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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)**

## **DISCLOSEABLE TRANSACTION — DISPOSAL OF FINANCIAL ASSETS**

The Board announces that on 19 March 2013 after trading hours, the Company sold 35,000,000 Freeman Shares at the price of HK\$0.106 per Freeman Share by way of a placing arrangement through the Company's securities broker. After the Disposal, the Company has reclassified the remaining 78,128,834 Freeman Shares held from "available-for-sale financial assets" to "investments at fair value through profit or loss" in its financial statements.

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in relation to the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company pursuant to Rule 14.06 of the Listing Rules and is subject to the reporting and announcement requirements pursuant to Rule 14.33 of the Listing Rules.

### **THE DISPOSAL**

The Board announces that on 19 March 2013 after trading hours, the Company sold 35,000,000 Freeman Shares at the price of HK\$0.106 per Freeman Share. These 35,000,000 Freeman Shares (representing approximately 4.76% of Freeman's issued share capital on 19 March 2013), having been classified as available-for-sale financial assets, were sold by way of a placing arrangement through the Company's securities broker, Chung Nam Securities Limited, to independent third-party buyer(s). Earlier today, the securities broker has confirmed the Disposal having been done with certain transaction details provided to the Company. The aggregate value of the consideration is HK\$3,710,000 (exclusive of transaction costs) and the amount of net proceeds is approximately HK\$3,697,000. It is expected that the Company will record an estimated loss of HK\$245,000 (exclusive of transaction costs around

HK\$13,000) representing the carrying value of HK\$3,955,000 less the gross proceeds from the sale of 35,000,000 Freeman Shares. The selling price at HK\$0.106 per Freeman Share was set by the Company by reference to the on-market trading prices of Freeman Shares ranging from HK\$0.102 to HK\$0.108 per Freeman Share recorded on 18 March 2013 and 19 March 2013.

Under the placing arrangement through the Company's securities broker, the Company has instructed the securities broker to sell the 35,000,000 Freeman Shares to independent third-party buyer(s), who must not be connected person(s) of the Company. While the exact identity of the buyer(s) is not made known to the Company, the securities broker has confirmed to the Company that no connected person of the Company is involved.

After the Disposal, the Company currently holds 78,128,834 Freeman Shares (representing approximately 10.62% of Freeman's issued share capital). Due to the reasons mentioned under the paragraph heading "REASONS FOR AND BENEFITS OF THE DISPOSAL" in this announcement, the Board has decided to reclassify the remaining 78,128,834 Freeman Shares held from "available-for-sale financial assets" to "investments at fair value through profit or loss" in the financial statements of the Company.

## **INFORMATION ON FREEMAN GROUP**

Freeman Group is principally engaged in the financial services sector, including the provision of securities brokerage services, the provision of insurance brokerage and financial planning services, the provision of corporate advisory services, trading of securities, provision of finance as well as investment holding.

Immediately before the Disposal, the Company held approximately 15.38% of the issued share capital of Freeman. As at the date of this announcement, the Company holds approximately 10.62% of Freeman's issued share capital while Freeman does not hold any interest in the shares of the Company discloseable under Part XV of the Securities and Futures Ordinance. From year 2012, a subsidiary of Freeman has started to provide securities brokerage services to the Group on normal commercial terms and the sum of service fees so far is small so that those services are exempted continuing connected transactions under Chapter 14A of the Listing Rules. Save as disclosed above, the Company and Freeman do not have any other business relationship as at the date of this announcement.

According to the latest interim report published by Freeman, the value of the unaudited net assets of Freeman Group was approximately HK\$2,143 million as at 30 September 2012. Further financial information of Freeman for the past two financial years ended 31 March 2012 and 31 March 2011 based on the latest audited consolidated financial statements published by Freeman is set out as below:

	<b>For the year ended 31 March 2012</b>	<b>For the year ended 31 March 2011</b>
	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>
Revenue	8.8	82.2
Loss before tax from continuing operations	(662.3)	(173.8)
Profit for the year from the discontinued operations	24.1	3.4
Loss for the year	(637.9)	(171.5)

## **INFORMATION ON THE GROUP**

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

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

In October 2011, the Company announced its intention to develop a strategic alliance with Freeman by way of cross-shareholding. Subsequently, the Company and Freeman have attempted to develop the strategic alliance by way of allotting shares to each other as well as sharing of stock market information, analysis, credit data and business network. However, the pace of developing the strategic alliance lasting for more than a year lags behind the Company's initial expectation. The Board has also noticed that Freeman Group disposed of a large part of its shareholding in the Company in July 2012 out of its own commercial consideration. After deliberation of the above factors, the Board considers that it is no longer necessary for the Company to maintain a strategic shareholding in Freeman. Hence, the Company has decided to proceed with the Disposal and the reclassification of the remaining Freeman Shares in the financial statements of the Company.

Based on the trading prices of Freeman Shares ranging from HK\$0.102 to HK\$0.108 per Freeman Share recorded on 18 March 2013 and 19 March 2013, the Board considers that the selling price of HK\$0.106 per Freeman Share under the Disposal is close to the prevailing market price and the terms of the Disposal are on normal commercial terms and are fair and reasonable. Moreover, the net proceeds from the Disposal will strengthen the general working capital of the Group. Hence, the Board considers that the Disposal is in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the highest applicable percentage ratio calculated in accordance with the Listing Rules in relation to the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company pursuant to Rule 14.06 of the Listing Rules and is subject to the reporting and announcement requirements pursuant to Rule 14.33 of the Listing Rules.

## **DEFINITIONS**

The following expressions in this announcement have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Company”	Willie International Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 273)
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the Company’s disposal of 35,000,000 Freeman Shares by way of a placing arrangement through the Company’s securities broker on 19 March 2013 after trading hours
“Freeman”	Freeman Financial Corporation Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 279)
“Freeman Group”	Freeman and its subsidiaries

“Freeman Share(s)”	ordinary share(s) of HK\$0.05 each in the share capital of Freeman
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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  
**Willie International Holdings Limited**  
**Wong Ying Seung, Asiong**  
*Vice Chairman*

Hong Kong, 20 March 2013

*As at the date of this announcement, the Board comprises:-*

*Executive Directors:*

Dr. Chuang Yueheng, Henry  
Mr. Wong Ying Seung, Asiong  
Mr. Tsui Hung Wai, Alfred  
Mr. Fung Yue Tak, Derek

*Independent Non-executive Directors:*

Mr. Cheung Wing Ping  
Mr. Wen Louis  
Mr. Yau Yan Ming, Raymond  
Mr. Frank H. Miu  
Dr. Antonio Maria Santos