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WONG'S INTERNATIONAL HOLDINGS LIMITED

王氏國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 99)

MAJOR TRANSACTION IN RELATION TO THE PROVISION OF FINANCIAL ASSISTANCE TO A JOINT VENTURE COMPANY

THE PROVISION OF FINANCIAL ASSISTANCE

The Board announces that UIL, an indirect wholly owned subsidiary of the Company proposes to provide additional Financial Assistance of up to HK\$550 million to Talent Chain, which will then sub-lend it to Crown Opal.

UIL owns 35.7% of the issued share capital of Talent Chain, which is a joint venture company established by the Group and SHK in 2008. Talent Chain owns 100% of the issued share capital of Crown Opal, which is the beneficial owner of Site 2. Data Giant, a wholly owned subsidiary of SHK, owns the remaining 64.3% of the issued share capital of Talent Chain.

It is estimated that UIL's original maximum commitment of HK\$1,330 million as approved by Shareholders in the general meeting for the Project in December 2008 will be exceeded in 2016. This is due to the substantial increase in the land premium cost for Site 2 and the significant increase in the construction cost over the course of 7 years since the original estimates were prepared. In order to complete the development of Site 2, additional investment is required from Talent Chain's shareholders. UIL has estimated that its 35.7% share of this additional investment will be HK\$550 million.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in relation to the Financial Assistance exceeds 25% but is less than 100%, the provision of the Financial Assistance constitutes a major transaction for the Company and is subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As none of the Shareholders has a material interest in the provision of the Financial Assistance, no Shareholder would be required to abstain from voting if a general meeting of the Company were to be convened to approve the provision of the Financial Assistance. Pursuant to Rule 14.44 of the Listing Rules, the Company has obtained a written approval, dated 24 November 2015, from the Closely Allied Group in lieu of holding a general meeting of the Company to approve the Financial Assistance.

A circular containing, among other things, further details of the Financial Assistance, is expected to be despatched to the Shareholders within 15 Business Days after the publication of this announcement, that is, on or before 15 December 2015.

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BACKGROUND

In 2008, the Company, SHK and their respective subsidiaries, Data Giant and UIL, inter alia, entered into the Development Agreements regarding the establishment of two joint ventures for the development of the Project consisting of two adjacent sites in Kwun Tong which are referred to as Site 1 and Site 2. The Project (including all the transactions contemplated thereunder) constituted a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and shareholders' approvals were obtained for the Project under which the total maximum commitment to be contributed by UIL for its share of the development of the entire Project was estimated to be HK\$1,330 million.

Under the Development Agreements, all funding requirements of Talent Chain and Crown Opal shall be met by way of shareholders' loans advanced by UIL and Data Giant in proportion to their respective shareholdings.

It is estimated that UIL's original maximum commitment of HK\$1,330 million as approved by Shareholders in the general meeting for the Project in December 2008 will be exceeded in 2016. This is due to the substantial increase in the land premium cost for Site 2 and the significant increase in the construction cost over the course of 7 years since the original estimates were prepared.

In order to complete the development of Site 2, additional investment is required from Talent Chain's shareholders. UIL has estimated that its 35.7% share of this additional investment will be HK\$550 million. The additional investment of HK\$550 million will be funded by UIL in installments over the remaining development period for Site 2.

Details in relation to the formation of Talent Chain and Crown Opal and the Development Agreements were set out in the announcement published by the Company on 9 October 2008 and in the circular published by the Company on 27 November 2008.

The construction of Site 1 was completed in January 2014. As at the date of this announcement, the construction works for Site 2 is proceeding as planned and the foundation and diaphragm wall were completed in February 2015. Site 2 was handed over to the main contractor to commence the development construction in March 2015. The slab construction for the ground floor and basement level 1 was completed recently and the excavation of basement level 2 has started in October 2015. The construction of Site 2 is targeted to be completed in 2017.

PROPOSED FINANCIAL ASSISTANCE

Parties: Talent Chain as borrower
UIL as lender

Subject matter: UIL shall provide additional loans of up to HK\$550 million to Talent Chain and Crown Opal in proportion to UIL's shareholding in Talent Chain

Terms: interest free. Any repayment of the shareholder loans shall be made pro rata to the face value of the respective loans held by UIL and Data Giant.

The Financial Assistance will be financed by internal resources and/or external borrowings in the form of committed bank loans arranged for this purpose.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE FINANCIAL ASSISTANCE

The purposes of the provision of the Financial Assistance are to finance the completion of the development at Site 2 and to enable UIL to maintain its 35.7% interest in Talent Chain.

When Site 1 and Site 2 were first developed, Shareholders were asked to approve a total investment of HK\$1,330 million. However, due to the substantial increase in the land premium cost for Site 2 and the significant increase in the construction cost over the course of 7 years since the original estimates were prepared, additional investment is required in order to complete the development of Site 2.

Under the Development Agreements, if either UIL or Data Giant is unable or fails to pay its portion of the shareholders' loan required to be contributed by it, such inability or failure shall constitute an event of default. In this event, the relevant Development Agreement will be terminated in accordance with its terms and the shares of the defaulting party will be diluted. UIL will be able to maintain its 35.7% interest in Talent Chain if it provides its share of the additional financing required by the joint venture.

The Directors consider that the provision of the Financial Assistance and the terms thereof are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios under Rule 14.07 of the Listing Rules in relation to the Financial Assistance exceeds 25% but is less than 100%, the provision of the Financial Assistance constitutes a major transaction for the Company and is subject to the notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Under Rule 14.44 of the Listing Rules, written shareholders' approval may be accepted in lieu of holding a general meeting of the Company to approve the provision of the Financial Assistance if:

- (a) no Shareholder is required to abstain from voting if the Company were to convene a general meeting to approve the provision of the Financial Assistance; and
- (b) a written approval has been obtained from a Shareholder or a closely allied group of Shareholders who together hold more than 50% of the issued share capital of the Company giving the right to attend and vote at a general meeting to approve the provision of the Financial Assistance.

To the best of the Directors' knowledge, none of the Shareholders has a material interest in the provision of the Financial Assistance, so no Shareholder would be required to abstain from voting if a general meeting of the Company were to be convened to approve the provision of the Financial Assistance.

The Company has obtained a written approval, dated 24 November 2015, from the Closely Allied Group which collectively held 277,097,142 Shares in the Company (representing approximately 57.91% of the issued share capital of the Company) as at the date of signing the written approval, to approve the provision of the Financial Assistance. The Closely Allied Group comprises either members of the Wong's family or companies owned and controlled by certain members of the Wong's family. The composition of the Closely Allied Group is set out below:

Members of the Closely Allied Group	Number of Shares held
Wong Chung Mat, Ben	1,000,000
Wong Chung Yin, Michael	3,084,000
W. S. Wong & Sons Company Limited	94,052,019
Salop Investment Limited	133,140,911
Levy Investment Limited	45,820,212
Total	<u>277,097,142</u>

Notes:

1. Mr. Wong Chung Mat, Ben is the chairman of the Board, the chief executive officer and an Executive Director of the Company.
2. Mr. Wong Chung Yin, Michael is the brother of Mr. Wong Chung Mat, Ben.
3. W. S. Wong & Sons Company Limited is a company controlled by the Wong's family.

4. Salop Investment Limited is a company wholly owned and controlled by Mr. Wong Chung Mat, Ben.
5. Levy Investment Limited is a company wholly owned and controlled by Mr. Wong Chung Yin, Michael.

INFORMATION ON THE GROUP

The Group is principally engaged in the development, manufacture, marketing and distribution of electronics products as well as property investment.

GENERAL

A circular containing, among other things, further details of the Financial Assistance, is expected to be despatched to Shareholders within 15 Business Days after the publication of this announcement, that is, on or before 15 December 2015.

DEFINITIONS

Unless the context otherwise requires, terms used in this announcement shall have the following meanings:

“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday and a public holiday) on which licensed banks in Hong Kong are open for business throughout their normal working hours
“Closely Allied Group”	the closely allied group of Shareholders comprising Mr. Wong Chung Mat, Ben, Mr. Wong Chung Yin, Michael, W. S. Wong & Sons Company Limited, Salop Investment Limited and Levy Investment Limited, which collectively held 277,097,142 Shares (representing approximately 57.91% of the issued share capital of the Company) as at the date of signing the written approval mentioned in page 4 of this announcement
“Company”	Wong’s International Holdings Limited (王氏國際集團有限公司), a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 99)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Crown Opal”	Crown Opal Investment Limited (冠奧投資有限公司), a company incorporated in Hong Kong which is a wholly owned subsidiary of Talent Chain
“Data Giant”	Data Giant Limited, a company incorporated in the British Virgin Islands which is a wholly owned subsidiary of SHK

“Development Agreements”	the subscription agreements dated 3 October 2008 and the shareholders’ agreements dated 18 December 2008 entered into between (inter alia) the Company, SHK and their respective subsidiaries for the purposes of holding and developing Site 1 and Site 2
“Directors”	the directors of the Company
“Financial Assistance”	the financial assistance in terms of additional loans to be provided by UIL to Talent Chain and Crown Opal by way of interest free shareholders’ loans in an amount up to HK\$550 million
“Group”	collectively, the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Project”	the development of Site 1 and Site 2
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Site 1”	a piece of land situated at No. 181 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong and registered in the Land Registry of Hong Kong as Kwun Tong Inland Lot No. 173, with a site area of approximately 25,750 sq.ft.
“Site 2”	a piece of land situated at No. 180 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong and registered in the Land Registry of Hong Kong as Kwun Tong Inland Lot No. 759 (which is a new lot number assigned by the Lands Department to replace the original lot number known as Kwun Tong Inland Lot No. 174 as a result of the inclusion of a lane between Site 1 and Site 2), with a site area of approximately 39,935 sq.ft.
“SHK”	Sun Hung Kai Properties Limited (新鴻基地產發展有限公司), a company incorporated under the laws of Hong Kong whose shares are listed on the Main Board of the Stock Exchange (stock code: 16)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

- “Talent Chain” Talent Chain Investments Limited, a company incorporated in the British Virgin Islands which is a joint venture company established by UIL and Data Giant (UIL: 35.7% and Data Giant: 64.3%)
- “UIL” Ubiquitous International Limited, a company incorporated in the British Virgin Islands which is an indirect wholly owned subsidiary of the Company

On behalf of the Board
WONG CHUNG MAT, BEN
Chairman and Chief Executive Officer

Hong Kong, 24 November 2015

As at the date of this announcement, the Executive Directors are Mr. Wong Chung Mat, Ben, Ms. Wong Yin Man, Ada, Mr. Chan Tsze Wah, Gabriel and Mr. Wan Man Keung; and the Independent Non-executive Directors are Dr. Li Ka Cheung, Eric GBS, OBE, JP, Dr. Yu Sun Say GBM, JP and Mr. Alfred Donald Yap JP.

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