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## **WO KEE HONG (HOLDINGS) LIMITED**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 720)

### **PROPOSED SHARE SUBDIVISION AND CHANGE IN BOARD LOT SIZE**

The Board proposes to subdivide each of the existing issued and unissued shares of HK\$0.10 each in the share capital of the Company into 5 shares of HK\$0.02 each. The Shares are currently traded in board lots of 5,000 Shares. Upon the Share Subdivision becoming effective, the Subdivided Shares will be traded in board lots of 12,500 Subdivided Shares.

A circular containing information regarding, among other things, details of the Share Subdivision, the trading arrangements in respect of the Subdivided Shares and the procedure for the free exchange of existing share certificates, and the notice of the SGM will be despatched to the Shareholders as soon as practicable. The SGM will be convened and held to consider and, if thought fit, to approve the Share Subdivision and the matters contemplated thereunder.

#### **PROPOSED SHARE SUBDIVISION**

As at the date of this announcement, the authorised share capital of the Company is HK\$350,000,000 divided into 3,500,000,000 Shares, of which 451,381,710 Shares have been issued and are fully paid or credited as fully paid.

The Board proposes to subdivide each existing issued and unissued Share of HK\$0.10 each of the Company into 5 Subdivided Shares of HK\$0.02 each. Upon the Share Subdivision becoming effective, the authorised share capital of the Company will be HK\$350,000,000 divided into 17,500,000,000 Subdivided Shares, of which 2,256,908,550 Subdivided Shares will be in issue and fully paid or credited as fully paid, assuming that no further Shares are issued or repurchased after the date of this announcement and prior to the Share Subdivision becoming effective.

The Subdivided Shares will rank pari passu in all respects with each other. An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subdivided Shares. All necessary arrangements will be made for the Subdivided Shares to be admitted into the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited.

The Share Subdivision is conditional on:

- (a) the passing by the Shareholders at the SGM of an ordinary resolution approving the Share Subdivision; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares.

### **REASONS FOR THE SHARE SUBDIVISION**

The proposed Share Subdivision will decrease the nominal value and trading price of the Shares and increase the total number of shares in issue. The Directors are of the view that the increase in number of the shares of the Company as a result of the Share Subdivision will improve the liquidity in the trading of the Subdivided Shares, thereby enabling the Company to attract more investors and broaden its Shareholders' base.

Other than the expenses incurred by the Company in relation to the Share Subdivision, the Share Subdivision will not, by itself, alter the underlying assets, business operations, management or financial position of the Group or the proportionate interest of the Shareholders. The Board considers the Share Subdivision to be in the interests of the Company and its Shareholders as a whole.

### **ADJUSTMENTS TO SHARE OPTIONS AND THE SHARES ISSUABLE**

As at the date of this announcement, share options for the subscription for 23,282,000 Shares granted by the Company pursuant to the 2002 Share Option Scheme are outstanding. In accordance with the rules of the 2002 Share Option Scheme and the Listing Rules as supplemented by the supplementary guidance on the interpretation of Rule 17.03 of the Listing Rules issued by the Stock Exchange on 5 September 2005, the Share Subdivision will result in adjustments to the exercise prices and/or the number of shares issuable under such share options. Options holders will be notified of the adjusted exercise price in respect of and/or the number of shares issuable under their outstanding share options in due course.

### **BOARD LOT CHANGE**

Currently, the Shares are traded on the Stock Exchange in board lot size of 5,000 Shares. The Board proposes that subject to and upon the Share Subdivision becoming effective, the board lot size be changed from 5,000 Shares to 12,500 Subdivided Shares. The Board Lot Change ensures that the value of each board lot of the Subdivided Shares would be more than HK\$2,000 and reduces transaction and registration costs incurred by the Shareholders and investors of the Company. The Board considers the Board Lot Change to be in the interests of the Company and its Shareholders as a whole.

**EXPECTED TIMETABLE**

Set out below is the expected timetable for the implementation of the Share Subdivision and the Board Lot Change:

2010

Latest time for lodging proxy forms for the SGM . . . . . 10:00 a.m., Wednesday, 10 February

Date and time of the SGM . . . . . 10:00 a.m., Friday, 12 February

Date of the publication of the results of the SGM . . . . . Friday, 12 February

**The following events are conditional on the fulfillment of the conditions for the implementation of the Share Subdivision as set out in the section headed “Proposed Share Subdivision” above.**

Effective date of the Share Subdivision . . . . . Wednesday, 17 February

Dealings in the Subdivided Shares commence . . . . . 9:30 a.m., Wednesday, 17 February

Temporary counter for trading in Subdivided Shares  
in board lots of 25,000 Subdivided Shares  
(in the form of existing certificate) opens . . . . . 9:30 a.m., Wednesday, 17 February

Original counter for trading in board lots of 5,000 Shares  
temporarily closes . . . . . 9:30 a.m., Wednesday, 17 February

Free exchange of existing certificates for the Shares  
for new certificates for the Subdivided Shares commences. . . . . Wednesday, 17 February

Original counter for trading in Subdivided Shares  
in board lots of 12,500 Subdivided Shares  
(in the form of new share certificates) reopens . . . . . 9:30 a.m., Wednesday, 3 March

Parallel trading in the Shares and Subdivided Shares  
commences . . . . . 9:30 a.m., Wednesday, 3 March

Temporary counter for trading in Subdivided Shares  
in board lots of 25,000 Subdivided Shares  
(in the form of existing share certificates) closes . . . . . 4:00 p.m., Tuesday, 23 March

Parallel trading ends . . . . . 4:00 p.m., Tuesday, 23 March

Free exchange of existing certificates for the Shares

for new certificates for the Subdivided Shares ends . . . . . 4:00 p.m., Thursday, 25 March

*Note:* All times and dates refer to Hong Kong local times and dates

## **EXCHANGE OF SHARE CERTIFICATES**

Arrangements will be made so that subject to the Share Subdivision becoming effective, the Shareholders can submit their existing certificates for the Shares to the Company's branch share registrar in Hong Kong, Tricor Standard Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, in exchange for new certificates for the Subdivided Shares free of charge during the business hours from 17 February 2010 to 25 March 2010 (both dates inclusive). After the expiry of such period, existing certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new certificates for the Subdivided Shares issued or each existing share certificate submitted, whichever number of share certificates involved is higher. The new share certificates will be issued in green colour in order to distinguish them from existing share certificates which are in light red colour.

From 24 March 2010 onwards, existing certificates for the Shares will cease to be valid for trading and settlement purpose, but will continue to be good evidence of legal title to the Subdivided Shares on the basis of one Share for five Subdivided Shares.

## **GENERAL**

A circular containing information regarding, among other things, details of the Share Subdivision, the trading arrangements in respect of the Subdivided Shares and the notice convening the SGM will be despatched to the Shareholders as soon as practicable.

The SGM will be convened and held to consider and, if thought fit, to approve the Share Subdivision. As no Shareholder has an interest in the Share Subdivision which is different from other Shareholders, no Shareholder is required to abstain from voting at the SGM.

## **DEFINED TERMS IN THIS ANNOUNCEMENT**

“2002 Share Option Scheme”	the share option scheme of the Company adopted on 30 May 2002
“Board”	the board of Directors
“Board Lot Change”	the change of the board lot size from 5,000 Shares to 12,500 Subdivided Shares upon the Share Subdivision becoming effective
“Company”	Wo Kee Hong (Holdings) Limited, a company incorporated in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange

“Director(s)”	director(s) of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“SGM”	the special general meeting of the Company to be held to consider and, if thought fit, approve the Share Subdivision
“Share(s)”	existing ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Subdivision”	the proposed subdivision of every Share (both issued and unissued) of par value HK\$0.10 into 5 Subdivided Shares of par value HK\$0.02 each as referred to in the section headed “Proposed Share Subdivision” above
“Shareholder(s)”	the holder(s) of the Share(s) or Subdivided Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	new ordinary share(s) of HK\$0.02 each in the share capital of the Company following the Share Subdivision
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region of the People’s Republic of China

By Order of the Board of  
**WO KEE HONG (HOLDINGS) LIMITED**  
**Richard Man Fai LEE**  
*Executive Chairman and Chief Executive Officer*

Hong Kong, 15 January 2010

*As at the date of this announcement, the Board comprises Dr. Richard Man Fai LEE (Executive Chairman and Chief Executive Officer), Mr. Jeff Man Bun LEE and Mr. Tik Tung WONG, all of whom are executive Directors; Ms. Kam Har YUE, who is a non-executive Director; Mr. Boon Seng TAN, Mr. Ying Kwan CHEUNG and Mr. Peter Pi Tak YIN, all of whom are independent non-executive Directors.*