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WING HING INTERNATIONAL (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 621)



VERY SUBSTANTIAL ACQUISITION

Upon further negotiations between the parties under the Sale and Purchase Agreement, the Vendor and the Purchaser entered into the Supplemental Agreement to amend certain terms of the Sale and Purchase Agreement on 31 July 2008.

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 this announcement. 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.

Reference is made to the announcement (the “**Announcement**”) of the Company dated 8 July 2008 in relation to, among other things, the transactions contemplated under the sale and purchase agreement dated 20 June 2008 entered into between Bless Luck International Limited, a wholly owned subsidiary of the Company, and Cheung Oi Chun. Unless otherwise defined herein, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

AMENDMENTS OF CERTAIN TERMS OF THE SALE AND PURCHASE AGREEMENT

Upon further negotiations between the parties under the Sale and Purchase Agreement, the Vendor and the Purchaser entered into the supplemental agreement (the “**Supplemental Agreement**”) to amend certain terms of the Sale and Purchase Agreement on 31 July 2008.

Pursuant to the Supplemental Agreement, amendments were made to the terms in respect of the conditions of the Sale and Purchase Agreement and the payment terms of the Consideration.

As set out in the Announcement, the Sale and Purchase Agreement was conditional upon, among other matters, (i) the passing by the Shareholders at a general meeting of the Company to be convened and held of an ordinary resolution to approve the Sale and Purchase Agreement and the transactions

contemplated hereunder, including but not limited to the allotment and issue of the Consideration Shares to the Vendor or its nominees credited as fully paid (the “**Shareholders’ Approval Condition**”); (ii) the obtaining of a technical report prepared by an independent technical personnel appointed by the Purchaser (in form and substance satisfactory to the Purchaser and the Vendor) showing the proven reserves of the mines beneficially owned by the Target Group to be not less than 60 million tons (the “**Technical Report Condition**”); (iii) completion of the Fund Raising Exercise by the Company (the “**Fund Raising Exercise Condition**”); and (iv) the obtaining of the extension of the time for the partial capital contribution by the HK Subsidiary to the PRC Subsidiary in the amount of US\$3,760,000 (equivalent to approximately HK\$29,253,000) initially payable by the HK Subsidiary on 15 June 2008 (the “**Capital Contribution Condition**”).

Pursuant to the terms of the Supplemental Agreement, the conditions of the Sale and Purchase Agreement were amended such that (i) under the Shareholders Approval Condition, other than the Sale and Purchase Agreement and the transactions contemplated hereunder, the Supplemental Agreement will also be subject to the Shareholders’ approval; (ii) the words “proven reserves” will be substituted with “proven resources” in the Technical Report Condition, as the words “proven reserves” were typographical errors in the Sale and Purchase Agreement; (iii) the fund raising amount under the Fund Raising Exercise will be amended to not less than HK\$15,000,000 in the Fund Raising Exercise Condition; and (iv) the Capital Contribution Condition will be delete and replaced by the obtaining of the approval required to be obtain for the reduction (the “**Capital Reduction**”) of registered capital of the PRC Subsidiary from US\$9,600,000 to US\$3,680,000.

Upon completion of the Capital Reduction, the registered capital will be reduced to US\$3,680,000. The Company will not be responsible to fund the payment of the outstanding capital commitment payable by the HK Subsidiary. Such outstanding capital commitment will be funded by the Vendor by way of a shareholder’s loan to the HK Subsidiary.

Under the Sale and Purchase Agreement, the Consideration for the sale and purchase of the Sale Share shall be satisfied by the Purchaser in the following manner:

- (a) HK\$50,000,000 shall be satisfied by the Purchaser procuring the Company to allot and issue the Consideration Shares to the Vendor credited as fully paid, at the Issue Price at Completion;
- (b) HK\$120,000,000 shall be satisfied by the Purchaser procuring the Company to issue the First Promissory Note to the Vendor at Completion; and
- (c) the balance of HK\$40,000,000 shall be satisfied by the Purchaser procuring the Company to issue the Second Promissory Note to the Vendor at Completion.

Amendments were made to the payment terms (the “**Payment Terms**”) of the Consideration pursuant to the Supplemental Agreement as follows:

- (a) HK\$20,000,000 shall be payable in cash by the Purchaser to the Vendor on 31 July 2008 as initial deposit (the “**Initial Deposit**”);
- (b) HK\$40,000,000 shall be payable in cash by the Purchaser to the Vendor on the date of completion of the Fund Raising Exercise as second deposit (together with the Initial Deposit, the “**Deposit**”);
- (c) HK\$50,000,000 shall be satisfied by the Purchaser procuring the Company to allot and issue the Consideration Shares to the Vendor or its nominees credited as fully paid, at the Issue Price at Completion;
- (d) HK\$80,000,000 shall be payable in cash by the Purchaser to the Vendor at Completion; and
- (e) the balance of HK\$20,000,000 shall be satisfied by the Purchaser procuring the Company to issue the promissory note (the “**Promissory Note**”) to the Vendor at Completion.

In the event that Completion does not take place as a result of the sole default of the Purchaser, the Vendor shall be entitled to retain the Deposit. In the event that Completion does not take place otherwise than as a result of the sole default of the Purchaser, the Vendor shall forthwith refund to the Purchaser the Deposit, without interest. If the conditions of the Sale and Purchase Agreement have not been satisfied (or as the case may be, waived) on or before 4:00 p.m. on 30 September 2009, or such other date as the Vendor and the Purchaser may agree, the Vendor shall refund to the Purchaser the Deposit, without interest.

Save as the amendments as disclosed above, no further material amendments have been made to the Sale and Purchase Agreement. Further details of the Supplemental Agreement will be disclosed to the Shareholders in the circular as soon as practicable.

Save as the change in the principal amount from HK\$40,000,000 to HK\$20,000,000, the terms of the Promissory Note are identical to the terms of the Second Promissory Note.

The Board considers that the entering of the Supplemental Agreement to amend the terms of the Sale and Purchase Agreement, in particular, the amendments of the Fund Raising Condition, the Capital Contribution Condition and the Payment Terms, will reduce the time required for the Fund Raising Condition to be satisfied and enable the parties to the Sale and Purchase Agreement to shorten the time required for completion of the Acquisition. The Directors consider that the terms of the Supplemental Agreement are fair and reasonable and in the interests of the Company so far as the Shareholders as a whole.

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 this announcement. 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.

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, and the independent non-executive directors of the Company are Mr. Wong Lit Chor, Alexis, Dr. Leung Wai Cheung and Mr. Hui Wah Tat Anthony.