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# WKK

## WONG'S KONG KING INTERNATIONAL (HOLDINGS) LIMITED

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 532)**

### ANNOUNCEMENT REGARDING MR. DAVID MICHAEL WEBB'S VOTING INTENTION ON THE PROPOSALS

Reference is made to the Company's announcement dated 16 April 2007 (the "**Announcement**") and the Company's circular to shareholders dated 4 June 2007 (the "**Circular**"), both in relation to the possible disposal of substantially all the operating businesses and assets of the Group, the proposed distribution of HK\$1.65 per Share (the "**Offer Price**") to Shareholders and the withdrawal of listing of the Shares on the Stock Exchange. Terms defined in the Announcement and the Circular shall have the same meaning when used in this announcement unless otherwise defined herein.

#### MR. DAVID MICHAEL WEBB WANTS TO BLOCK THE PROPOSALS

The Company was informed by Mr. Senta Wong (the Chairman of the Company and a 79.43% shareholder of the Purchaser in the Proposals) that since as early as mid-May 2007, he had received an approach from Mr. David Michael Webb wishing to discuss the terms of the Proposals. The Company was also informed by Mr. Wong that on 1 June 2007 and at the invitation of Mr. Webb, Mr. Wong and his financial adviser, Standard Chartered Bank, had a meeting with Mr. Webb (the "**1 June Meeting**").

At the 1 June Meeting, Mr. Webb indicated to Mr. Wong that (a) he held sufficient shares in the Company to veto the Proposals at the forthcoming SGM; and (b) he would veto the Proposals at the SGM unless the Offer Price was significantly raised by the Purchaser. Mr. Webb told Mr. Wong that the Company should consider making an announcement as to his voting intention to avoid a false market of trading of the Shares.

Based on Mr. Webb's assertions, Mr. Webb would have held at least 22,423,788 shares in the Company, representing approximately 3.16% of the issued share capital of the Company (*see Note below*).

#### WHO IS MR. DAVID MICHAEL WEBB?

Based on publicly available information, Mr. Webb is a director of Hong Kong Exchanges and Clearing Limited, a member of the Takeovers and Mergers Panel, the Takeovers Appeal Committee and the Public Shareholders Group of the Securities and Futures Commission of Hong Kong, and the editor of Webb-site.com.

## PURCHASER'S DECISION

The Company has sought the Purchaser's view in response to Mr. Webb's request for raising the Offer Price to above HK\$1.65. The Purchaser's decisions are as follows:

1. **THE OFFER PRICE OF HK\$1.65 IS FINAL.** The Purchaser will not raise the Offer Price.
2. The Purchaser notes that the Company has retained DBS Asia Capital Limited as the independent financial adviser to the independent board committee established for the purpose of making a recommendation on the Proposals. The Purchaser suggests all Shareholders to read the letters from the Independent Board Committee and DBS Asia Capital Limited as contained in the Circular. The Purchaser does not share Mr. Webb's view on the valuation of the Company's shares.
3. Shareholders should note that (a) the Offer Price is higher than the highest price (HK\$1.35) that the Shares have traded during the 12-month period prior to 16 March 2007 (being the last trading day prior to the issue of the Announcement); and (b) the Share has never been traded at a price above the Offer Price in the previous 17 years since 1990.
4. In addition, trading of Shares has been very thin — the average daily trading volume during the period of 180 dealing days prior to 16 March 2007 was approximately 798,388 Shares, representing only 0.1% of the issued share capital of the Company.
5. If the Proposals are disapproved at the SGM, there is no assurance that Shareholders can sell their Shares in the market at current price levels, or at all given the limited liquidity of the Shares.
6. The Purchaser has implemented the Proposals with a view to providing an opportunity for all Independent Shareholders to realize their investments in the Company at a price above the historic market price of the Shares. If the Proposals are disapproved at the SGM, **MR. WONG WILL NOT MAKE ANOTHER OFFER WITHIN 12 MONTHS** with a view to de-listing or privatizing the Company.

## IMPORTANT REMINDERS TO ALL SHAREHOLDERS

The Company would like to urge all Shareholders to either:

- (1) complete and sign the proxy form enclosed with the Circular in accordance with the instructions printed thereon, and return the completed proxy form to the Company before 2:30 p.m. on Tuesday, 26 June 2007; or
- (2) attend the SGM on 28 June 2007 and vote in person at the SGM.

**YOUR VOTE COUNTS! IF YOU DO NOT SEND IN YOUR PROXY, YOU RISK THE SGM BEING RESOLVED AGAINST YOUR WISHES.**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 4 June 2007 pending the issue of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:30 a.m. on 6 June 2007 on the Stock Exchange.

**Shareholders and potential investors should be aware that implementation of the Proposals are subject to the relevant conditions applicable to them being fulfilled (including the obtaining of the shareholders' approval of the requisite level at the SGM) and thus the Proposals may or may not become effective. For this reason, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

*Note:*

- (a) As explained in the Announcement and the Circular, the Stock Exchange has requested the Company to apply the voting standard imposed by Rule 6.12 of the Listing Rules to all Proposals. In order to satisfy such voting standard, the Proposals must be approved (by way of poll) by at least 75% of the votes attaching to the Shares held by holders voting either in person or by proxy at the meeting. In addition, the number of votes cast against the resolution must not be more than 10% of the votes attaching to the Shares held by holders permitted to vote in person or by proxy at the meeting.
- (b) As at the date of this announcement, there were 708,845,964 Shares in issue. The Interested Shareholders, Shanghai Holdings Limited and Bugle Limited, who will abstain from voting at the SGM in respect of the Proposals, collectively hold 484,608,086 Shares. Accordingly, Shareholders who are permitted to vote at the SGM collectively hold 224,237,878 Shares.
- (c) In order for any individual Shareholder to be able to veto the Proposals, such Shareholder would have held at least 22,423,788 shares in the Company, representing approximately 3.16% of the issued share capital of the Company.
- (d) The Company is unable to verify whether Mr. Webb holds sufficient Shares to veto the Proposals as he has asserted. The Company has checked its register of members but could not see any Shares registered in the name of Mr. Webb. The Company, however, cannot rule out the possibility that Mr. Webb may hold Shares in the name(s) of corporation(s), trustee(s) and/or nominee(s).

By Order of the Board of  
**Wong's Kong King International (Holdings) Limited**  
**Byron Shu-Chan Ho**  
*Director*

Hong Kong, 5 June 2007

*As at the date of this announcement, the executive directors of the Company are Messrs. Senta Wong, Edward Ying-Chun Tsui, Byron Shu-Chan Ho, Bengie Man-Hang Kwong and Hamed Hassan EL-ABD and the independent non-executive directors are Messrs. Peter Chung-Yin Lee, John Ho, Philip Wan-Chung Tse and Gene Howard Weiner.*

Please also refer to the published version of this announcement in South China Morning Post.