

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.

This announcement does not constitute or form a part of any offer of securities for sale in the United States. The Placing Shares have not been and will not be registered under the U.S. Securities Act of 1933 (the "Securities Act") and may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. No public offering of the Placing Shares will be made in the United States.



HUABAO INTERNATIONAL HOLDINGS LIMITED

華寶國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00336)

PLACING OF EXISTING SHARES

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Company has been informed by Mogul Enterprises that the Placing Agreement has been signed pursuant to which, 190,500,000 Shares shall be placed at a placing price of HK\$6.10 per Placing Share by the Placing Agent, subject to the terms and conditions of the Placing Agreement. The Placing Shares represent approximately 6.18% of the existing issued share capital of the Company. Upon completion of the Placing, Mogul Enterprises' interests in the Company will be reduced from 471,867,889 Shares or approximately 15.30% to 281,367,889 Shares or approximately 9.12% of the existing issued share capital of the Company.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

PLACING OF EXISTING SHARES

The Company has been informed by Mogul Enterprises that the Placing Agreement has been signed on the terms summarised below.

Parties:

The parties to the Placing Agreement are:

- (1) Ms. Chu;

- (2) Mogul Enterprises Limited; and
- (3) Deutsche Bank AG, Hong Kong Branch as the Placing Agent (which are not connected persons of the Company under the Listing Rules).

Mogul Enterprises, a company wholly owned by Ms. Chu, is a substantial shareholder of the Company and currently holds 471,867,889 Shares representing approximately 15.30% of the existing issued share capital of the Company. Ms. Chu is, through Mogul Enterprises and four other companies wholly owned by her, interested in an aggregate of 1,932,179,415 Shares representing approximately 62.64% of the existing issued share capital of the Company.

Number of Placing Shares:

190,500,000 Shares, representing approximately 6.18% of the existing issued share capital of the Company.

Placing Price:

The placing price shall be HK\$6.10 per Placing Share, representing a discount of approximately 12.48% to the closing price of HK\$6.97 per Share as quoted on the Stock Exchange on Thursday, 2 April 2009, and a discount of approximately 5.57% to the average closing price of approximately HK\$6.46 per Share as quoted on the Stock Exchange on the last five trading days.

Conditions of the Placing:

The Placing is conditional upon, inter alia, there having been, prior to completion of the Placing, no breach of the representations, warranties and undertakings given by Mogul Enterprises and Ms. Chu.

Completion of the Placing:

Completion of the Placing is currently expected to take place on 7 April 2009. Upon completion of the Placing pursuant to the terms and conditions of the Placing Agreement, Mogul Enterprises' interests in the Company will be reduced to 281,367,889 Shares (representing approximately 9.12% of the issued share capital of the Company) and Ms. Chu's interests in the Company will be reduced to 1,741,679,415 Shares (representing approximately 56.46% of the issued share capital of the Company). Accordingly, the Company will maintain a public float as required by the Listing Rules after the Placing.

To the best of the Company's directors' knowledge, information and belief and having made all reasonable enquiry, the placees are institutional investors while the Placing Agent and the placees and their respective ultimate beneficial owners are all independent from and not connected with the Company, any of the connected persons of the Company or any of their respective associates as defined under the Listing Rules, and there will not be any new substantial shareholder within the meaning of the Listing Rules as a result of the Placing.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

“Board”	the board of directors of the Company
“Company”	Huabao International Holdings Limited, a company established in Bermuda on 11 October 1991, the shares of which are listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Mogul Enterprises”	Mogul Enterprises Limited, a limited company incorporated in British Virgin Islands and is wholly owned by Ms. Chu
“Placing”	the placing of the Placing Shares at a placing price of HK\$6.10 per Placing Share by the Placing Agent, subject to the terms and conditions of the Placing Agreement
“Ms. Chu”	Ms. Chu Lam Yiu, a director of the Company and beneficial owner of 62.64% shareholding interest in the Company as at the date hereof
“Placing Agent”	Deutsche Bank AG, Hong Kong Branch
“Placing Agreement”	the placing and underwriting agreement dated 2 April 2009 between Ms. Chu, Mogul Enterprises and the Placing Agent
“Placing Shares”	190,500,000 Shares legally and beneficially owned by Mogul Enterprises
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

By Order of the Board
Huabao International Holdings Limited
POON Chiu Kwok
Executive Director

Hong Kong, 2 April 2009

As at the date of this announcement, the Board comprises six executive directors, namely Ms. CHU Lam Yiu (Chairman), Messrs. LAU Chi Tak (CEO), POON Chiu Kwok, WANG Guang Yu, XIA Liqun, XIONG Qing and three independent non-executive directors, namely Mr. MAK Kin Kwong, Peter, Ms. MA Yun Yan and Mr. LEE Luk Shiu.

** for identification purposes only*