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## **WING HING INTERNATIONAL (HOLDINGS) LIMITED**



*(incorporated in Bermuda with limited liability)*

(Stock code: 621)

### **PLACING OF NEW SHARES UNDER GENERAL MANDATE AND RESUMPTION OF TRADING**

#### **Placing Agent**



博大資本國際有限公司

**Partners Capital International Limited**

**Partners Capital Securities Limited**

#### **Financial adviser to the Company**



**INCU Corporate Finance Limited**

#### **PLACING OF NEW SHARES**

On 1 August 2008, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a fully underwritten basis, 10,860,000 Placing Shares to the Placees who and whose ultimate beneficial owners will be Independent Third Parties at a price of HK\$1.43 per Placing Share.

The Placing Shares will be issued under the General Mandate and the Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

#### **SUSPENSION AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 1 August 2008 pending the issue of the announcement of the Company in relation to the amendments to the terms of the very substantial acquisition. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 5 August 2008.

The Board wishes to announce that the Company entered into the Placing Agreement with the Placing Agent on 1 August 2008. Pursuant to the Placing Agreement, the Company has conditionally agreed to place, through the Placing Agent on a fully underwritten basis, 10,860,000 Placing Shares to the Placees at a price of HK\$1.43 per Placing Share.

## **THE PLACING AGREEMENT**

### **Date**

1 August 2008

### **Issuer**

The Company

### **Placing Agent**

Partners Capital Securities Limited, who and whose ultimate beneficial owners are Independent Third Parties. The Placing Agent will charge the Company a placing commission of 2.5% of the gross proceeds from the Placing.

In the event that the Placing Agent cannot identify suitable Placees, the Placing Agent will become a substantial shareholder of the Company.

### **Placees**

The Placing Shares will be placed to not less than six Placees which will be independent individual, corporate and/or institutional investors, and who and whose ultimate beneficial owners are Independent Third Parties. Upon Completion, it is expected that none of the Placees will become a substantial shareholder of the Company. If any of the Placees will become a substantial shareholder of the Company after Completion, further announcement will be made by the Company.

### **Number of Placing Shares**

The Placing Shares of 10,860,000 Shares represent approximately 15.74% of the existing issued share capital of the Company as at the date of this announcement and approximately 13.60% of the issued share capital of the Company as enlarged by the Placing Shares.

### **Placing Price**

The Placing Price of HK\$1.43 represents (i) a discount of approximately 17.34% to the closing price of HK\$1.73 per Share as quoted on the Stock Exchange on the Last Trading Day, being the date on which the terms of the allotment were fixed; (ii) a discount of approximately 19.93% to the average

closing price per Share of HK\$1.786 as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and (iii) a discount of approximately 19.16% to the average closing price per Share of HK\$1.769 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day.

The Placing Price was determined with reference to the prevailing market price and the recent trading volume of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. In view of the highly volatile capital market conditions, the Directors (including the independent non-executive Directors) consider that the terms of the Placing are fair and reasonable based on the current market condition and that the Placing is in the interests of the Company and the Shareholders as a whole.

The aggregate nominal value of the Placing Shares is HK\$10,860,000.

### **Ranking of Placing Shares**

The Placing Shares shall rank pari passu in all respects among themselves and with the existing issued Shares.

### **Condition of the Placing**

The Placing is conditional upon the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Placing Shares. If the above condition is not fulfilled by 15 August 2008 (or such other date as may be agreed by the parties hereto), the Placing Agreement will be terminated forthwith and cease to have any effect.

### **Completion**

The Placing shall complete on the third Business Day after the satisfaction of the condition set out above (or such later date as may be agreed by the parties hereto).

### **Termination**

- (A) The Placing Agent shall be entitled by notice to the Company given prior to 6:00 p.m. on the day immediately preceding the Completion Date to terminate the Placing Agreement if any Specified Event comes to the notice of the Placing Agent.
- (B) If notice is given pursuant to Clause (A) above, the Placing Agreement shall terminate and be of no further effect and no party shall be under any liability to any other in respect of the Placing Agreement.

## **GENERAL MANDATE**

The Placing Shares will be issued under the General Mandate granted to the Directors at the annual general meeting of the Company held on 28 August 2007, subject to the limit of 10,860,000 Shares (representing 20% of the aggregate nominal amount of the share capital of the Company in issue on that date). The 10,860,000 Placing Shares to be allotted and issued will fully utilise the General Mandate. As at the date of this announcement, the Company has not utilised the General Mandate.

## **APPLICATION FOR LISTING**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

## **FUND RAISING DURING THE PAST TWELVE MONTHS**

The Company has not conducted any equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

## **REASONS FOR THE PLACING AND USE OF PROCEEDS**

The Group is principally engaged in superstructure construction, foundation piling, substructure works, slope improvement, special construction projects, interior decoration and landscaping works in Hong Kong and is also engaged in the development and management of a series of sophora products and biological vegetable oil in the PRC.

The Board considers that the Placing represents an opportunity to raise additional funds for the Company while broadening the Shareholder and capital base of the Company. The gross proceeds from the Placing will amount to approximately HK\$15.5 million. The net proceeds from the Placing, after the deduction of the placing commission and other related expenses, are estimated to be approximately HK\$14.5 million, representing a net issue price of approximately HK\$1.34 per Placing Share. The net proceeds will be used as the general working capital of the Group.

## EFFECTS ON SHAREHOLDING STRUCTURE

The shareholding structure of the Company before and after Completion is as follows:

Shareholders	As at the date of this announcement		Immediately after the allotment and issue of the Placing Shares	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Mr. Ng Tat Leung, George (Note 1)	4,917,369	7.13	4,917,369	6.16
Mr. Wong Teck Ming (Note 1)	30,000	0.04	30,000	0.04
Total Success Worldwide Limited (Note 1)	10,772,700	15.61	10,772,700	13.49
Mr. Lui Siu Yee, Samuel	30,600	0.04	30,600	0.04
Grand Legend Limited (Note 2)	5,750,000	8.33	5,750,000	7.20
Ms. Liu Pui Lan	11,700,000	16.96	11,700,000	14.65
<b>Public Shareholders</b>				
The Places	–	–	10,860,000	13.60
Other public Shareholders	<u>35,799,331</u>	<u>51.89</u>	<u>35,799,331</u>	<u>44.82</u>
<b>Total</b>	<b><u>69,000,000</u></b>	<b><u>100.00</u></b>	<b><u>79,860,000</u></b>	<b><u>100.00</u></b>

Notes:

1. The issued share capital of Total Success Worldwide Limited is owned as approximately 92.92% by Mr. Ng Tat Leung, George, the chairman of the Company and the managing Director, and as to approximately 7.08% by Mr. Wong Teck Ming, and executive Director.
2. The entire issued share capital of Grand Legend Limited is owned by Mr. Lo Chun Yang. Ms. Loh Siu Yin, Lulu is the spouse of Mr. Lo Chun Yang.

## **GENERAL**

The Company will make further announcement on the result of the Placing as required under the Listing Rules.

## **SUSPENSION AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares was suspended with effect from 9:30 a.m. on 1 August 2008 pending the issue of the announcement of the Company in relation to the amendments to the terms of the very substantial acquisition. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 5 August 2008.

## **DEFINITIONS**

“Board”	the board of Directors
“Business Day”	any day (not being a Saturday or a Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Wing Hing International (Holdings) Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement
“connected persons”	has the meaning as ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 28 August 2007, pursuant to which 10,860,000 new Shares may fall to be allotted and issued as at the date of this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Parties”	independent third parties who are not connected person(s) (as defined in the Listing Rules) of the Company and are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“Last Trading Day”	31 July 2008, being the last trading day for the Shares prior to this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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 Placing Agreement
“Placing”	the placing of the Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	Partners Capital Securities Limited, a licensed corporation to carry on business in type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 1 August 2008 entered into between the Company and the Placing Agent
“Placing Price”	HK\$1.43 per Placing Share
“Placing Shares”	10,860,000 Shares to be placed under the Placing
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company
“Specified Event”	means an event occurring or matter arising on or after the date hereof and prior to the date of completion which if it had occurred or arisen before the date hereof would have rendered any of the undertakings, warranties and representations given by the Company in the Placing Agreement untrue or incorrect and such would have an adverse impact/effect on the Placing

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning as ascribed thereto under the Listing Rules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Wing Hing International (Holdings) Limited**  
**Ng Tat Leung, George**  
*Chairman*

Hong Kong, 4 August 2008

*As at the date of this announcement, the executive Directors of the Company are Mr. Ng Tat Leung, George, Mr. Wong Teck Ming, Mr. Lui Siu Yee, Samuel and Ms. Leung Pui Kwan. The independent non-executive Directors of the Company are Mr. Wong Lit Chor, Alexis, Dr. Leung Wai Cheung and Mr. Hui Wah Tat, Anthony.*