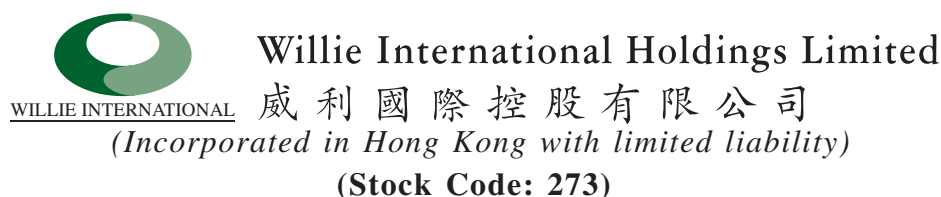


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2013

RESULTS

The board of directors (the “Board”) of Willie International Holdings Limited (the “Company”) hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred as the “Group”) for the six months ended 30 June 2013 (the “Period”), together with the comparative figures for the six months ended 30 June 2012 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 June 2013

		Unaudited	
		Six months ended 30 June	
		2013	2012
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	3	16,738	(14,614)
Other income		659	9,423
Employee benefits expenses		(5,167)	(4,998)
Depreciation		(621)	(647)
Reversal (Provision) of allowance of doubtful debts, net		7,072	(916)
Gain on disposal of interest in a subsidiary		—	4,916
Impairment loss on available-for-sale financial assets		—	(69,511)
Loss on deemed disposal of interest in associates		—	(12,788)
Loss on disposal of property, plant and equipment		—	(36)
Loss on disposal of available-for-sale financial assets	7(a)	(3,750)	—
Net fair value loss on investments held for trading		(113,465)	(103,147)
Net fair value gain on investments designated as at fair value upon initial recognition		252	2,515

		Unaudited	
		Six months ended 30 June	
		2013	2012
<i>Notes</i>		<i>HK\$'000</i>	<i>HK\$'000</i>
	Gain arising from changes in fair value of investment properties	300	272
	Other operating expenses	(8,886)	(4,460)
	Finance costs	(61)	(279)
	Share of results of associates	<u>—</u>	<u>17,325</u>
	Loss before taxation	(106,929)	(176,945)
	Taxation	<u>4</u> —	<u>—</u>
	Loss for the period	(106,929)	(176,945)
	Other comprehensive (loss) income: <i>Items that have been reclassified or may be reclassified subsequently to profit or loss</i>		
	Net fair value loss on available-for-sale financial assets	(1,645)	(91,176)
	Derecognition of foreign currency translation reserve due to deemed disposal of associates	—	148
	Reclassification to profit or loss upon impairment of available-for-sale financial assets	<u>—</u>	<u>57,554</u>
	Other comprehensive loss for the period	(1,645)	(33,474)
	Total comprehensive loss for the period	(108,574)	(210,419)
	(Loss) Profit for the period		
	attributable to:		
	Equity holders of the Company	(106,929)	(176,981)
	Non-controlling interests	<u>—</u>	<u>36</u>
		(106,929)	(176,945)
	Total comprehensive (loss) income		
	attributable to:		
	Equity holders of the Company	(108,574)	(210,455)
	Non-controlling interests	<u>—</u>	<u>36</u>
		(108,574)	(210,419)
	Loss per share		<i>(Adjusted)</i>
	— Basic and diluted	<u>HK\$(0.72)</u>	<u>HK\$(2.03)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2013

		Unaudited 30 June 2013 <i>HK\$'000</i>	Audited 31 December 2012 <i>HK\$'000</i>
	<i>Notes</i>		
Non-current assets			
Investment properties		11,100	10,800
Property, plant and equipment		894	1,235
Available-for-sale financial assets	7	590,947	624,371
Other investments		4,580	4,580
Deposit for subscription of shares in an associate	11	19,420	—
Loans receivable	9	774	1,614
		627,715	642,600
Current assets			
Available-for-sale financial assets	7	7,188	—
Financial assets at fair value through profit or loss	8	794,439	917,660
Loans receivable	9	133,856	21,163
Other receivables		4,935	23,191
Cash and cash equivalents		55,007	103,091
		995,425	1,065,105
Current liabilities			
Other payables		603	1,955
Interest-bearing borrowings		4,449	4,536
		5,052	6,491
Net current assets		990,373	1,058,614
NET ASSETS		1,618,088	1,701,214
Capital and reserves			
Share capital	10	1,505	1,254
Reserves		1,616,583	1,699,960
TOTAL EQUITY		1,618,088	1,701,214

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial statements for the six months ended 30 June 2013 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The accounting policies applied in preparing these interim condensed consolidated financial statements are consistent with those applied in preparing the Group’s annual consolidated financial statements for the year ended 31 December 2012. The adoption of the following new/revised Hong Kong Financial Reporting Standards (“HKFRSs”) that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group for the current period and prior years, except that certain presentation and disclosures of condensed consolidated financial statements item have been revised:

- Amendments to HKAS 1 *Presentation of Items of Other Comprehensive Income*
- Amendments to HKAS 34 *Interim Financial Reporting and Segment Information for Total Assets and Liabilities*
- HKFRS 10 *Consolidated Financial Statements*
- HKFRS 11 *Joint Arrangements* and HKAS 28 *Investment in Associates and Joint Ventures*
- HKFRS 12 *Disclosure of Interests in Other Entities*
- HKFRS 13 *Fair Value Measurement*

At the date of authorisation of these interim condensed consolidated financial statements, the HKICPA has issued a number of new/revised HKFRSs that are not yet effective for the current period, which the Group has not early adopted. The directors are in the process of assessing the possible impact on the future adoption of these new/revised HKFRSs, but are not yet in a position to reasonably estimate their impact on the Group’s results of operations and financial position.

2. SEGMENT INFORMATION

The directors consider trading of investments, provision of financial services, property investment and investment holding are the Group’s major operating segments.

(a) **Segment revenue and results**

The following is an analysis of the Group's revenue and results from operations by operating segments:

	Trading of investments <i>HK\$'000</i>	Provision of financial services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Investment holding <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the six months ended 30 June 2013 (unaudited)						
Segment revenue						
Turnover	<u>11,673</u>	<u>4,859</u>	<u>206</u>	<u>—</u>	<u>—</u>	<u>16,738</u>
Segment results	(102,992)	11,304	453	(1,881)	(10,002)	(103,118)
Loss on disposal of available-for-sale financial assets	—	—	—	(3,750)	—	(3,750)
Finance costs	—	—	(61)	—	—	(61)
Loss before taxation						(106,929)
Taxation	—	—	—	—	—	—
Loss for the period						<u>(106,929)</u>
For the six months ended 30 June 2012 (unaudited)						
Segment revenue						
Turnover	<u>(18,364)</u>	<u>3,651</u>	<u>99</u>	<u>—</u>	<u>—</u>	<u>(14,614)</u>
Segment results	(111,430)	2,666	332	(69,350)	(8,337)	(186,119)
Gain on disposal of interest in a subsidiary	—	—	—	4,916	—	4,916
Loss on deemed disposal of interest in associates	—	—	—	(12,788)	—	(12,788)
Finance costs	(279)	—	—	—	—	(279)
Share of results of associates	—	—	—	17,325	—	17,325
Loss before taxation						(176,945)
Taxation	—	—	—	—	—	—
Loss for the period						<u>(176,945)</u>

Segment revenue reported above represents revenue generated from external customers. There was no inter-segment revenue in both periods.

(b) Segment assets and liabilities

An analysis of the Group's assets and liabilities by operating segments is set out below.

	Trading of investments <i>HK\$'000</i>	Provision of financial services <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Investment holding <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 30 June 2013 (unaudited)					
Assets					
Segment assets	824,891	143,311	11,436	635,189	1,614,827
Unallocated assets	—	—	—	—	<u>8,313</u>
Total assets					<u><u>1,623,140</u></u>
Liabilities					
Segment liabilities	(94)	(88)	(4,564)	(234)	(4,980)
Unallocated liabilities	—	—	—	—	<u>(72)</u>
Total liabilities					<u><u>(5,052)</u></u>
At 31 December 2012 (audited)					
Assets					
Segment assets	954,370	60,963	11,096	673,948	1,700,377
Unallocated assets	—	—	—	—	<u>7,328</u>
Total assets					<u><u>1,707,705</u></u>
Liabilities					
Segment liabilities	(111)	(60)	(4,620)	(1,609)	(6,400)
Unallocated liabilities	—	—	—	—	<u>(91)</u>
Total liabilities					<u><u>(6,491)</u></u>

3. TURNOVER

Turnover recognised from the principal activities of the Group during the Period including trading of investments, provision of financial services, property investment and investment holding are as follows:

	Unaudited	
	Six months ended 30 June	
	2013	2012
	HK\$'000	HK\$'000
Net gain (loss) from the sale of investments at fair value through profit or loss*	1,655	(20,985)
Interest income from loans and other receivables	4,859	3,651
Dividend income from investments	6,098	2,621
Interest income from investments	3,920	—
Rental income	206	99
	<u>16,738</u>	<u>(14,614)</u>

* Represents the proceeds from the sale of investments at fair value through profit or loss of HK\$157,738,000 (2012: HK\$115,741,000) less the cost of sales and carrying amount of the investments sold of HK\$156,083,000 (2012: HK\$136,726,000).

4. TAXATION

No provision for Hong Kong Profits Tax has been made as the Group has no estimated assessable profits derived from Hong Kong for both periods.

5. LOSS PER SHARE

The calculation of basic loss per share is based on loss attributable to equity holders of the Company for the Period of HK\$106,929,000 (2012: HK\$176,981,000) and the weighted average number of 149,352,688 (2012 (adjusted): 87,118,918) ordinary shares in issue during the Period.

The Company had no dilutive potential ordinary shares for both periods. Accordingly, the diluted loss per share was same as the basic loss per share for both periods.

The calculations of the basic and diluted loss per share for the comparative period have been adjusted for the rights issue completed in December 2012.

6. INTERIM DIVIDEND

The directors of the Company do not recommend the payment of an interim dividend for the Period (2012: nil).

7. AVAILABLE-FOR-SALE FINANCIAL ASSETS

		Unaudited	Audited
		30 June	31 December
		2013	2012
	<i>Notes</i>	HK\$'000	HK\$'000
Equity securities, listed in Hong Kong, at fair value	<i>(a)</i>	<u>7,188</u>	<u>33,424</u>
Club membership, at cost	<i>(b)</i>	13,920	13,920
Impairment loss		<u>(1,520)</u>	<u>(1,520)</u>
		<u>12,400</u>	<u>12,400</u>
Unlisted investments, at cost	<i>(b)</i>	594,514	594,514
Impairment loss		<u>(15,967)</u>	<u>(15,967)</u>
		<u>578,547</u>	<u>578,547</u>
		<u>598,135</u>	<u>624,371</u>
Analysed as:			
Non-current		590,947	624,371
Current		<u>7,188</u>	<u>—</u>
		<u>598,135</u>	<u>624,371</u>

Notes:

- (a) During the Period, the Company disposed of its entire equity interest in Capital VC Limited and part of its equity interest in Freeman Financial Corporation Limited (“Freeman”), resulted in a loss on disposal of available-for-sale financial assets of approximately HK\$3,750,000. When disposing of part of the equity interest in Freeman, the Board also decided that the remaining shares in Freeman held by the Company might be disposed of within the following twelve months; therefore, the remaining shares in Freeman were then classified as current assets.

During the Period, a fair value loss of HK\$1,645,000 in the remaining Freeman shares held by the Company was recognised in the available-for-sale financial assets revaluation reserve.

At the end of the reporting period, these equity securities with an aggregate carrying amount of HK\$7,188,000 (*at 31 December 2012: HK\$33,424,000*) were pledged to a broker to secure certain margin financing amounting to HK\$3,594,000 (*at 31 December 2012: HK\$16,712,000*) granted to the Group, for which none (*at 31 December 2012: none*) of the amount was utilised at the end of the reporting period.

- (b) The directors are of the opinion that as the variability in the range of reasonable fair value estimates for the unlisted investments and club membership is significant and probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value; thus, they are stated at costs less any impairment loss.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Analysis of financial assets at fair value through profit or loss:

	Unaudited	Audited
	30 June	31 December
	2013	2012
	HK\$'000	HK\$'000
Investments held for trading		
Equity securities		
Listed in Hong Kong	717,241	804,343
Listed overseas	11,184	10,957
Bonds listed overseas	28,792	34,180
	<u>757,217</u>	<u>849,480</u>
Investments designated as at fair value upon initial recognition		
Unlisted derivative financial instruments	25,549	7,648
Unlisted bonds	4,890	5,091
Unlisted convertible bonds	6,783	55,441
	<u>37,222</u>	<u>68,180</u>
	<u>794,439</u>	<u>917,660</u>

At the end of the reporting period, the Group's financial assets at fair value through profit or loss with an aggregate carrying amount of HK\$708,500,000 (*at 31 December 2012: HK\$848,022,000*) are pledged to certain financial institutions and brokers to secure certain margin financing facilities amounting to HK\$332,913,000 (*at 31 December 2012: HK\$393,852,000*) granted to the Group, for which none (*at 31 December 2012: none*) of the amount was utilised at the end of the reporting period.

9. LOANS RECEIVABLE

Loans granted to borrowers are repayable according to repayment schedules. The balances comprise loans receivable from:

		Unaudited	Audited
		30 June	31 December
		2013	2012
	<i>Notes</i>	HK\$'000	HK\$'000
Third parties		140,350	35,569
Allowance for doubtful debts	<i>(b)</i>	<u>(5,720)</u>	<u>(12,792)</u>
	<i>(a)</i>	134,630	22,777
Less: Balances due within one year included in current assets		<u>(133,856)</u>	<u>(21,163)</u>
Non-current portion		<u>774</u>	<u>1,614</u>
Short term loans, net of provision		132,223	19,675
Instalment loans		<u>2,407</u>	<u>3,102</u>
		<u>134,630</u>	<u>22,777</u>

Notes:

- (a) At the end of the reporting period, loans receivable bear variable and fixed interest at effective rates ranging from around 5% to 24% per annum and are neither past due nor secured with any collateral.

As at 31 December 2012, loans receivable bore variable and fixed interest at effective rates ranging from around 5% to 24% per annum and of which HK\$2,447,000 was past due within one year and HK\$19,933,000 was secured by personal guarantees and share charges of various private companies.

- (b) Movement in the allowance for doubtful debts is as follows:

	Unaudited	Audited
	30 June	31 December
	2013	2012
	HK\$'000	HK\$'000
At beginning of reporting period	12,792	20,271
Increase in allowance	3,420	23,944
Reversal of allowance	(10,492)	(13,992)
Written off	<u>—</u>	<u>(17,431)</u>
At end of reporting period	<u>5,720</u>	<u>12,792</u>

- (c) The directors assessed the collectability of loans receivable at the end of the reporting period individually with reference to borrowers' past collection history and current creditworthiness. HK\$5,720,000 (at 31 December 2012: HK\$12,792,000) in respect of two (at 31 December 2012: two) borrowers were determined to be impaired as a result of the assessment. In the directors' opinion, there was no indication of deterioration in the collectability of the remaining amount of HK\$134,630,000 (at 31 December 2012: HK\$22,777,000) and thus no additional allowance was considered necessary.

No loans receivable was past due but not impaired as at 30 June 2013 and 31 December 2012. Loans receivable that were neither past due nor impaired related to a wide range of borrowers for whom there was no history of default.

10. SHARE CAPITAL

	<i>Notes</i>	Number of ordinary shares	Nominal value HK\$'000
Authorised:			
At 31 December 2012 and 1 January 2013 (audited) and 30 June 2013, of HK\$0.01 each (unaudited)		<u>2,000,000,000</u>	<u>20,000</u>
Issued and fully paid:			
At 1 January 2012, of HK\$0.01 each (audited)		727,458,288	7,274
Issue of consideration shares		108,953,747	1,090
Repurchase of shares		(5)	—
Capital reorganisation		(752,770,827)	(7,528)
Issue of shares under rights issue		<u>41,820,601</u>	<u>418</u>
At 31 December 2012 and 1 January 2013, of HK\$0.01 each (audited)		125,461,804	1,254
Placing of shares	<i>(a)</i>	16,728,240	167
Issue of shares under share option scheme	<i>(b)</i>	<u>8,364,120</u>	<u>84</u>
At 30 June 2013, of HK\$0.01 each (unaudited)		<u>150,554,164</u>	<u>1,505</u>

Notes:

- (a) Pursuant to a placing agreement entered into between the Company and a placing agent on 3 January 2013, the Company allotted and issued 16,728,240 ordinary shares on 9 January 2013 at a placing price of HK\$1.00 per share under a general mandate granted by the shareholders at the annual general meeting of the Company held on 22 May 2012. The net proceeds of about HK\$15.6 million were used for the Group's general working capital. The closing market price of the Company's shares as at the issue date was HK\$1.10.

- (b) On 10 January 2013, the Company granted 8,364,120 share options to certain eligible persons entitled them to subscribe up to 8,364,120 ordinary shares of HK\$0.01 each at an exercise price of HK\$1.11 per share. The share options were fully exercised and 8,364,120 ordinary shares were issued on 11 January 2013 raising the proceeds of about HK\$9.3 million for the Group's general working capital. The closing market price of the Company's shares as at the issue date was HK\$1.09. The related share option reserve of HK\$616,000 calculated in accordance with the Group's accounting policy was credited to the share premium account upon the exercise of share options.

All new shares issued during the Period rank pari passu in all respects with the then existing shares.

11. CAPITAL EXPENDITURE COMMITMENTS

At the end of the reporting period, the Group has the following capital expenditure commitments:

	Unaudited	Audited
	30 June	31 December
	2013	2012
	HK\$'000	HK\$'000
Contracted but not provided for, net of deposit:		
Capital to be contributed to an associate	19,500	39,000
Others	13	86
	<u>19,513</u>	<u>39,086</u>

In December 2012, the Group entered into an agreement with two independent parties to carry on business of hotel development and other business related thereto in the territory of Bhutan. Each party agreed to contribute US\$5,000,000 (equivalent to approximately HK\$39,000,000), representing one-third of its equity interest. During the Period, an entity was formed under the name of Bhutan Ventures Hospitality Private Limited and the first half of the capital contribution was paid. The ordinary shares of this entity were allotted and issued to the Group in August 2013 and since then, the entity has become an associate of the Group. The capital to be contributed to an associate as mentioned in this note represents the second half of the capital contribution committed by the Group for the associate.

CHAIRMAN’S STATEMENT

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (2012: *nil*).

RESULTS

During the Period, the Group reported a turnover of approximately HK\$17 million compared with a negative turnover of approximately HK\$15 million for the corresponding period of 2012. The increase in turnover was mainly attributable to the net gain from sale of investments at fair value through profit or loss and the increase in dividend / interest income from investments in the first half year of 2013.

The Group reported a loss of approximately HK\$107 million attributable to shareholders for the Period (2012: *approximately HK\$177 million*). The overall loss was mainly due to net fair value loss on investments held for trading of approximately HK\$113 million (2012: *approximately HK\$103 million*). The reduction in overall loss year-on-year was mainly attributable to no further impairment loss on available-for-sale investments charged to profit or loss in the Period (2012: *approximately HK\$70 million because the decline in fair value of the available-for-sale investment was by that time significant and prolonged*). The decline in fair value of approximately HK\$2 million was recognised in other comprehensive income during the Period (2012: *approximately HK\$91 million*). Loss per share for the Period was HK\$0.72 (2012 (adjusted): *HK\$2.03 after adjusting the rights issue completed in December 2012*).

BUSINESS REVIEW AND PROSPECTS

The Hong Kong stock market index sank by more than 8% in the first half of year 2013 saddled by the “liquidity shortage” in the Mainland and the US Federal Reserve chairman’s hint of ending the US monetary easing programs made known in June 2013. Amid the resultant weak stock market conditions, the Group’s net gain from sale of investments was overwhelmed by the net fair value loss on investments held for trading, resulting in a loss to the securities trading segment of approximately HK\$103 million during the Period (2012: *approximately HK\$111 million*).

During the Period, the Company disposed of part of its investment in Freeman Financial Corporation Limited (“Freeman”) in return for approximately HK\$4 million in cash and decided that the remaining shares in Freeman might be sold within the following twelve months after considering the benefits of holding a strategic shareholding in Freeman falling short of the Company’s expectation. The

Company also disposed of its long-term investment in Capital VC Limited in return for approximately HK\$17 million in cash in order to strengthen the liquidity of the Group and after a review of the then stock market conditions. These transactions resulted in the investment holding segment to report a loss of approximately HK\$4 million.

For the property investment segment, the Group has generated a stable rental income of approximately HK\$0.21 million (*2012: approximately HK\$0.10 million*). This segment reported a profit of approximately HK\$0.45 million during the Period (*2012: approximately HK\$0.33 million*) including the net fair value gain on investment properties of approximately HK\$0.30 million (*2012: approximately HK\$0.27 million*).

During the Period, the Group granted more loans to low credit risk borrowers. Due to the reversal of allowance of doubtful debts, netted at approximately HK\$7 million, the money lending business generated an interest income of approximately HK\$5 million and a profit of approximately HK\$11 million during the Period (*2012: interest income of approximately HK\$4 million and profit of approximately HK\$3 million*).

Regarding the Group's long-term investment in the hotel development project in the Kingdom of Bhutan, the Group as well as the two other partners each contributed the first installment of the investment of US\$2.5 million (equivalent to approximately HK\$19.5 million) during the Period. The project company has been incorporated in Bhutan under the name of "Bhutan Ventures Hospitality Private Limited" and development approvals have been obtained from the Bhutan government. With the completion of the project company's formality for allotting shares to the Group after the end of the Period, the Group holds one-third of the equity capital of the project company, which has become an associate company of the Group since August 2013. The Bhutan partner (namely, Dasho Sangay Wangchuk), the operator designate (namely, Sustainable Luxury Management (Thailand) Limited trading as "Six Senses Resorts and Spas") and the architect are at the final stage of designing the planned five small luxury hotels on five leisure circuit locations in Bhutan with construction expected to commence ahead of the initial schedule date (i.e. year 2015). The Group and the partners will each contribute the remaining installment of the investment for US\$2.5 million (equivalent to approximately HK\$19.5 million) in the second half of this year in accordance with the agreement relating to the hotel development project. Apart from equity capital, the project company has planned to raise further funds by way of debt financing not requiring its shareholders' guarantee.

Although the Hong Kong stock market index has rebounded slightly since the end of the Period, economic and financial environments for international, the Mainland

and domestic markets remain uncertain in the second half of this year. While the Company will take a cautious and conservative approach in the evaluation and timing of potential projects or investments, the Company will look for attractive investment opportunities that may crop out when there is a looming change in liquidity worldwide. Save as disclosed above, there has been no important event affecting the Company and its subsidiaries since the end of the Period.

FINANCIAL REVIEW

Liquidity and Capital Resources

During the Period, the Company issued 16,728,240 new shares to independent third party investors through a placing agent to raise net proceeds of approximately HK\$16 million in cash for the Group's general working capital. Moreover, 8,364,120 new shares were also issued during the Period upon the exercise of share options granted by the Company to certain eligible persons as incentives and rewards for their contribution to the Group and a sum of approximately HK\$9 million in cash was raised thereby for the Group's general working capital.

As at 30 June 2013, the Group's total equity amounted to approximately HK\$1,618 million, a drop of 4.9% as compared with approximately HK\$1,701 million as at 31 December 2012. The Group had net current assets of approximately HK\$990 million including cash and cash equivalents of approximately HK\$55 million as compared to approximately HK\$1,059 million including cash and cash equivalents of approximately HK\$103 million as at 31 December 2012. As at 30 June 2013, a bank loan of approximately HK\$4 million (*as at 31 December 2012: approximately HK\$5 million*) carrying floating interest rates of 2.5% (*as at 31 December 2012: 2.5%*) per annum above one month HIBOR was denominated in Hong Kong dollars and repayable by equal monthly instalments until November 2032 with a repayment on demand clause. The Group continued to maintain zero gearing ratio as computed on the basis of net borrowings to total equity and with a current ratio of 197 times (*as at 31 December 2012: 164 times*).

PLEDGE OF ASSETS

As at 30 June 2013, the Group's financial assets at fair value through profit or loss, certain available-for-sale financial assets and investment properties with an aggregate carrying amount of approximately HK\$727 million (*as at 31 December 2012: approximately HK\$892 million*) were pledged to certain financial institutions and securities brokers to secure certain margin financing and loan facilities amounted to approximately HK\$341 million (*as at 31 December 2012: approximately HK\$415 million*) granted to the Group which were utilised with the amount of approximately HK\$4 million (*as at 31 December 2012: approximately HK\$5 million*) at the end of the Period.

CAPITAL EXPENDITURE COMMITMENTS

As at 30 June 2013, the Group had capital expenditure commitments contracted but not provided for (net of deposit paid) in the interim condensed consolidated financial statements amounting to approximately HK\$19.5 million (*as at 31 December 2012: approximately HK\$39 million*).

CONTINGENT LIABILITIES

As at 30 June 2013, the Company has provided corporate guarantees for banking facilities amounting to approximately HK\$91 million (*as at 31 December 2012: approximately HK\$91 million*) granted to certain subsidiaries of an investee company and approximately HK\$5 million (*as at 31 December 2012: approximately HK\$5 million*) granted to a subsidiary, which were utilised to the extent of approximately HK\$87 million (*as at 31 December 2012: approximately HK\$89 million*) and HK\$4 million (*as at 31 December 2012: approximately HK\$5 million*) respectively.

EMPLOYEES

As at 30 June 2013, the Group employed 23 (*as at 31 December 2012: 23*) employees excluding directors. The Group remunerates its employees based on their performance, working experience and prevailing market standards. Employee benefits include medical insurance coverage, mandatory provident fund and share option scheme.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

REVIEW OF INTERIM RESULTS

The Audit Committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financing reporting matters. The Group's interim results for the six months ended 30 June 2013 have been reviewed by the Audit Committee.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with all the code provisions set out in the Corporate Governance Code under Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the Period.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions. Following specific enquiry by the Company, all directors confirmed that they have complied with the Model Code throughout the Period.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the Company's website at <http://www.willie273.com> and the website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk>. The 2013 interim report of the Company will be despatched to the shareholders of the Company who have selected to have a printed copy and available on the above websites in due course.

APPRECIATION

I would like to take this opportunity to thank Mr. Fung Yue Tak Derek and Mr. Tsui Hung Wai Alfred for their contribution to the Board until their resignation by the end of June 2013. Meanwhile, I welcome Mr. Cheung Wing Ping's re-designation from an independent non-executive director to an executive director of the Company and welcome Ms. Cheung Ka Yee as well as Mr. Man Wai Chuen to the Board from July 2013.

The Board would like to express its sincere gratitude to our business partners, employees, and shareholders for their continuous support.

By order of the Board
Willie International Holdings Limited
Dr. Chuang Yueheng, Henry
Chairman

Hong Kong, 28 August 2013

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

Executive Directors:

Dr. Chuang Yueheng, Henry
Mr. Wong Ying Seung, Asiong
Mr. Cheung Wing Ping
Ms. Cheung Ka Yee
Mr. Man Wai Chuen

Independent Non-executive Directors:

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