

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims 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 is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.*



## **ANEX INTERNATIONAL HOLDINGS LIMITED**

**安歷士國際控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock code: 723)

### **PROPOSED PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION FOR NEW SHARES**

**AND**

### **RESUMPTION OF TRADING**



**台証證券(香港)有限公司**

*Taiwan Securities (HK) Co., Ltd.*

**PLACING AGENT**

**TAIWAN SECURITIES (HONG KONG) COMPANY LIMITED**



**FINANCIAL ADVISER TO THE COMPANY**

**WALLBANCK BROTHERS**

**Securities (Hong Kong) Limited**

On 22 June 2007, the Company, the Vendor and the Placing Agent entered into the Agreement pursuant to which the Placing Agent has agreed to procure, on a best-effort basis, the purchasers to purchase up to 307,000,000 existing Shares, at the Placing Price of HK\$0.50 per Share owned by the Vendor. The Placing Shares represent approximately 19.31% of the existing issued share capital of the Company and approximately 16.18% of the issued share capital of the Company as enlarged by the top-up Subscription, assuming that the Warrants are not exercised.

The Placing Shares will be placed by the Placing Agent to not less than six independent professional, institutional and/or individual investors, who are not connected persons (as defined in the Listing Rules) of the Company and are independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

\* For identification purpose only

Pursuant to the Agreement, the Vendor has conditionally agreed to subscribe up to 307,000,000 new Shares at the Placing Price.

The Placing Price of HK\$0.50 represents (i) a discount of about 12.28 % to the closing price of HK\$0.57 per Share as quoted on the Stock Exchange on 22 June 2007, the date of the Agreement; (ii) a discount of about 18.30% to the average of the closing price per Share of HK\$0.612 as quoted on the Stock Exchange for the last five trading days ended 21 June 2007, being the last trading day before the publication of this announcement; (iii) a discount of about 16.11% to the average of the closing price per Share of HK\$0.596 as quoted on the Stock Exchange for the last ten trading days ended 21 June 2007, being the last trading day before the publication of this announcement; and (iv) a premium of about 371.70% to the unaudited consolidated net asset value per Share of HK\$0.106 as at 30 September 2006.

The Placing Price was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors (including the independent non-executive Directors) consider that the terms of the Placing are fair and reasonable based on the current market condition and in the interests of the Company and its Shareholders as a whole.

The Company will apply to the Hong Kong Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Trading in the Shares and Warrants was suspended at the request of the Company with effect from 9:30 a.m. on 22 June 2007 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares and Warrants from 9:30 a.m. on 26 June 2007 following the publication of this announcement.

## **PLACING AND SUBSCRIPTION AGREEMENT**

### **PLACING**

Date : 22 June 2007

Parties : (i) the Vendor;  
(ii) the Company; and  
(iii) the Placing Agent

### **Placing Shares**

Up to 307,000,000 existing Shares, representing approximately 19.31% of the existing issued share capital of the Company and approximately 16.18% of the issued share capital as enlarged by the top-up Subscription, assuming that the Warrants are not exercised.

### **Placing Price**

The Placing Price of HK\$0.50 represents (i) a discount of about 12.28 % to the closing price of HK\$0.57 per Share as quoted on the Stock Exchange on 22 June 2007, the date of the Agreement; (ii) a discount of about 18.30% to the average of the closing price per Share of HK\$0.612 as quoted on the Stock Exchange for the last five trading days ended 21 June 2007, being the last trading day before the publication of this announcement; (iii) a discount of about 16.11% to the average of the closing price per Share of HK\$0.596 as quoted on the

Stock Exchange for the last ten trading days ended 21 June 2007, being the last trading day before the publication of this announcement; and (iv) a premium of about 371.70% to the unaudited consolidated net asset value per Share of HK\$0.106 as at 30 September 2006.

The Placing Price was negotiated on an arm's length basis between the Vendor, the Company and the Placing Agent. The Directors (including the independent non-executive Directors) consider that the terms of the Placing are fair and reasonable based on the current market condition and in the interests of the Company and its shareholders as a whole. After deducting the relevant expenses, the net Placing Price is approximately HK\$0.4845 per Share.

The Directors consider the Placing Price to be fair and reasonable.

## **Rights**

The Placing Shares will be sold free of all liens, charges and encumbrances, and together with all rights attaching thereto as at the date of the Agreement, including the right to receive all dividends or other distributions declared, made or paid on or after the date of the Agreement.

## **Independence of the Placing Agent and the Placees**

Under the Agreement, the Placing Agent has agreed to procure, on a best-effort basis, the purchasers to purchase up to 307,000,000 Placing Shares. The Placing Shares will be placed by the Placing Agent to not less than six independent professional, institutional and/or individual investors. Pursuant to the Agreement, the Vendor shall pay an placing commission equal to 2.5% of the aggregate Placing Price of the Placing Shares which is payable in cash. The Directors consider the placing commission to be fair and reasonable.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are independent of and not connected with the Company and its subsidiaries and their connected persons (as defined in the Listing Rules). To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the placees (and their ultimate beneficial owners) procured by the Placing Agent as agent of the Vendor are independent of and not connected with the Company and its subsidiaries and their connected persons (as defined in the Listing Rules). It is expected that none of the placees will become a substantial shareholder of the Company as a result of the Placing.

## **Completion of the Placing**

Subject to the fulfillment of the conditions as set out in the Agreement, the parties expect that the Placing will be completed on or before 29 June 2007 (or such other date as the Vendor and the Placing Agent may agree in writing).

## **SUBSCRIPTION**

### **Subscription Shares**

Up to 307,000,000 new Shares to be subscribed by the Vendor, representing approximately 19.31% of the existing issued share capital of the Company and approximately 16.18% of the issued share capital of the Company as enlarged by the top-up Subscription, assuming that the Warrants are not exercised.

## **Subscription Price**

The Subscription Price per Share is equivalent to the Placing Price of HK\$0.50 per Share. After deducting the related expenses in the Placing and the Subscription and the net price of the Subscription Share is approximately HK\$0.4845 per Share.

## **Ranking of the Subscription Shares**

The Subscription Shares, when fully paid, will rank pari passu in all respects with the Shares in issue on the completion date of the Subscription including the right to any dividends or distributions after the date of completion of the Subscription.

## **Conditions of the Subscription**

The Subscription is conditional upon:

- (1) completion of the Placing;
- (2) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares; and
- (3) the Company obtaining all consents and approvals from the relevant authorities in respect of the transactions contemplated under this Agreement, if applicable.

The Agreement has not provided for the right of the parties to waive the above conditions.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

## **Completion of the Subscription**

Subject to the above, completion of the Subscription shall take place on the date upon which the last of the conditions stated above shall have been satisfied, provided that it shall take place on a date which is not later than 14 days after the date of the Agreement. If completion of the Subscription takes place more than 14 days after the Agreement, the Subscription would not fall within the exemption under Rule 14A.31(3)(d) of the Listing Rules and would be subject to the relevant requirements of the Listing Rules regarding connected transactions. The Company will issue further announcement in the event that the Subscription becomes a connected transaction for the Company under the Listing Rules.

The Directors consider that the terms of the Placing and the Subscription are fair and reasonable, on normal commercial terms and in the interest of the Company and the shareholders of the Company as a whole.

Further announcement will be made as soon as possible after completion of the Subscription.

## EFFECT ON THE SHARE CAPITAL

The following table summarizes the shareholding structure of the Company as at the date of this announcement, as a result of the Placing, the Subscription and the full exercise of the Warrants:

Name of shareholder	As at the date of this announcement		Immediately after completion of the Placing but before the Subscription and there is no exercise of the Warrants		Immediately after completion of the Placing and the Subscription and there is no exercise of the Warrants		Immediately after Completion of the Placing and the Subscription and the exercise of the Warrants in full	
	No. of Shares	Approximately % of issued share capital of the Company	No. of Shares	Approximately % of issued share capital of the Company	No. of Shares	Approximately % of issued share capital of the Company	No. of Shares	Approximately % of issued share capital of the Company
Mr. Cheng (note 1)	375,996,000	23.65	68,996,000	4.34	375,996,000	19.82	438,255,200	20.37
Mr. Kwok (note 2)	80,004,000	5.03	80,004,000	5.03	80,004,000	4.22	80,004,000	3.72
Siu Miu Man (note 3)	Nil	Nil	Nil	Nil	Nil	Nil	400	0
Cheng Tze Kit, Larry (note 4)	Nil	Nil	Nil	Nil	Nil	Nil	15,000,400	0.70
The Placees	Nil	Nil	307,000,000	19.31	307,000,000	16.18	307,000,000	14.27
Other public shareholders	1,133,972,686	71.32	1,133,972,686	71.32	1,133,972,686	59.78	1,311,480,182	60.95
Total:	<u>1,589,972,686</u>	<u>100</u>	<u>1,589,972,686</u>	<u>100</u>	<u>1,896,972,686</u>	<u>100</u>	<u>2,151,740,182</u>	<u>100</u>

### Notes:

1. Out of 375,996,000 Shares, 370,604,000 Shares are directly and beneficially owned by Mr. Cheng and 5,392,000 Shares are held by Ms. Li Wa Hei who is the spouse of Mr. Cheng. In addition, Mr. Cheng and Ms. Li Wa Hei hold the Warrants in the aggregate amount of HK\$6,225,920. Out of the Warrants in the amount of HK\$6,225,920, the Warrants in the amount of HK\$6,118,080 are directly held by Mr. Cheng and the Warrants in the amount of HK\$107,840 are held by his spouse, Ms. Li Wa Hei.
2. Out of 80,004,000 Shares, 5,004,000 Shares are directly beneficially owned by Mr. Kwok Hon Lam and 75,000,000 Shares are held by Armstrong Inc., a company wholly-owned by his spouse Ms. Cheng Shuk Man.
3. Siu Miu Man, an executive Director, holds the Warrants in the amount of HK\$40.
4. Cheng Tze Kit, Larry, an executive Director, holds the Warrants in the amount of HK\$1,500,040.

## USE OF PROCEEDS

The Directors consider that the Placing and the top-up Subscription represent an opportunity to raise capital for future development while broadening the shareholder base and the capital base of the Company. The Company intends to apply the net proceeds of about HK\$148.7 million from the top-up Subscription for financing the class 1 development of 3,300 mu of land in Beijing, the PRC project of approximately HK\$70 million if the Company is able to complete the proposed acquisition of 95% interest in Dongguan Anex Property Management Company Limited concerning possible involvement in class 1 development of 3,300 mu of land in Beijing as described in its announcement dated 14 June 2007, for other investment opportunities, if any, and general working capital of approximately HK\$78.7 million.

## GENERAL

Application will be made to the Stock Exchange for the listing of, an permission to deal in, the Subscription Shares.

At the annual general meeting of the Company held on 22 August 2006, the Company granted a general mandate to the Directors to allot and issue up to 307,456,697 Shares. The Directors have not exercised the power to allot and issue any new Shares pursuant to the general mandate granted. As at the date of this announcement, the Company is entitled to issue up to 307,456,697 Shares pursuant to such general mandate. The Subscription Shares will be issued under the said general mandate.

## FUND RAISING IN THE PAST 12 MONTHS

Date of announcement	Event	Net proceeds	Intended use of proceeds as stated in the prospectus	Actual use of proceeds
3 May 2006	Rights Issue	Approximately HK\$74.5 million	Approximately HK\$25 million for investment in a residential and commercial property development project in Dongguan, the PRC	Approximately HK\$19 million has been invested in a residential and commercial property development project, being phase IV of "Jia Lake Mountain Villa", located at Dongguan, the PRC by the increase of 30% interest in Ancen Properties Limited and the remaining balance of approximately HK\$6 million has not been used as at the date of this announcement.
			Approximately HK\$25 million for further investment in the property sector in the PRC	Has been applied for general working capital of the Group.

Date of announcement	Event	Net Proceeds	Intended use of proceeds as stated in the prospectus	Actual use of proceeds
			Approximately HK\$4 million for repayment of certain trust receipt loans due in July 2006	Approximately HK\$4 million has been used to repay certain trust receipt loans due in July 2006.
			Approximately HK\$1.4 million for repayment of a loan to reduce the Group's indebtedness	Approximately HK\$0.4 million has been used to partially repay a loan to reduce the Group's indebtedness and the remaining of approximately HK\$1 million has not been used as at the date of this announcement.
			Remaining balance of HK\$19.1 million for general working capital	Approximately HK\$19.1 million has been used for general working capital of the Group.
				All the proceeds which have not been applied as at the date of this announcement have been placed in the bank accounts of the Group.

Save as disclosed above, the Company has not carried out any capital fund raising activities in the 12 months preceding the date of this announcement.

## RESUMPTION OF TRADING

Trading in the Shares and Warrants was suspended at the request of the Company with effect from 9:30 a.m. on 22 June 2007 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares and Warrants from 9:30 a.m. on 26 June 2007 following the publication of this announcement.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meaning:

“Agreement” the placing and subscription agreement dated 22 June 2007 entered into between the Vendor, the Company and the Placing Agent in respect of the Placing and the Subscription

“Board” board of directors of the Company

“Company”	Anex International Holdings Limited, the Shares of which are listed on the Main Board of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong Special Administrative Region
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Cheng”	Mr. Cheng Tun Nei, an executive Director and a substantial shareholder who is interested in approximately 23.65% of the existing issued share capital of the Company
“Mr. Kwok”	Mr. Kwok Hon Lam, an executive Director and a shareholder who is interested in approximately 5.03% of the existing issued share capital of the Company;
“Placing”	the placement of up to 307,000,000 existing Shares to independent investors at the Placing Price
“Placing Agent”	Taiwan Securities (Hong Kong) Company Limited, a licensed corporation to carry on business in types 1 (dealing in securities), 4 (advising on securities) and 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Price”	the placing price of HK\$0.50 per Share
“Placing Shares”	up to 307,000,000 existing Shares
“Shares”	ordinary shares of HK\$0.10 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by the Vendor
“Subscription Price”	the subscription price of HK\$0.4845 per Share
“Subscription Shares”	up to 307,000,000 new Shares to be subscribed by the Vendor pursuant to the Share Subscription Agreement
“Vendor”	Mr. Cheng



“Warrants”

warrants in the total amount of HK\$30,745,669.60 for the subscription of Shares issued by the Company on 5 July 2006

“%”

per cent

By order of the Board  
**Cheng Tun Nei**  
Chairman

Hong Kong, 25 June 2007

*As at the date of this announcement, the board of directors of the Company comprises Mr. Cheng Tun Nei, Mr. Kwok Hon Lam, Dr. Siu Miu Man, Mr. Kwok Chi Hang, Peter, Mr. Cheng Tze Kit, Larry as executive Directors; Mr. Yeung Chee Tat as non-executive Directors; Mr. Chan Sun Kwong, Mr. Chow Nim Sun, Nelson and Mr. Lam Kwok Cheong as independent non-executive Directors.*