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## **HERITAGE INTERNATIONAL HOLDINGS LIMITED**

**漢基控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 412)

### **PLACING OF NEW SHARES UNDER THE GENERAL MANDATE**

On 22 April 2008 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which an aggregate of 426,000,000 new Shares will be placed by the Placing Agent on behalf of the Company on a fully underwritten basis at the price of HK\$0.186 per Share to at least six (6) independent investors. The Placing is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares.

#### **PLACING AGREEMENT DATED 22 APRIL 2008**

- Placing Agent : Get Nice Securities Limited. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Placing Agent and its ultimate beneficial owner(s) are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company.
- Placees : Not less than six (6) institutional, professional and/or individual investors who, together with their ultimate beneficial owner(s) (if any), will be independent of the Company and connected persons (as defined in the Listing Rules) of the Company.
- Number of Shares to be placed : 426,000,000 new Shares, representing approximately 19.98% of the existing issued share capital of the Company and approximately 16.65% of the issued share capital of the Company as enlarged by the Placing. The Placing will be on a fully underwritten basis.

The Placing Shares will be issued pursuant to the general mandate granted to the Directors by the Shareholders at the special general meeting of the Company held on 15 April 2008. This general mandate has not been used prior to the date of this announcement.

Placing Price : HK\$0.186 per Placing Share. Taking into account the relevant expenses, the net price to the Company of each Placing Share is approximately HK\$0.181 per Share.

The Placing Price was agreed after arm's length negotiations and represents (i) a discount of approximately 15.45% to the closing price of HK\$0.220 per Share as quoted on the Stock Exchange on 22 April 2008, being the date of the Placing Agreement; (ii) a discount of approximately 19.13% to the average closing price of approximately HK\$0.230 per Share as quoted on the Stock Exchange from 15 April 2008 to 21 April 2008, both days inclusive, being the last five trading days of the Shares immediately before the date of the Placing Agreement; and (iii) a discount of approximately 19.83% to the average closing price of approximately HK\$0.232 per Share as quoted on the Stock Exchange from 8 April 2008 to 21 April 2008, both days inclusive, being the last ten trading days of the Shares immediately before the date of the Placing Agreement.

Placing and underwriting commission : 2.5% of the aggregate Placing Price. The Directors consider this commission rate is fair and reasonable.

Termination of the Placing Agreement : The Placing Agreement contains *force majeure* provisions entitling the Placing Agent to terminate its obligations thereunder on the occurrence of certain events, which include any material adverse change in the financial, political or economic conditions in Hong Kong, prior to the completion date. If the Placing Agent exercises such right to so terminate the Placing, the Placing will not proceed. Shareholders and investors are advised to exercise caution when dealing in the Shares.

Condition : The Placing is conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares.

If the above condition is not fulfilled on or prior to 30 May 2008 or such later date as may be agreed between the Company and the Placing Agent, the Placing Agreement shall terminate and no party shall have any claim against the other in respect of any matters arising out of or in connection with the Placing Agreement save for antecedent breaches.

- Expected completion date : Not later than the second business day after the date upon which the last of the conditions set out above shall have been satisfied or such later date as the Company and the Placing Agent may agree in writing.
- Ranking : The Placing Shares, when fully paid, will rank *pari passu* in all respects with the Shares in issue at the time of issue and allotment of the Placing Shares.
- Reasons for the Placing : The Directors believe that the Placing is in the interests of the Company and its shareholders as a whole and represents a good opportunity for the Company to raise capital, further expand its business and broaden its shareholders and capital base. Further, it can strengthen the financial position of the Company.
- Use of proceeds : The Group is principally engaged in properties investments, investment in securities and money lending business. The gross proceeds from the Placing is approximately HK\$79.24 million. The estimated expenses for the Placing are approximately HK\$2.14 million. The net proceeds arising from the Placing in the amount of approximately HK\$77.1 million, are intended to be used for general working capital catering for the expansion of the current lines of business of the Group.

Effects on shareholding : The effects of the Placing on the shareholding of the Company are as follows:

	Shareholding immediately before the Placing		Shareholding immediately after the Placing	
	No. of Shares	Approximate %	No. of Shares	Approximate %
<b>Substantial Shareholder</b>				
Willie International Holdings Limited	183,941,280	8.63	183,941,280	7.19
<b>Directors</b>				
Kwong Kai Sing, Benny	15,444,000	0.73	15,444,000	0.60
Ong Peter	8,595,360	0.40	8,595,360	0.34
Poon Chi Wan	1,188,000	0.06	1,188,000	0.05
<b>Public</b>				
Places and/or the Placing Agent	–	–	426,000,000	16.65
Other public Shareholders	<u>1,922,499,276</u>	<u>90.18</u>	<u>1,922,499,276</u>	<u>75.17</u>
Total	<u><u>2,131,667,916</u></u>	<u><u>100.00</u></u>	<u><u>2,557,667,916</u></u>	<u><u>100.00</u></u>

Fund-raising activities : The following is a summary of the equity fund raising by the Company during the past 12 months activities conducted by the Company in the past 12 months:

Date of announcement	Date of agreement	Nature of transaction	Places/ subscriber/ allottee	Amount of fund raised (net of expenses)	Number of Shares issued	Approximate % of the total issued share capital of the Company as at the date hereof	Intended use of proceeds	Actual use of proceeds
14 June 2007	13 June 2007	Placing of new shares under general mandate	Independent third parties	Approximately HK\$171 million	468,000,000 shares (equivalent to 93,600,000 Shares after the capital reorganisation which took effect on 20 December 2007)	5.27%	For expanding the Group's business into the junket representative and services sector or, if such opportunity does not materialise, for general working capital of the Group	As the investment opportunity in the junket representative and services sector has not yet materialised, approximately half of the proceeds raised from the aforesaid placing have been applied for the Group's money lending business with the remaining balance applied in investment in securities
2 August 2007	2 August 2007	Placing of new shares under general mandate	Independent third parties	Approximately HK\$130.5 million	744,530,000 shares (equivalent to 149,906,000 Shares after the capital reorganisation which took effect on 20 December 2007)	8.44%	For expanding the Group's business into the junket representative and services sector or, if such opportunity does not materialise, for general working capital of the Group	As the investment opportunity in the junket representative and services sector has not yet materialised, approximately half of the proceeds raised from the aforesaid placing have been applied for the Group's money lending business with the remaining balance applied in investment in securities

<b>Date of announcement</b>	<b>Date of agreement</b>	<b>Nature of transaction</b>	<b>Places/ subscriber/ allottee</b>	<b>Amount of fund raised (net of expenses)</b>	<b>Number of Shares issued</b>	<b>Approximate % of the total issued share capital of the Company as at the date hereof</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds</b>
27 August 2007	23 August 2007	Placing of new shares under general mandate	Independent third parties	Approximately HK\$96.1 million	987,000,000 shares (equivalent to 197,400,000 Shares after the capital reorganisation which took effect on 20 December 2007)	11.11%	For expanding the Group's business into the junket representative and services sector or, if such opportunity does not materialise, for general working capital of the Group	As the investment opportunity in the junket representative and services sector has not yet materialised, approximately half of the proceeds raised from the aforesaid placing have been applied for the Group's money lending business with the remaining balance applied in investment in securities
27 August 2007	23 August 2007	Rights issue	The then Shareholders and the underwriter	Approximately HK\$240 million	2,961,113,194 shares (equivalent to 592,222,638.8 Shares after the capital reorganisation which took effect on 20 December 2007)	33.33%	For expanding the Group's business into the junket representative and services sector or, if such opportunity does not materialise, for general working capital of the Group	As the investment opportunity in the junket representative and services sector has not yet materialised, approximately half of the proceeds raised from the aforesaid rights issue have been applied for the Group's money lending business with the remaining balance applied in investment in securities
26 February 2008	26 February 2008	Placing of new shares under general mandate	Independent third parties	Approximately HK\$89.9 million	355,000,000 Shares	16.65%	For general working capital of the Group	approximately half of the proceeds raised from the aforesaid placing have been applied for the Group's money lending business with the remaining balance applied in interest bearing deposit

## GENERAL

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

## DEFINITIONS

In this announcement, the following terms shall have the meanings set opposite them unless the context requires otherwise:

“Board”	the board of Directors
“Company”	Heritage International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placing”	the placing of the Placing Shares at the Placing Price to at least six (6) independent investors pursuant to the Placing Agreement
“Placing Agent”	Get Nice Securities Limited, a deemed licensed corporation under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) permitted to engage in types 1, 4, 6 and 9 of the regulated activities
“Placing Agreement”	the conditional placing agreement dated 22 April 2008 between the Company and the Placing Agent in respect of the Placing
“Placing Price”	HK\$0.186 per Placing Share
“Placing Share(s)”	426,000,000 new Shares to be placed pursuant to the Placing
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Kwong Kai Sing, Benny**  
*Chairman*

Hong Kong, 22 April 2008

*As at the date of this announcement, the Company has four executive Directors, being Mr. Kwong Kai Sing, Benny, Mr. Ong Peter, Ms. Poon Chi Wan and Mr. Chow Chi Wah, Vincent and five independent non-executive Directors, being Mr. Chan Sze Hung, Mr. To Shing Chuen, Mr. Ha Kee Choy, Eugene, Mr. Chung Yuk Lun and Mr. Lo Wong Fung.*

\* *For identification purposes only*