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## **THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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If you are in any doubt about this circular or as to the action to be taken, you should consult your licensed dealer in securities, other licensed corporation, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in **Willie International Holdings Limited**, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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WILLIE INTERNATIONAL

**Willie International Holdings Limited**

**威利國際控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 273)**

### **GRANT OF ISSUE MANDATE AND NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent financial adviser to the Independent Board Committee  
and the Independent Shareholders of Willie International Holdings Limited**

**VINCO** 

**Grand Vinco Capital Limited**

*(A wholly-owned subsidiary of Vinco Financial Group Limited)*

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A letter from the Board is set out on pages 3 to 7 of this circular and a letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 8 of this circular. A letter from Vinco Capital containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 9 to 16 of this circular.

A notice convening the EGM to be held at 9:00 a.m. on Monday, 26 July 2010 at 30/F, China United Centre, 28 Marble Road, North Point, Hong Kong is set out on pages 17 to 19 of this circular. Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, **Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong** as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish.

8 July 2010

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	board of Directors of the Company
“Company”	Willie International Holdings Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 9:00 a.m. on Monday, 26 July 2010 at 30/F, China United Centre, 28 Marble Road, North Point, Hong Kong, or any adjournment thereof, notice of which is set out on pages 17 to 19 of this circular
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors of the Company to advise the Independent Shareholders in respect of the grant of Issue Mandate
“Independent Shareholder(s)”	any Shareholders other than controlling Shareholders of the Company and their associates or, if there are no controlling Shareholders, any Shareholders other than Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates
“General Mandate”	the general mandate granted by the Shareholders at the annual general meeting of the Company held on 1 June 2010 to issue or deal with up to a maximum of 171,437,476 new Shares
“Latest Practicable Date”	5 July 2010, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Issue Mandate”	the mandate proposed to be sought at the EGM to authorise the Directors to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal value of share capital of the Company in issue as at the date of the EGM
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vinc Capital”	Grand Vinc Capital Limited, a wholly-owned subsidiary of Vinc Financial Group Limited (stock code: 8340), a corporation licensed under the SFO to carry out business in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the grant of Issue Mandate
“%”	per cent.

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## LETTER FROM THE BOARD

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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)

*Executive Directors:*

Dr. Chuang Yueheng, Henry  
Mr. King Phillip  
Mr. Wong Ying Seung, Asiong  
Mr. Wang Lin

*Registered Office and Head Office:*

32/F, China United Centre  
28 Marble Road  
North Point  
Hong Kong

*Independent Non-Executive Directors:*

Mr. Cheung Wing Ping  
Mr. Liu Jian  
Mr. Wen Louis  
Mr. Yau Yan Ming, Raymond

8 July 2010

*To the Shareholders*

Dear Sir or Madam,

### **GRANT OF ISSUE MANDATE AND NOTICE OF EXTRAORDINARY GENERAL MEETING**

#### **INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolution to be proposed at the EGM, relating to (i) the grant of Issue Mandate to allot, issue and deal with additional Shares not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue at the date of the EGM; (ii) the recommendation from the Independent Board Committee regarding the grant of Issue Mandate; (iii) the recommendation from Vinco Capital to the Independent Board Committee and the Independent Shareholders regarding the grant of Issue Mandate; and (iv) to give you notice of the EGM.

#### **GRANT OF ISSUE MANDATE**

At the annual general meeting of the Company held on 1 June 2010, the Shareholders approved, among other things, an ordinary resolution to grant the Directors the General Mandate to issue, allot and deal with up to 171,437,476 new Shares, which is equivalent to 20% of the then issued share capital of the Company as at the date of the said annual general meeting.

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## LETTER FROM THE BOARD

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Since the annual general meeting of the Company held on 1 June 2010, the Company entered into a placing agreement on 9 June 2010, in relation to the placing of up to 171,437,476 Shares which was completed on 23 June 2010. Accordingly, 171,437,476 Shares had been successfully placed and the net proceeds from the placing amounted to approximately HK\$42.50 million has not yet utilised for general working capital purpose of the Group and has been maintained at bank. As a result, the General Mandate was fully utilised. As at the Latest Practicable Date, the issued share capital of the Company was 1,028,624,859 Shares.

In order to provide a flexible mean for the Company to raise further funds through the issue of new Shares for its future business development, if and when an opportunity arises, the Board proposes the grant of Issue Mandate to allow the Directors to issue and allot new Shares not exceeding 20% of the issued share capital of the Company as at the date of the EGM.

The Company believes that appropriate investment opportunities may arise at any time and investment decisions may have to be made within a short period of time. Therefore, the Board considers that it is important for the Company to be able to raise funds quickly in order to seize the investment opportunities that may arise. To this end, the Directors believe that the grant of Issue Mandate will give the Company the flexibility to raise funds and to expand and develop the business of the Company and therefore, is in the interests of the Company and the Shareholders as a whole. The Board would consider other means of fund-raising such as a rights issue or open offer, or to seek for a specific mandate when a specific usage can be identified. However, as at the Latest Practicable Date, the Company has no specific plan for future fund raising exercise.

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## LETTER FROM THE BOARD

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### FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

Set out below are the fund raising activities of the Company during the past 12 months immediately prior to the Latest Practicable Date:

Date of announcement	Event	Net proceeds raised (approximately)	Intended use of net proceeds	Actual use of net proceeds as at the Latest Practicable Date
8 July 2009	Placing of 77,990,000 new Shares at the placing price of HK\$1.00 each	HK\$75.97 million	For the general working capital of the Group and/or potential investment opportunities in energy related sectors	(i) Approximately HK\$40 million was applied to the money lending business, in which the money was lent to reputable independent third parties and the loans were repaid in accordance with the terms and conditions in the loan agreements; and (ii) approximately HK\$35.97 million was applied to the investment in the trading of securities in companies listed in Hong Kong on the Stock Exchange
28 December 2009	Placing of 200,000,000 new Shares at the placing price of HK\$0.45 each	HK\$87.25 million	(i) Approximately HK\$75 million to be applied to fund the capital injection in the Group's money lending business; and (ii) the balance of the net proceeds for payment of the Group's acquisition of a commercial premise	(i) Approximately HK\$75 million was applied to fund the capital injection in the Group's money lending business, in which the money was lent to reputable independent third parties and the loans were repaid in accordance with the terms and conditions in the loan agreements; and (ii) approximately HK\$12.25 million was applied to the Group's acquisition of a commercial premise as investment property, which was completed on 29 March 2010
9 June 2010	Placing of 171,437,476 new Shares at the placing price of HK\$0.255 each	HK\$42.50 million	For the general working capital of the Group	Not yet utilised and has been maintained at bank

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## LETTER FROM THE BOARD

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As disclosed above, the aggregate net proceeds raised in the past 12 months immediately prior to the Latest Practicable Date were amounted to approximately HK\$205.72 million. Save as disclosed above, the Directors confirmed that the net proceeds raised were not used for other purposes.

Based on the 1,028,624,859 Shares in issue as at the Latest Practicable Date and assuming that there are no changes in the issued share capital of the Company from the Latest Practicable Date until the date of the EGM, subject to the passing of the relevant ordinary resolution to approve the grant of Issue Mandate at the EGM, the Directors will be authorised to allot and issue up to 205,724,971 Shares under the Issue Mandate. As such, the full utilisation of the Issue Mandate may result in possible future dilution effect in the shareholding upon issue of new Shares under such refreshed mandate. However, having balanced the benefits of the grant of Issue Mandate discussed above, the Company considers such potential future dilution of shareholding to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Independent Board Committee, comprising Mr. Cheung Wing Ping, Mr. Liu Jian, Mr. Wen Louis and Mr. Yau Yan Ming, Raymond, being the independent non-executive Directors, has been formed to consider the grant of Issue Mandate. Vinco Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

### NOTICE OF EGM

The notice of the EGM is set out on pages 17 to 19 of this circular. At the EGM, resolution will be proposed to approve the grant of Issue Mandate. Pursuant to Rule 13.39(4) of the Listing Rules, the resolution at the EGM will be voted on by way of poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(4) of the Listing Rules.

A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in an event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish.

Pursuant to Rule 13.36(4) of the Listing Rules, the grant of Issue Mandate will be subject to the Independent Shareholders' approval by way of poll at the EGM. As at the Latest Practicable Date, Dr. Chuang Yueheng, Henry, being the chairman and executive Director of the Company, held 23,353,440 Shares representing approximately of 2.27% of the then issued share capital of the Company. Save as disclosed, none of the executive Directors and the chief executive of the Company and their respective associates hold any Shares. Since there is no controlling Shareholder of the Company, the executive Directors and the chief executive of the Company and their respective associates (to the extent they hold any Shares at the time of the EGM) are required to abstain from voting at the EGM in respect of the resolution relating to the grant of Issue Mandate.



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## LETTER FROM THE BOARD

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### RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee set out on page 8 of this circular and the letter from Vinco Capital containing its advice and the principal factors which it has considered in arriving at its advice with regard to the grant of Issue Mandate, as set out on pages 9 to 16 of this circular.

The Board is of the opinion that the grant of Issue Mandate is in the best interests of the Company and Shareholders as a whole and recommends the Shareholders or the Independent Shareholders (as the case may be) to vote in favour of the resolution to be proposed at the EGM.

### GENERAL

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

Vinco Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they respectively appear.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,  
By Order of the Board  
**Willie International Holdings Limited**  
**Dr. Chuang Yueheng, Henry**  
*Chairman*

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## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

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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)**

8 July 2010

*To the Independent Shareholders*

Dear Sir or Madam,

### **GRANT OF ISSUE MANDATE**

We refer to the circular from the Company to the Shareholders dated 8 July 2010 (the “Circular”) of which this letter forms part. Capitalised terms defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We have been appointed by the Board as members to constitute the Independent Board Committee and to advise the Independent Shareholders in respect of the grant of Issue Mandate which will enable the Board to exercise the power of the Company to allot and issue Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the EGM.

Vinco Capital has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the grant of Issue Mandate is fair and reasonable as far as the Independent Shareholders are concerned and whether it is in the interests of the Company and the Shareholders as a whole. Details of its advice, together with the principal factors and reasons taken into consideration in arriving at such advice, are set out on pages 9 to 16 of the Circular.

Your attention is also drawn to the letter from the Board set out on pages 3 to 7 of the Circular.

Having considered the grant of Issue Mandate and the advice of Vinco Capital, we consider that the grant of Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and that the grant of Issue Mandate is in the interests of the Company and its Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to be proposed at the EGM to approve the grant of Issue Mandate.

Yours faithfully,  
For and on behalf of the  
Independent Board Committee

**Mr. Cheung Wing Ping**  
*Independent Non-Executive  
Director*

**Mr. Liu Jian**  
*Independent Non-Executive  
Director*

**Mr. Wen Louis**  
*Independent Non-Executive  
Director*

**Mr. Yau Yan Ming, Raymond**  
*Independent Non-Executive Director*

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## LETTER FROM VINCO CAPITAL

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*The following is the text of a letter from Vinco Capital to the Independent Board Committee and the Independent Shareholders in connection with the grant of Issue Mandate, which has been prepared for the purpose of incorporation in this circular.*



**Grand Vinco Capital Limited**  
Units 4909-4910, 49/F., The Center  
99 Queen's Road Central, Hong Kong

8 July 2010

*To the Independent Board Committee and the Independent Shareholders of  
Willie International Holdings Limited*

Dear Sirs,

### **GRANT OF ISSUE MANDATE**

#### **INTRODUCTION**

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in connection with the grant of Issue Mandate, details of which are set out in the section headed "Letter from the Board" in the circular ("Circular") issued by the Company to the Shareholders dated 8 July 2010 of which this letter forms part thereof. Capitalised terms used in this letter shall have the same meanings ascribed to them in the Circular unless the context otherwise requires.

In accordance with Rule 13.36(4)(a) of the Listing Rules, the refreshment of General Mandate requires the approval of the Independent Shareholders by way of poll at the EGM. Any controlling Shareholders and their associates, or when there are no controlling Shareholders, the Directors (excluding independent non-executive Directors) and the chief executives of the Company and their respective associates shall abstain from voting in favour of the resolution approving the grant of Issue Mandate.

As at the Latest Practicable Date, save for Dr. Chuang Yueheng, Henry who has interest in 23,353,440 Shares, no other executive Directors or chief executive of the Company or their respective associates have any interests in any Shares. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Company does not have any controlling Shareholders, the Directors (including Dr. Chuang Yueheng, Henry) and the chief executive of the Company and their respective associates (to the extent they hold any Shares at the time of the EGM) are thus required to abstain from voting in favour of the relevant resolution approving the grant of Issue Mandate at the EGM.

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## LETTER FROM VINCO CAPITAL

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The Independent Board Committee, comprising Mr. Cheung Wing Ping, Mr. Liu Jian, Mr. Wen Louis and Mr. Yau Yan Ming, Raymond, all being the independent non-executive Directors, has been formed to advise the Independent Shareholders as to whether the grant of Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and whether the grant of Issue Mandate is in the interests of the Company and the Independent Shareholders as a whole.

### **BASIS OF OUR OPINION AND RECOMMENDATION**

In forming our opinion and recommendation, we have relied on the information, facts and representations contained or referred to in the Circular and the information, facts and representations provided by, and the opinions expressed by the Directors, management of the Company and its subsidiaries. We have assumed that all information, facts, opinions and representations made or referred to in the Circular were true, accurate and complete at the time they were made and continued to be true, accurate and complete as at the date of the Circular and that all expectations and intentions of the Directors, management of the Company and its subsidiaries, will be met or carried out as the case may be. We have no reason to doubt the truth, accuracy and completeness of the information, facts, opinions and representations provided to us by the Directors, management of the Company and its subsidiaries. The Directors have confirmed to us that no material facts have been omitted from the information supplied and opinions expressed. We have no reason to doubt that any relevant material facts have been withheld or omitted from the information provided and referred to in the Circular or the reasonableness of the opinions and representations provided to us by the Directors, management of the Company and its subsidiaries.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm that after having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading.

We have relied on such information and opinions and have not, however, conducted any independent verification of the information provided, nor have we carried out any independent investigation into the business, financial conditions and affairs of the Group or its future prospect.

Based on the foregoing, we confirm that we have taken all reasonable steps applicable to the refreshment of General Mandate, as referred to in Rule 13.80 of the Listing Rules (including the notes thereto).

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the grant of Issue Mandate and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without prior written consent.

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## LETTER FROM VINCO CAPITAL

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### PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the grant of Issue Mandate, we have taken into consideration the following principal factors and reasons:

#### Background of and reasons for the grant of Issue Mandate

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

At the annual general meeting of the Company held on 1 June 2010, the Directors were granted the General Mandate to allot and issue new Shares of up to 20% of the entire issued share capital of the Company as at the date of the annual general meeting. Based on 857,187,383 Shares in issue as at such annual general meeting, the Directors were authorised to allot and issue up to a maximum of 171,437,476 Shares.

According to the announcements of the Company dated 9 and 23 June 2010, the Company and the placing agent entered into a placing agreement pursuant to which 171,437,476 Shares were issued under the General Mandate. Accordingly, the General Mandate has been fully utilised.

As at the Latest Practicable Date, the aggregate number of issued Shares is 1,028,624,859 Shares. Subject to the passing of the ordinary resolution for the Issue Mandate and on the assumption that no further Shares will be issued or repurchased by the Company from the Latest Practicable Date and up to the date of the EGM (both dates inclusive), the Directors would be granted the authority to allot and issue up to a maximum of 205,724,971 Shares under the refreshed mandate, being 20% of the aggregate number of issued Shares as at the date of the EGM.

As stated in the Letter from the Board, the Directors believe that the grant of Issue Mandate will provide the Company with necessary financing flexibility to raise additional funds through the issue of new Shares for its future business development as and when an opportunity arises. Accordingly, the Board proposed to pass an ordinary resolution at the EGM to seek approval by the Independent Shareholders at the EGM in respect of the grant of Issue Mandate, pursuant to which the Directors shall be granted the authority to allot and issue additional new Shares not exceeding 20% of the issued share capital of the Company as at the date of the EGM.

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## LETTER FROM VINCO CAPITAL

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### Fund raising activities of the Company in the past twelve months

Set out below are the fund raising activities of the Company during the past 12 months immediately prior to the Latest Practicable Date:

Date of announcement	Event	Net proceeds raised (approximately)	Intended use of net proceeds	Actual use of net proceeds as at the Latest Practicable Date
8 July 2009	Placing of 77,990,000 new Shares at the placing price of HK\$1.00 each	HK\$75.97 million	For the general working capital of the Group and/ or potential investment opportunities in energy related sectors	(i) Approximately HK\$40 million was applied to the money lending business, in which the money was lent to reputable independent third parties and the loans were repaid in accordance with the terms and conditions in the loan agreements; and (ii) approximately HK\$35.97 million was applied to the investment in the trading of securities in companies listed in Hong Kong on the Stock Exchange
28 December 2009	Placing of 200,000,000 new Shares at the placing price of HK\$0.45 each	HK\$87.25 million	(i) Approximately HK\$75 million to be applied to fund the capital injection in the Group's money lending business; and (ii) the balance of the net proceeds for payment of the Group's acquisition of a commercial premise	(i) Approximately HK\$75 million was applied to fund the capital injection in the Group's money lending business, in which the money was lent to reputable independent third parties and the loans were repaid in accordance with the terms and conditions in the loan agreements; and (ii) approximately HK\$12.25 million was applied to the Group's acquisition of a commercial premise as investment property, which was completed on 29 March 2010
9 June 2010	Placing of 171,437,476 new Shares at the placing price of HK\$0.255 each	HK\$42.50 million	For the general working capital of the Group	Not yet utilised and has been maintained at bank

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## LETTER FROM VINCO CAPITAL

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Save as disclosed above, the Directors confirmed that the Company has not conducted any other fund raising activities during the past 12 months immediately prior to the Latest Practicable Date. As noted from the table above, we noted that the net proceeds from the placing dated 8 July 2009 and 28 December 2009 had been fully utilised as intended.

As stated in the 2009 audited annual report of the Group, cash and cash equivalents of approximately HK\$196,419,000 and HK\$295,369,000 interest-bearing bank borrowings are observed as at 31 December 2009. We were advised by the Directors that the net proceeds from the placing announced on 9 June 2010 had not yet been utilised as the placing had just completed on 23 June 2010 and is intended to be utilised as general working capital to finance the principal activities of the Group. As such, we are of the view that the use of the aggregate net proceeds of approximately HK\$205.72 million is largely in line with the proposed use as stated on the respective announcements of the abovementioned fund raising activities.

The Directors confirmed that the existing cash resources of the Group are sufficient for it to conduct its daily operations and the Group has sufficient working capital to meet its present requirements. However, the Directors cannot preclude the possibilities that additional funding may still be needed for investment development as well as other opportunities arise in the future. In the event the Company identifies a suitable investment opportunity but does not have sufficient financial resources on hand, or is unable to obtain loan financing on acceptable terms, or cannot find other alternatives to finance the acquisition of such investment opportunity in a timely manner, the Company may lose its opportunities in an otherwise favourable investment and a favorable opportunity to expand its business portfolio. In view of the gradual recovery in the economy and the stock market, we are advised by the Directors that they have been actively seeking potential investment opportunities and business developments of the Group. Also, the Directors confirmed that they have considered the possibility of seeking a specific mandate when specific project is identified. However, the Directors considered that timely decision making is critical to grasp opportunities arising from the prevailing market condition. As such, they considered granting of specific mandate which is subject to the approval of the Independent Shareholders may posed as a hindrance to the Group to grasp the opportunities in a timely manner. In view of the above, we consider that it is reasonable for the Directors to propose the grant of Issue Mandate at the EGM in order to provide the Company with necessary financing flexibility to raise additional funds through the issue of new Shares for its future business development as and when an opportunity arises.

In view of the foregoing and the next annual general meeting will not be convened until around June 2011 (which is about eleven months away from the Latest Practicable Date), we concur with the Directors' view that the grant of Issue Mandate is fair and reasonable to the Company and is in the interests of the Company and the Independent Shareholders as a whole.

### **Financial flexibility**

The Directors believe that the grant of Issue Mandate will provide the Company with necessary financial flexibility to raise additional funds through the issue of new Shares for its future business development as and when an opportunity arises.

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## LETTER FROM VINCO CAPITAL

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Given that (i) the General Mandate has been fully utilised; and (ii) any further Shares to be issued by the Company in excess of the limit of the General Mandate will require approval from the Shareholders at the general meeting, which is rather time-consuming, we consider that the grant of Issue Mandate will provide the Group with necessary financial flexibility as allowed under the Listing Rules to issue and allot new Shares to raise additional funds through the issue of new Shares for its future business development as and when an opportunity arises. Given the necessary financial flexibility available to the Company, we concur with the Directors' view that the grant of Issue Mandate is essential for the Group to respond to the market in a timely manner to seize the investment opportunities that may arise. Accordingly, we are of the view that the grant of Issue Mandate is in the interests of the Company and the Independent Shareholders as a whole.

### **Other financing alternatives**

We have enquired into the Directors and the Directors have considered equity financing to be an important avenue of resources for the Group given its non-interest bearing nature. Other than equity financing available to the Group, the Directors confirmed that they have also considered other financing alternatives, such as debt financing and funding through internal cash resources. As confirmed by the Directors, the Group has sufficient working capital to meet its present requirements, however, there is no certainty that such cash resources will be sufficient or be available for its future investments or business developments. In addition, debt financing may incur interest burden on the Group and it may subject to, including but not limited to, lengthy due diligence and negotiations with the banks based on the Group's financial position, capital structure and the prevailing market condition. The alternative options encompass certain uncertainties and are time-consuming as compared to equity financing. Further to our discussion with the Directors, they have also considered other forms of pro rata equity financing methods such as rights issue and open offer, yet, such financing methods would also be relatively time consuming as compared to the equity financing through issue of new shares under the general mandate and there would be no certainty that under the recent market sentiment the Company would be able to procure favourable terms. In this regard, we consider that the grant of Issue Mandate will provide the Company an additional financing alternative for the Company to raise funds for its future investments or business developments and it is reasonable for the Company to have the flexibility in deciding the best financing methods for any future investments or business developments. Accordingly, we are of the view that the grant of Issue Mandate is in the interests of the Company and the Independent Shareholders as a whole.



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## LETTER FROM VINCO CAPITAL

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### Potential dilution to shareholdings of the Shareholders

Set out below is a table illustrating the shareholdings of the Company as at the Latest Practicable Date; and, for illustrative purpose, the potential dilution effect on the shareholdings of the Company immediately after full utilisation of the Issue Mandate (assuming there are no changes in the issued share capital of the Company from the Latest Practicable Date until the date of the EGM):

	<b>As at the Latest Practicable Date</b>		<b>Immediately after full utilisation of the Issue Mandate (assuming no further Shares are issued or repurchased by the Company after the Latest Practicable Date and up to the date of the EGM)</b>	
	<i>Number of</i>	<i>Approximate</i>	<i>Number of</i>	<i>Approximate</i>
	<i>Shares</i>	<i>%</i>	<i>Shares</i>	<i>%</i>
Dr. Chuang Yueheng, Henry ( <i>Note 1</i> )	23,353,440	2.27	23,353,440	1.89
<b>Public Shareholders</b>				
Shares that may be issued under the Issue Mandate	—	—	205,724,971	16.67
Other Public Shareholders	<u>1,005,271,419</u>	<u>97.73</u>	<u>1,005,271,419</u>	<u>81.44</u>
Total	<u><u>1,028,624,859</u></u>	<u><u>100.00</u></u>	<u><u>1,234,349,830</u></u>	<u><u>100.00</u></u>

*Notes:*

(1) Dr. Chuang Yueheng, Henry is the chairman and an executive Director.

The aggregate shareholding of the other public Shareholders will decrease from approximately 97.73% to approximately 81.44% upon full utilisation of the Issue Mandate, indicating a potential maximum dilution of approximately 16.29%. Taking into account the potential benefits of the grant of Issue Mandate as discussed above and the fact that the shareholdings of all Shareholders will be diluted proportionally to their respective shareholdings upon full utilisation of the Issue Mandate, we consider such maximum potential dilution to the shareholdings of the Shareholders to be acceptable.

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## LETTER FROM VINCO CAPITAL

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### CONCLUSION

Having taken into consideration the above principal factors and reasons, we are of the view that the grant of Issue Mandate is fair and reasonable so far as the Independent Shareholders are concerned and that the grant of Issue Mandate is in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders, and the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed at the EGM to approve the grant of Issue Mandate.

Yours faithfully,  
For and on behalf of  
**Grand Vinco Capital Limited**  
**Alister Chung**  
*Managing Director*

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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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)**

**NOTICE IS HEREBY GIVEN** that the Extraordinary General Meeting of Willie International Holdings Limited (the “Company”) will be held at 30/F, China United Centre, 28 Marble Road, North Point, Hong Kong at 9:00 a.m on Monday, 26 July 2010 for the purpose of transacting the following business:

### ORDINARY RESOLUTION

As special businesses, to consider and if thought fit, pass with or without modification the following resolution as ordinary resolution:

1. **“THAT:**

- (A) subject to paragraph (C) below, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (B) the Directors be and are authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers during or after the end of the Relevant Period;
- (C) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraphs (A) and (B), otherwise than (i) a Rights Issue (as hereafter defined) or (ii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities issued by the Company which carry rights to subscribe for or are convertible into shares of the Company or (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to the employees of the Company and/or any of its subsidiaries or any other eligible person(s) of shares or right to acquire shares of the Company or (iv) an issue of shares as scrip dividend pursuant to the articles of association of the Company, as amended from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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(D) for the purposes of this resolution:

“Relevant Period” means the period from the time of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the memorandum and articles of association of the Company or any applicable law of Hong Kong to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

By order of the Board  
**Willie International Holdings Limited**  
**Ho Wai Chu**  
*Company Secretary*

Hong Kong, 8 July 2010

*Registered Office and Head Office:*

32/F, China United Centre  
28 Marble Road  
North Point  
Hong Kong

*As at the date of this notice, the Board comprises four executive Directors, namely, Dr. Chuang Yueheng, Henry, Mr. King Phillip, Mr. Wong Ying Seung, Asiong and Mr. Wang Lin and four independent non-executive Directors, namely, Mr. Cheung Wing Ping, Mr. Liu Jian, Mr. Wen Louis and Mr. Yau Yan Ming, Raymond.*

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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*Notes:*

1. A form of proxy to be used for the meeting is enclosed.
2. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. On a poll votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.
3. To be valid, the instrument appointing a proxy must be in writing under the hand of the appointor or of his attorney authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's share registrar, **Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong** not less than 48 hours before the time for holding the meeting or any adjourned meeting, and in default the instrument of proxy shall not be treated as valid.
5. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.