, the Grant of Issue Mandate and the refreshment of the Scheme Mandate Limit.

LETTER FROM THE BOARD

NEW PLACING AGREEMENT

Date:

28 December 2009

Issuer:

The Company

Placing Agent:

Chung Nam Securities Limited

To the best of the Director's knowledge, the Placing Agent is third party independent of the Company and Connected Persons of the Company.

Placees:

The Placing Agent will place the Placing Shares to not less than six Placees, who are expected to be institutional, professional or private investors, and who and (where a corporation) whose ultimate beneficial owner(s) are not Connected Persons of the Company and will be independent from and not connected with the Company and/or its Connected Persons. It is expected that none of the Placees will become a controlling or substantial Shareholder (as defined in the Listing Rules) immediately after completion of the Placing of New Shares.

Placing Shares:

Pursuant to the New Placing Agreement, the Placing Agent agreed to procure the Placees to subscribe for, or failing, which itself, as principal to subscribe for, 200,000,000 Placing Shares at the Placing Price. The aggregate nominal value of the Placing Shares amounts to HK\$20 million. The 200,000,000 Placing Shares represent approximately (i) 33.48% of the issued share capital of the Company as at the Latest Practicable Date; and (ii) 25.08% of the issued share capital of the Company as enlarged by the Placing of New Shares.

Ranking of Placing Shares:

The Placing Shares will rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

LETTER FROM THE BOARD

Placing Price:

The Placing Price of HK\$0.45 represents:

- (i) a discount of approximately 16.67% to the closing price of HK\$0.54 per Share as quoted on the Stock Exchange on 28 December 2009, being the date of the New Placing Agreement;
- (ii) a discount of approximately 14.77% to the average closing price of HK\$0.528 per Share in the last five consecutive trading days up to and including the date of the New Placing Agreement;
- (iii) a discount of approximately 19.21% to the average closing price of HK\$0.557 per Share in the last ten consecutive trading days up to and including the date of the New Placing Agreement; and
- (iv) a discount of approximately 18.18% to the closing price of HK\$0.55 per share as quoted on the Stock Exchange on the Latest Practicable Date.

The net placing price for the Placing of New Shares is approximately HK\$0.4363 per Placing Share.

The Placing Price was negotiated on an arm's length basis between the Company and the Placing Agent with reference to the prevailing trading price of the Shares. Having considered the current market conditions and taking into consideration that completion of the Placing of New Shares will not take place until at least one month from the date of the New Placing Agreement to allow for approval by Shareholders at the EGM, the Directors consider that the Placing Price is fair and reasonable.

Placing commission payable to the Placing Agent:

The Placing Agent will receive a placing commission of 2.5% of the amount equal to the Placing Price multiplied by the number of Placing Shares. The placing commission was determined after arm's length negotiations between the Company and the Placing Agent by reference to the prevailing market practice and market condition.

Conditions precedent to the New Placing Agreement:

Completion of the Placing of New Shares is conditional upon fulfillment of the following conditions:

- (i) the approval of the New Placing Agreement and the transactions contemplated thereunder (including the issue of the Placing Shares) by Shareholders at the EGM in accordance with the Listing Rules; and
- (ii) the Stock Exchange granting listing of and permission to deal in the Placing Shares.

LETTER FROM THE BOARD

If the conditions are not fulfilled on or prior to 31 March 2010 (or such other date as may be agreed between the Company and the Placing Agent), the New Placing Agreement shall terminate and neither of the parties shall have any claim against the other for any costs or losses (save for any prior breaches of the New Placing Agreement).

Termination and force majeure:

If, at any time prior to 9:00 a.m. on the date of completion of the New Placing Agreement, in the sole and absolute opinion of the Placing Agent the success of the Placing of New Shares or the business or financial prospects of the Group would or might be adversely affected by:

- (i) any material breach of any of the representations and warranties set out in the New Placing Agreement; or
- (ii) any of the following events:
 - (a) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
 - (b) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date of the New Placing Agreement and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not ejusdem generis with any of the foregoing, resulting in a material adverse change in, or which might reasonably be expected to result in a material adverse change in, political, economic or stock market conditions; or
 - (c) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
 - (d) a change or development involving a prospective change in taxation in Hong Kong or the implementation of exchange controls which shall or might materially and adversely affect the Group (as a whole) or its present or prospective Shareholders in their capacity as such; or
 - (e) any change or deterioration in the conditions of local, national or international securities markets occurs,

then and in any such case, the Placing Agent may terminate the New Placing Agreement without liability to the Company by giving notice in writing to the Company prior to 9:00 a.m. on the date of completion of the New Placing Agreement.

LETTER FROM THE BOARD

Specific Mandate:

The Placing Shares will be issued under the Specific Mandate to be sought at the EGM. An application will be made to the Stock Exchange for listing of, and permission to deal in, the Placing Shares.

Completion:

Completion of the Placing of New Shares shall take place on the third business day upon fulfillment of the conditions of the Placing of New Shares (or such other date as may be agreed between the Company and the Placing Agent).

As completion of the Placing of New Shares is subject to the satisfaction of a number of conditions, the Placing of New Shares may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

REASONS FOR THE PLACING OF NEW SHARES AND USE OF PROCEEDS

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

The gross proceeds from the Placing of New Shares will be HK\$90 million and the net proceeds from the Placing of New Shares (after deducting the placing commission for the Placing of New Shares and other expenses) of approximately HK\$87.25 million will be used as general working capital of the Group and/or for the Group's business expansion in the areas of money lending business and property investments particularly. In order to strengthen the money lending business, the Group intends to inject approximately HK\$75 million of the proceeds of the Placing of New Shares to increase the capital of its money lending business which is expected to generate higher loan volumes and strengthen the loan portfolio of the Group by the provision of personal and/or corporate loan facilities. Moreover, as stated in the announcement of the Company dated 27 November 2009, the Group is required to pay approximately HK\$52 million as balance payment for the acquisition of a commercial premises upon completion, which is expected to take place on or before 31 March 2010. The aggregate amount of HK\$127 million required for the aforesaid intended capital injection and property acquisition is expected to be financed by the net proceeds raised from the Placing of New Shares and internal resources of the Group. It is the Group's intention to apply the entire net proceeds of \$87.25 million from the Placing of New Shares for such purposes.

The Directors consider that the Placing of New Shares represents a good opportunity to raise capital for the Group's working capital and business expansion given that the June Placing Agreement was terminated. Also, the Directors are of the view that the Placing of New Shares will strengthen the Group's financial position and the Company can take this opportunity to broaden its capital base and shareholder base. The Directors have considered different types of fund raising arrangement such as rights issue and open offer and the Directors consider that the Placing of New Shares is the most efficient way to proceed having considered the cost and time involved for the Company.

LETTER FROM THE BOARD

On the basis of the above, the Directors are of the view that the Placing of New Shares is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds
8 July 2009	Placing of 77,990,000 new Shares at the placing price of HK\$1.00 each	HK\$75.97 million	General working capital and/or potential investment opportunities in energy related sectors	HK\$75.97 million used as general working capital

Save as disclosed above and the Placing of Convertible Notes and New Shares which was terminated by the Termination Agreement and replaced by the Placing of New Shares on 28 December 2009, the Company has not conducted any fund raising activity in the past twelve months immediately before the Latest Practicable Date.

SHAREHOLDING STRUCTURE

The existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon completion of the Placing of New Shares are illustrated as below:

Shareholders	As at the Latest Practicable Date		Immediately after completion of the Placing of New Shares	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Dr. Chuang Yueheng, Henry <i>(Note 1)</i>	23,353,440	3.91	23,353,440	2.93
Heritage International Holdings Limited <i>(Note 2)</i>	130,598,402	21.86	130,598,402	16.38
Placees	—	—	200,000,000	25.08
Public	<u>443,495,541</u>	<u>74.23</u>	<u>443,495,541</u>	<u>55.61</u>
Total	<u>597,447,383</u>	<u>100.00</u>	<u>797,447,383</u>	<u>100.00</u>

Notes:

1. Dr. Chuang Yueheng, Henry is the chairman and an executive Director of the Company.
2. The interests held by Dollar Group Limited which is a wholly-owned subsidiary of Heritage International Holdings Limited (Stock code: 412), a company listed on the main board of the Stock Exchange.

LETTER FROM THE BOARD

GRANT OF ISSUE MANDATE

At the annual general meeting of the Company held on 2 June 2009, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the General Mandate to issue, allot and deal with up to 77,992,196 Shares, which is equivalent to 20% of the then issued share capital of the Company. As announced by the Company on 8 July 2009, the Company entered into a placing agreement pursuant to which 77,990,000 Shares were issued under the General Mandate, representing almost the entire of the General Mandate.

As the General Mandate is close to fully utilised, in order to provide a flexible means for the Company to raise further funds through the issue of new Shares for its future business development if and when an opportunity arises, the Board proposes the Grant of Issue Mandate to allow the Directors to issue, allot and deal with new Shares not exceeding 20% of the issued share capital of the Company as at the date of the EGM.

Based on the 597,447,383 Shares in issue as at the Latest Practicable Date and assuming that there are no changes in the issued share capital of the Company from the Latest Practicable Date until the date of the EGM, subject to the passing of the relevant ordinary resolution to approve the Grant of Issue Mandate at the EGM, the Directors will be authorised to allot and issue up to 119,489,476 Shares under the refreshed mandate.

Funds raised within the past twelve months have been utilised as intended. The Board considers that it is important for the Company to be able to raise funds quickly in order to seize the investment opportunities that may arise. To this end, the Directors believe that the Grant of Issue Mandate will give the Company the flexibility to raise funds and to expand and develop the business of the Company and therefore, is in the interests of the Company and the Shareholders as a whole.

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 Share 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 Share Options to be granted under the Share Option Scheme and any other share option schemes of the Company ("Scheme Mandate Limit") shall not exceed 10% of the Shares in issue on the day of approval by Shareholders.

LETTER FROM THE BOARD

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 the Share Options pursuant to the refreshment of the Scheme Mandate Limit. However, the total number of Shares which may be issued upon exercise of all Share 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 refreshment of the Scheme Mandate Limit. In this connection, Share 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".

Apart from the Share Option Scheme, the Company had no other share option scheme in force as at the Latest Practicable Date.

Under the current limit of the Share Option Scheme, the Directors were authorised to grant Share Options to subscribe for up to 38,996,098 Shares, representing 10% of the issued share capital of the Company as at the date of the annual general meeting of the Company held on 2 June 2009 at which the existing Scheme Mandate Limit was refreshed. As at the Latest Practicable Date, there were no outstanding Share Options entitling the holders thereof to subscribe for Shares.

If the Scheme Mandate Limit is "refreshed" at the EGM, on the basis of 597,447,383 Shares in issue as at the Latest Practicable Date and that there are no changes in the issued share capital of the Company from the Latest Practicable Date until the date of the EGM, the Scheme Mandate Limit will be "refreshed" to 59,744,738 Shares and the Company will be allowed, to grant further Share Options under the Share Option Scheme carrying the rights to subscribe for a maximum of 59,744,738 Shares (the "Refreshed Limit").

The total number of Shares issued and to be issued upon exercise of the Share Options granted to each of the Share Option Scheme participants (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the issued Shares.

In order to allow the Company to make full use of the Share Option Scheme to grant Share Options to participants, including but not limited to Directors and employees of the Group, to provide incentive or rewards for their contribution to the growth of the Group as a result of the recent increase in issued share capital of the Company, a resolution will be proposed at the EGM to "refresh" the Scheme Mandate Limit.

The refreshment of the Scheme Mandate Limit is subject to the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Shares to be issued upon the exercise of Share Options under the "Refreshed Limit" up to 10% of the issued share capital of the Company on the date of the EGM. Application will be made to the Stock Exchange for listing of and permission to deal in the Shares to be issued upon exercise of Share Options pursuant to the refreshment of the Scheme Mandate Limit.

LETTER FROM THE BOARD

EGM

The EGM will be convened and held for the purpose of considering, and, if thought fit, approving, inter alia, the Placing of New Shares (including the grant of the Specific Mandate), the Grant of Issue Mandate and the refreshment of the Scheme Mandate Limit.

The notice of the EGM is set out on page 23 to page 26 of this circular. A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM should you so wish.

The Placing of New Shares is subject to Shareholders' approval. To the best knowledge of the Directors, no Shareholder has a material interest in the transactions contemplated under the New Placing Agreement. Accordingly, no Shareholder will be required to abstain from voting at the EGM in respect of the resolution relating to the Placing of New Shares.

Pursuant to Rule 13.36(4) of the Listing Rules, the Grant of Issue Mandate will be subject to the Independent Shareholders' approval at the EGM. As at the Latest Practicable Date, save for Dr. Chuang Yueheng, Henry who held 23,353,440 Shares in the Company, no other executive Director or chief executive of the Company or their respective associates were interested in any Shares. Since there is no controlling Shareholder of the Company, the executive Directors (including Dr. Chuang Yueheng, Henry) and the chief executive of the Company and their respective associates (to the extent they hold any Shares at the time of the EGM) are required to abstain from voting at the EGM in respect of the resolution relating to the Grant of Issue Mandate.

No Shareholder will be required to abstain from voting at the EGM in respect of the resolution relating to the refreshment of the Scheme Mandate Limit.

Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions at the EGM will be voted on by way of poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee set out on page 14 of this circular and the letter from Vinco Capital containing its advice and the principal factors which it has considered in arriving at its advice with regard to the Grant of Issue Mandate, as set out on pages 15 to 22 of this circular.

LETTER FROM THE BOARD

The Board is of the opinion that (i) the Placing of New Shares, (ii) the Grant of Issue Mandate and (iii) the refreshment of the Scheme Mandate Limit are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders or the Independent Shareholders (as the case may be) to vote in favour of the resolutions to be proposed at the EGM.

GENERAL

Vinco Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they respectively appear.

By Order of the Board
Willie International Holdings Limited
King Phillip
Managing Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE



Willie International Holdings Limited

威利國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 273)

11 January 2010

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED GRANT OF ISSUE MANDATE

We refer to the circular from the Company to the Shareholders dated 11 January 2010 (the “Circular”) of which this letter forms part. Terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We have been appointed to advise you in connection with the Grant of Issue Mandate, details of which are set out in the “Letter from Vinco Capital” set out on pages 15 to 22 of the Circular, which contains Vinco Capital’s advice regarding the Grant of Issue Mandate.

Having taken into account the advice of Vinco Capital, we consider the Grant of Issue Mandate to be fair and reasonable and is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the Grant of Issue Mandate.

Yours faithfully,

For and on behalf of the
Independent Board Committee

Mr. Cheung Wing Ping

Mr. Liu Jian

Mr. Wen Louis

**Mr. Yau Yan Ming,
Raymond**

*Independent
non-executive Director*

*Independent
non-executive Director*

*Independent
non-executive Director*

*Independent
non-executive Director*

LETTER FROM VINCO CAPITAL

The following is the text of a letter of advice from Vinco Capital to the Independent Board Committee and the Independent Shareholders in connection with the Grant of Issue Mandate, which has been prepared for the purpose of incorporation in this circular.



Grand Vinco Capital Limited
Units 4909-4910, 49/F., The Center
99 Queen's Road Central, Hong Kong

11 January 2010

*To the Independent Board Committee and the Independent Shareholders of
Willie International Holdings Limited*

Dear Sirs,

PROPOSED GRANT OF ISSUE MANDATE

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the Grant of Issue Mandate, details of which are set out in the section headed "Letter from the Board" in the circular ("Circular") issued by the Company to the Shareholders dated 11 January 2010 of which this letter forms part. Capitalised terms used in this letter shall have the same meanings ascribed to them in the Circular unless the context otherwise requires.

On 8 July 2009, the Company entered into a placing agreement pursuant to which 77,990,000 Shares were issued under the General Mandate, representing almost the entire of the General Mandate. In order to provide a flexible mean for the Company to raise further funds for its future business development and/or through the issue of new Shares as and when opportunities arise, the Board proposes to refresh the General Mandate for the Directors to issue and allot new Shares not exceeding 20% of the issued share capital of the Company at the date of EGM.

In accordance with Rule 13.36(4) of the Listing Rules, the Grant of Issue Mandate requires the approval of the Independent Shareholders by way of poll at the EGM, at which any controlling Shareholders and their associates, or where there are no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executives of the Company and their respective associates shall abstain from voting in favour of the resolution approving the Grant of Issue Mandate. As at the Latest Practicable Date, save for Dr. Chuang Yueheng, Henry who was interested in 23,353,440 Shares, no other executive Directors or chief executive of the Company or their respective associates were interested in any Shares. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Company does not have any

LETTER FROM VINCO CAPITAL

controlling Shareholders, the executive Directors (including Dr. Chuang Yueheng, Henry) and the chief executive of the Company and their respective associates (to the extent they hold any Shares at the time of the EGM) are thus required to abstain from voting in favour of the relevant resolution approving the Grant of Issue Mandate at the EGM.

The Independent Board Committee, comprising Mr. Cheung Wing Ping, Mr. Liu Jian, Mr. Wen Louis and Mr. Yau Yan Ming, Raymond, all being the independent non-executive Directors, has been formed to advise the Independent Shareholders as to whether the Grant of Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and whether the Grant of Issue Mandate is in the interests of the Company and the Independent Shareholders as a whole.

BASIS OF OUR OPINION AND RECOMMENDATION

In forming our opinion and recommendation, we have relied on the information, facts and representations contained or referred to in the Circular and the information, facts and representations provided by, and the opinions expressed by the Directors, management of the Company and its subsidiaries. We have assumed that all information, facts, opinions and representations made or referred to in the Circular were true, accurate and complete at the time they were made and continued to be true, accurate and complete as at the date of the Circular and that all expectations and intentions of the Directors, management of the Company and its subsidiaries, will be met or carried out as the case may be. We have no reason to doubt the truth, accuracy and completeness of the information, facts, opinions and representations provided to us by the Directors, management of the Company and its subsidiaries. The Directors have confirmed to us that no material facts have been omitted from the information supplied and opinions expressed. We have no reason to doubt that any relevant material facts have been withheld or omitted from the information provided and referred to in the Circular or the reasonableness of the opinions and representations provided to us by the Directors, management of the Company and its subsidiaries.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading.

We have relied on such information and opinions and have not, however, conducted any independent verification of the information provided, nor have we carried out any independent investigation into the business, financial conditions and affairs of the Group or its future prospect.

Based on the foregoing, we confirm that we have taken all reasonable steps, which are applicable to the Grant of Issue Mandate, as referred to in Rule 13.80 of the Listing Rules (including the notes thereto).

LETTER FROM VINCO CAPITAL

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Grant of Issue Mandate and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Grant of Issue Mandate, we have taken into consideration the following principal factors and reasons:

Background of and reasons for the Grant of Issue Mandate

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

At the annual general meeting of the Company held on 2 June 2009, the Directors were granted the General Mandate to allot and issue new Shares of up to 20% of the entire issued share capital of the Company as at the date of the annual general meeting. Based on 389,960,981 Shares in issue as at such annual general meeting, the Directors were authorised to allot and issue up to a maximum of 77,992,196 Shares.

According to the announcement of the Company dated 8 July 2009, the Company entered into a placing agreement pursuant to which 77,990,000 Shares were issued under the General Mandate. Accordingly, the General Mandate has been close to fully utilised.

As at the Latest Practicable Date, the aggregate number of issued Shares is 597,447,383 Shares. Subject to the passing of the ordinary resolution for the Grant of Issue Mandate and on the assumption that no further Shares will be issued or repurchased by the Company from the Latest Practicable Date and up to the date of the EGM (both dates inclusive), the Directors would be granted the authority to allot and issue up to a maximum of 119,489,476 Shares under the refreshed mandate, being 20% of the aggregate number of issued Shares as at the date of the EGM.

As stated in the Letter from the Board, the Directors believe that the Grant of Issue Mandate will provide the Company with necessary financing flexibility to raise additional funds through the issue of new Shares for its future business development as and when an opportunity arises. Accordingly, the Board proposed to pass an ordinary resolution at the EGM to seek approval by the Independent Shareholders at the EGM in respect of the Grant of Issue Mandate, pursuant to which the Directors shall be granted the authority to allot and issue additional new Shares not exceeding 20% of the issued share capital of the Company as at the date of the EGM.

LETTER FROM VINCO CAPITAL

Fund raising activities of the Company in the past twelve months

Set out below are the fund raising activities of the Company during the past 12 months immediately prior to the Latest Practicable Date:

Date of announcement	Event	Net proceeds raised (approximately)	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
8 July 2009	Placing of 77,990,000 new Shares at the placing price of HK\$1.00 each	HK\$75.97 million	For the general working capital of the Group and/or potential investment opportunities in energy related sectors	HK\$75.97 million was applied for the general working capital of the Group
19 June 2009	Placing of convertible notes up to an aggregate principal amount of HK\$600,000,000 and up to 600,000,000 new Shares at the placing price of HK\$1.00 each	HK\$1,168.70 million	For the general working capital of the Group and potential investment opportunities in commodities sector	The June Placing Agreement was terminated and replaced by the New Placing Agreement as announced on 28 December 2009
28 December 2009	Placing of 200,000,000 new Shares at the placing price of HK\$0.45 each	HK\$87.25 million	(i) Approximately HK\$75 million to be applied to fund the capital injection in the Group's money lending business; and (ii) the balance of the net proceeds for payment of the Group's acquisition of a commercial premises	The Placing of New Shares is yet to be completed

Save as disclosed above, the Directors confirmed that the Company has not conducted any other fund raising activities during the past 12 months immediately prior to the Latest Practicable Date. As noted from the table above, we noted that the actual use of proceeds from the placing announced on 8 July 2009 was in line with the intended use of proceeds.

LETTER FROM VINCO CAPITAL

As noted from the table above, other than the Placing of New Shares announced on 28 December 2009 is yet to be completed, the Group has fully utilised the net proceeds from the abovementioned fund raising activities as at the Latest Practicable Date.

The Directors confirmed that the existing cash resources of the Group are sufficient for it to conduct its daily operations and the Group has sufficient working capital to meet its present requirements. However, the Directors cannot preclude the possibilities that additional funding may still be needed for investment development as well as other opportunities arise in the future. In the event the Company identifies a suitable investment opportunity but does not have sufficient financial resources on hand, or is unable to obtain loan financing on acceptable terms, or cannot find other alternatives to finance the acquisition of such investment opportunity in a timely manner, the Company may lose its opportunities in an otherwise favourable investment and a favorable opportunity to expand its business portfolio. In view of the gradual recovery in the economy and the stock market, we are advised by the Directors that they have been actively seeking potential investment opportunities and business developments of the Group. Also, the Directors confirmed that they have considered the possibility of seeking a specific mandate when specific project is identified. However, the Directors considered that timely decision making is critical to grasp opportunities arising from the prevailing market condition. As such, they considered granting of specific mandate which is subject to the approval of the Independent Shareholders may pose as a hindrance to the Group to grasp the opportunities in a timely manner. In view of the above, we consider that it is reasonable for the Directors to propose the Grant of Issue Mandate at the EGM in order to provide the Company with necessary financing flexibility to raise additional funds through the issue of new Shares for its future business development as and when an opportunity arises.

Financial flexibility

The Directors believe that the Grant of Issue Mandate will provide the Company with necessary financial flexibility to raise additional funds through the issue of new Shares for its future business development as and when an opportunity arises.

Given that (i) the General Mandate has been close to fully utilised; and (ii) any further Shares to be issued by the Company in excess of the limit of the General Mandate will require approval from the Shareholders at the general meeting, which is rather time-consuming, we consider that the Grant of Issue Mandate will provide the Group with necessary financial flexibility as allowed under the Listing Rules to issue and allot new Shares to raise additional funds through the issue of new Shares for its future business development as and when an opportunity arises. Given the necessary financial flexibility available to the Company, we concur with the Directors' view that the Grant of Issue Mandate is essential for the Group to respond to the market in a timely manner to seize the investment opportunities that may arise. Accordingly, we are of the view that the Grant of Issue Mandate is in the interests of the Company and the Independent Shareholders as a whole.

LETTER FROM VINCO CAPITAL

Other financing alternatives

We have enquired into the Directors and the Directors have considered equity financing to be an important avenue of resources for the Group given its non-interest bearing nature. Other than equity financing, the Directors confirmed that they have also considered other financing alternatives, such as debt financing and funding through internal cash resources, to be other possible fund raising alternatives available to the Group. As confirmed by the Directors, the Group has sufficient working capital to meet its present requirements, however, there is no certainty that such cash resources will be sufficient or be available for its future investments or business developments. In addition, debt financing may incur interest burden on the Group and it may subject to, including but not limited to, lengthy due diligence and negotiations with the banks based on the Group's financial position, capital structure and the prevailing market condition, which is rather uncertain and time-consuming as compared to equity financing. Further to our discussion with the Directors, they have also considered other forms of pro rata equity financing methods such as rights issue and open offer, yet, such financing methods would be subject to a lengthy process and would incur additional costs in form of underwriting commission and there would be no certainty that the Company would be able to procure favourable terms in such commercial underwriting. In this regard, we consider that the Grant of Issue Mandate will provide the Company an additional financing alternative for the Company to raise funds for its future investments or business developments and it is reasonable for the Company to have the flexibility in deciding the best financing methods for any future investments or business developments. Accordingly, we are of the view that the Grant of Issue Mandate is in the interests of the Company and the Independent Shareholders as a whole.

LETTER FROM VINCO CAPITAL

Potential dilution to shareholdings of the Shareholders

Set out below is a table illustrating the shareholdings of the Company as at the Latest Practicable Date; and, for illustrative purpose, the potential dilution effect on the shareholdings of the Shareholders (i) upon completion of the Placing of New Shares but before full utilisation of the refreshed mandate; and (ii) upon completion of the Placing of New Shares and immediately after full utilisation of the refreshed mandate (assuming no further Shares will be issued or repurchased by the Company after the Latest Practicable Date and up to the date of the EGM):

	As at the Latest Practicable Date		Upon completion of the Placing of New Shares but before full utilisation of the refreshed mandate		Upon completion of the Placing of New Shares and immediately after full utilisation of the refreshed mandate	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Dr. Chuang Yueheng, Henry (<i>Note 1</i>)	23,353,440	3.91	23,353,440	2.93	23,353,440	2.55
Heritage International Holdings Limited (<i>Note 2</i>)	130,598,402	21.86	130,598,402	16.38	130,598,402	14.24
Public Shareholders						
Placees	—	—	200,000,000	25.08	200,000,000	21.81
Shares that may be issued under the refreshed mandate	—	—	—	—	119,489,476	13.03
Other public Shareholders	<u>443,495,541</u>	<u>74.23</u>	<u>443,495,541</u>	<u>55.61</u>	<u>443,495,541</u>	<u>48.37</u>
Total	<u><u>597,447,383</u></u>	<u><u>100.00</u></u>	<u><u>797,447,383</u></u>	<u><u>100.00</u></u>	<u><u>916,936,859</u></u>	<u><u>100.00</u></u>

Notes:

- (1) Dr. Chuang Yueheng, Henry is the chairman and an executive Director.
- (2) The interests held by Dollar Group Limited which is a wholly-owned subsidiary of Heritage International Holdings Limited (stock code: 412), a company listed on the main board of the Stock Exchange.

LETTER FROM VINCO CAPITAL

The aggregate shareholding of the other public Shareholders will decrease from approximately 55.61% upon completion of the Placing of New Shares to approximately 48.37% upon full utilisation of the refreshed mandate, indicating a potential maximum dilution of approximately 7.24%. Taking into account the potential benefits of the Grant of Issue Mandate as discussed above and the fact that the shareholdings of all Shareholders will be diluted proportionally to their respective shareholdings upon full utilisation of the refreshed mandate, we consider such maximum potential dilution to the shareholdings of the Shareholders to be acceptable.

CONCLUSION

We noted that the Group has granted the General Mandate at the previous annual general meeting on 2 June 2009. However, having considered that (i) the next annual general meeting will not be held until around June 2010, which is around six months period from the Latest Practicable Date; (ii) the potential benefits of the Grant of Issue Mandate; and (iii) the fact that the shareholdings of all Shareholders will be diluted proportionally to their respective shareholdings upon full utilisation of the refreshed mandate, we are of the view that the Grant of Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and that the Grant of Issue Mandate is in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders, and the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Grant of Issue Mandate.

Yours faithfully,
For and on behalf of
Grand Vinco Capital Limited
Alister Chung
Managing Director

NOTICE OF EGM



Willie International Holdings Limited

威利國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 273)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Willie International Holdings Limited (the “Company”) will be held at 9:00 a.m. on Thursday, 28 January 2010 at 30th Floor, China United Centre, 28 Marble Road, North Point, Hong Kong for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions:

ORDINARY RESOLUTIONS

1. **“THAT:**

- (a) the conditional placing agreement (the “ Placing Agreement”) dated 28 December 2009 between the Company and Chung Nam Securities Limited (the “Placing Agent”) pursuant to which, inter alia, the Placing Agent agreed to, on a fully underwritten basis, procure placees to subscribe in cash for 200,000,000 new shares in the Company (“Placing Shares”) at a placing price of HK\$0.45 each (a copy of the Placing Agreement having been produced to this meeting marked “A” and initialled by the chairman of the meeting for identification) be and is hereby confirmed, approved and ratified; and
- (b) the directors of the Company (the “Directors”) be and are hereby authorised to allot and issue the Placing Shares under the terms of the Placing Agreement; and
- (c) the Directors be and are hereby authorised to take such actions and execute such documents to effect completion of the Placing Agreement including the allotment and issue of Placing Shares and to sign or execute such other documents or agreements or deeds on behalf of the Company and to do such other things and to take all such actions as they consider necessary or desirable for the purposes of giving effect to the Placing Agreement.”

2. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF EGM

- (b) the Directors be and are authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs 2(a) and (b), otherwise than pursuant to a Rights Issue (as hereinafter defined) or pursuant to the exercise of any options granted under the share option scheme adopted by the Company or an issue of shares upon the exercise of subscription rights attached to warrants which might be issued by the Company or an issue of shares in lieu of the whole or part of a dividend on shares or any scrip dividend scheme or similar arrangement in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any applicable laws of Hong Kong to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

NOTICE OF EGM

3. “**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting listing of and permission to deal in the shares of the Company to be issued upon the exercise of options under the share option scheme adopted by the Company on 20 November 2002 (the “Share Option Scheme”), the existing scheme mandate limit in respect of the granting of options to subscribe for shares of the Company under the Share Option Scheme be refreshed and renewed provided that the total number of Shares which may be allotted and issued pursuant to the grant or exercise of the options under the Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme) shall not exceed 10% of the shares of the Company in issue as at the date of passing this resolution (the “Refreshed Limit”) and that the Directors be and are hereby authorised, subject to compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, to grant options under the Share Option Scheme up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”

By Order of the Board
Willie International Holdings Limited
King Phillip
Managing Director

Hong Kong, 11 January 2010

Registered office and head office:
32nd Floor, China United Centre
28 Marble Road
North Point
Hong Kong

NOTICE OF EGM

Notes:

- (1) A form of proxy for the meeting is enclosed.
- (2) Any member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
- (3) To be valid, the instrument appointing a proxy must be in writing under the hand of the appointer or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorized.
- (4) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority must be deposited at the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the meeting, and in default the instrument of proxy shall not be treated as valid.
- (5) Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.

As at the date of this notice, the Board comprises four executive Directors, namely, Dr. Chuang Yueheng, Henry, Mr. King Phillip, Mr. Wong Ying Seung, Asiong and Mr. Wang Lin and four independent non-executive Directors, namely, Mr. Cheung Wing Ping, Mr. Liu Jian, Mr. Wen Louis and Mr. Yau Yan Ming, Raymond.