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WONSON INTERNATIONAL HOLDINGS LIMITED

(和成國際集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 651)

PROPOSED REORGANISATION OF SHARE CAPITAL

The Company proposes to put forward for approval by the Shareholders at the SGM the Capital Reorganisation pursuant to which:-

- (i) every five (5) Shares in the issued ordinary share capital of the Company will be consolidated into one (1) Consolidated Share of par value HK\$0.05;
- (ii) every issued Consolidated Share of the Company will be reduced in nominal amount by canceling HK\$0.04 of the share capital paid up for each issued Consolidated Share from HK\$0.05 to HK\$0.01 each so as to form (after the Share Consolidation) one Reorganised Share of par value HK\$0.01 each; and
- (iii) the credit arising from the Capital Reorganisation will be transferred to the contributed surplus account of the Company.

Upon the Capital Reorganisation becoming effective, the existing board lot of 10,000 Shares will be changed to board lot of 20,000 Reorganised Shares.

CAPITAL REORGANISATION

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- (i) every five (5) Shares in the issued ordinary share capital of the Company will be consolidated into one (1) Consolidated Share of par value HK\$0.05;
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- (iii) the credit arising from the Capital Reorganisation will be transferred to the contributed surplus account of the Company.

As at the date of this Announcement, there were 2,658,226,595 Shares in issue. On the basis of such issued share capital. Upon the completion of the Capital Reorganisation, there will be 531,645,319 Reorganised Shares in issue (assuming that there are no changes in the share capital of the Company from the date of this Announcement and up to the effective date of the Capital Reorganisation).

Conditions of the Capital Reorganisation

The Capital Reorganisation will be conditional upon:-

- (i) the passing at the SGM of a special resolution approving the Capital Reorganisation;
- (ii) compliance by the Company with the requirements of Section 46(2) of the Companies Act 1981 of Bermuda;
- (iii) the Listing Committee of the Stock Exchange granting listing of, and permission to deal, in the Reorganised Shares.

REASONS FOR THE CAPITAL REORGANISATION

The Directors believe that the Capital Reorganisation is beneficial to the Company and its Shareholders as a whole. The Directors consider that the proposed Capital Reorganisation will make the shares of the Company more attractive to investors and is beneficial to the Company for its future fund-raising activities.

The Capital Reorganisation will not, in itself, alter the underlying assets, business, operations, management or financial position of the Company except for the payment of related expenses in connection with the Capital Reorganisation

ODD LOTS ARRANGEMENT

In order to alleviate the difficulties arising from the existence of odd lots of the Reorganised Shares, a broker will be appointed by the Company to provide a matching service to those Shareholders who wish to acquire odd lots of Reorganised Shares to make up a full board lot, or to dispose of their holdings of odd lots of Reorganised Shares. Details of the odd lots arrangement will be stated in the circular to be issued by the Company.

Any fraction of Reorganised Shares that arises from the Capital Reorganisation will be aggregated and sold (if a premium, net of expenses, can be obtained) for the benefit of the Company.

The Reorganised Shares will rank pari passu with each other in all respects.

BOARD LOT SIZE

Upon the Capital Reorganisation becoming effective, the existing board lot of 10,000 Shares will be changed to board lot of 20,000 Reorganised Shares.

EXPECTED TIME TABLE FOR THE CAPITAL REORGANISATION

The expected timetable is as follows:-

2006

Earliest date for publication of notice in Bermuda	4th February
Despatch of circular in respect of the SGM convened to approve the Capital Reorganisation	7th February
Latest date for publication of notice in Bermuda	19th February
Latest time for lodging forms of proxy for the SGM	10:00 a.m. on 1st March
SGM.....	10:00 a.m. on 3rd March
Effective date of the Capital Reorganisation	6th March
Existing counter for trading in the Shares in board lots of 10,000 Shares temporary closes	9:30 a.m. on 6th March
Temporary counter for trading in the Reorganised Shares in board lots of 2,000 Reorganised Shares (in the form of existing share certificates) opens	9:30 a.m. on 6th March
First day for free exchange of existing share certificates for new share certificates for the Reorganised Shares	6th March
Existing counter for trading in the Reorganised Shares in board lots of 20,000 Reorganised Shares (in the form of new share certificates) reopens	9:30 a.m. on 20th March
Parallel trading in the Reorganised Shares (in the form of new share certificates and existing share certificates) commences	9:30 a.m. on 20th March
Temporary counter for trading in the Reorganised Shares in board lots of 2,000 Reorganised Shares (in the form of existing share certificates) closes	4:00 p.m. on 11th April
Parallel trading in the Reorganised Shares (in the form of new share certificates and existing share certificates) ends	4:00 p.m. on 11th April
Last day for free exchange of existing share certificates for new share certificates for the Reorganised Shares.....	4:00 p.m. on 18th April

FREE EXCHANGE OF CERTIFICATES FOR SHARES AND TRADING ARRANGEMENT

Subject to the Capital Reorganisation becoming effective, Shareholders may, during business hours from 6th March, 2006 to 18th April, 2006 (both dates inclusive), submit their existing yellow certificates for the Shares to the Company's branch registrar in Hong Kong, Abacus Share Registrars Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, in exchange for new orange certificates for the Reorganised Shares (on the basis of every five (5) Shares for one (1) Reorganised Share) free of charge. Thereafter, existing share certificates for Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new certificate issued for the Reorganised Shares.

Dealings in the Shares represented by existing certificates will cease after 9:30 a.m. on 6th March, 2006. Existing share certificates will only be valid for delivery and settlement in respect of dealings for the period up to 11th April, 2006 and thereafter will not be acceptable for dealing purposes. However, existing certificates for Shares will continue to be evidence of title to the shares held in the Company on the basis of five (5) Shares for one (1) Reorganised Share.

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 Reorganised Shares.

As at the date of this announcement, the executive Directors are Mr. Chiu Kong, Mr. Hui, Richard Rui, Mr. Tsui Ching Hung, Mr. Chung Nai Ting, Mr. Tse Lanny Cheuk Ming and the independent non-executive Directors are Mr. Chan Sze Hung, Mr. Tong Wui Tung and Mr. Miu Frank H..

DEFINITIONS

The following terms are used in this announcement within the meanings set opposite them:-

“Capital Reduction”	the proposed cancellation of HK\$0.04 paid-up capital for each Consolidated Share in issue from HK\$0.05 to HK\$0.01 each immediately after the Share Consolidation;
“Capital Reorganisation”	the proposed reorganisation of the capital of the Company consisting of the Share Consolidation and the Capital Reduction;
“Company”	Wonson International Holdings Limited, a company incorporated in Bermuda, whose shares are listed on the Stock Exchange;

“Consolidated Share(s)”	share(s) of HK\$0.05 each in the capital of the Company immediately following and arising from the Share Consolidation;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Reorganised Shares”	shares of HK\$0.01 of the Company following the Capital Reorganisation becoming effective;
“SGM”	the special general meeting of the Company to be convened to approve the Capital Reorganisation and the change in board lot size of the Company;
“Share Consolidation”	the consolidation of every five (5) Shares into one (1) Consolidated Share;
“Shareholders”	shareholders of the Company;
“Shares”	existing shares of a par value of HK\$0.01 in the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

By order of the board of directors of
Wonson International Holdings Limited
Hui Richard Rui
Director

Hong Kong, 19th January, 2006

** for identification purposes only*