



**BEAUFORTE INVESTORS CORPORATION LIMITED**  
(Incorporated in Hong Kong with limited liability)

**WONSON INTERNATIONAL HOLDINGS LIMITED**  
(Incorporated in Bermuda with limited liability)

**Discloseable and Major Transaction**

**SUMMARY**

On 5th January, 2004, Wonson entered into the conditional Agreement with the Purchaser pursuant to which, inter alia, for an aggregate Consideration of HK\$78,000,000, Wonson agreed:

(a) to sell or procure the sale and the Purchaser agreed to purchase or procure the purchase of the Sale Shares, representing 29.98% of the issued share capital of the Company; and

(b) to dispose of or procure the disposal of the Charity Shares, representing 4.88% of the issued share capital of the Company to one or more Charities.

Part of the Consideration has been satisfied by the Purchaser by payment of the sum of HK\$30,000,000 upon signing of the Agreement and the remaining balance of the Consideration in the sum of HK\$48,000,000 is to be fully satisfied by the Purchaser by the delivery of the Promissory Note to Wonson on Completion. Upon completion of this Agreement, Wonson Group will no longer hold any Shares in the Company.

The Agreement is conditional upon:

(a) the Shares remaining listed on the Main Board of the Stock Exchange;

(b) where necessary, the shareholders of Wonson, who are not prohibited from voting by the Listing Rules or the Stock Exchange, having approved the Agreement and the transactions contemplated thereunder; and

(c) there being no breach of any of the warranties under the Agreement by Wonson.

The Agreement constitutes a major transaction for Wonson under Chapter 14 of the Listing Rules. A circular in relation to the Agreement together with a notice convening its special general meeting to approve the Agreement, will be despatched by Wonson to its shareholders as soon as practicable.

Trading in the shares of the Company and Wonson was suspended at the request of the Company and Wonson respectively with effect from 2:30 p.m. on 5th January, 2004. The Company and Wonson have applied for resumption of trading in the shares in Wonson and the Company with effect from 9:30 a.m. 12th January, 2004.

**THE AGREEMENT**

Date: 5th January, 2004

Parties: (1) Wonson (as vendor)

(2) Honourable International Holdings Limited (as purchaser), a company incorporated in the British Virgin Islands and beneficially wholly owned by Mr Songning Shen. Both the Purchaser and its beneficial owner are Independent Third Parties

Terms: For a total consideration of HK\$78,000,000, Wonson agreed to:

(a) sell or procure to sell and the Purchaser agreed to purchase or procure the purchase the Sale Shares, representing 29.98% of the issued share capital of the Company;

(b) transfer or procure the transfer the Charity Shares, representing 4.88% of the issued share capital of the Company to one or more Charities. Further announcement will be made when the Charity(ies) to whom Wonson Group will dispose of the Charity Shares to, has been determined.

Conditions: Completion is conditional upon the following being fulfilled (or so far as they are capable of being waived by the Purchaser in writing):

(a) the Shares remaining listed on the Main Board of the Stock Exchange;

(b) where necessary, the shareholders of Wonson, who are not prohibited from voting by the Listing Rules or the Stock Exchange, having approved the Agreement and the transactions contemplated therein; and

(c) there being no breach of any of the warranties under the Agreement by Wonson.

If any of the above conditions are not fulfilled on or prior to 5:00 p.m. (Hong Kong time) on 5th March, 2004 (or such later time and date as may be agreed between Wonson and the Purchaser in writing), the Agreement shall terminate and neither of the parties shall have any claim against the other for costs, damages, compensation, save for antecedent breach of the Agreement.

In addition, if the above conditions are not fulfilled on or prior to 5:00 p.m. (Hong Kong time) on 5th March, 2004 (or such later time and date as may be agreed between Wonson and the Purchaser in writing), Wonson shall within two business days after the date (or any extended date) or the date on which notice to terminate the Agreement is served by the Purchaser to Wonson refund the part payment of HK\$30,000,000 to the Purchaser.

Consideration: HK\$78,000,000

(a) part of which has been satisfied by the Purchaser by payment of the sum of HK\$30,000,000 by cashiers' order in favour of Wonson upon signing of the Agreement; and

(b) the remaining balance of the Consideration in the sum of HK\$48,000,000 is to be fully satisfied by the Purchaser by the delivery of the Promissory Note to Wonson on Completion.

Upon completion of this Agreement, Wonson Group will no longer hold any Shares in the Company. The Consideration was determined based on arms-length commercial negotiations between the parties with reference to the current market price of the Shares and Wonson Group's interest in the Beauforte Group in the amount of HK\$246,085,000 as disclosed in the interim report of Wonson as at 30th June, 2003.

The price per Disposal Share to be received by Wonson is approximately HK\$7.64 and represents a premium of about 148% to the price per Share of HK\$3.075 as quoted on the Stock Exchange on 5th January, 2004 being the date on which the Shares were suspended from trading. Based on the price per Share of HK\$3.075 as quoted on the Stock Exchange on 5th January, 2004, the aggregate market value of the Disposal Share is approximately HK\$31,395,750.

The payment of the HK\$30,000,000 referred to in (a) above is not refundable and will be forfeited by Wonson if the Purchaser fails to fulfil its obligations under the Agreement (other than a breach of any term of the Agreement by Wonson). However, if any of the conditions of the Agreement is not satisfied by the date specified above (or such extended date as may be agreed by the parties) or if Wonson fails to fulfil any of its obligations (other than as a result of a breach of the terms of the Agreement by the Purchaser), then the payment of HK\$30,000,000 is to be refunded by Wonson with interest at a rate of 0.1% per annum from the date of the Agreement to and excluding the date of refund.

Other terms: The Sale Shares will be charged to Wonson pursuant to a share charge until the full payment of the Promissory Note on 31st May, 2004.

**COMPLETION**

Completion is to take place on or before 11:00 a.m. on the tenth business day after the satisfaction of the above conditions (or prior to 5:00 p.m. (Hong Kong time) on 5th March, 2004 (or such later date as the parties may agree in writing)).

**DIRECTORS**

Pursuant to the Agreement, Mr. Chiu Kong, Mr Chung Nai Ting, Mr Tsui Ching Hung, Mr Yeung Kwok Yu, Mr Chan Sze Hung and Mr Tong Wui Tung will resign as executive directors and independent non-executive directors of the Company on Completion. Mr. Chen Baodong and Mr. Liang Xudong have indicated that they will continue to act as executive directors of the Company after Completion. The directors to be appointed to the board of the Company by the Purchaser has not been determined at this stage. However, it is expected that the directors to be appointed to the board of the Company will be determined before Completion and a further announcement will be made by the Company when the new directors to be appointed to the board of the Company are determined.

**DESCRIPTION OF WONSON AND THE COMPANY**

Wonson Group is principally engaged in the business of metal trading, sales of communication products and, investments in securities.

Beauforte Group is principally engaged in the business of investment and property activities.

Based on the audited consolidated accounts of Beauforte Group for the years ended 31st December, 2001, the consolidated net profits before and after taxation and extraordinary items of Beauforte Group was HK\$32.8 million and HK\$32.6 million.

Based on the audited consolidated accounts of Beauforte Group for the years ended 31st December, 2002, the consolidated net loss before and after taxation and extraordinary items of Beauforte Group was HK\$4.1 million and HK\$5.4 million.

**BACKGROUND AND INTENTIONS OF THE PURCHASER**

The Purchaser is beneficially wholly owned by Mr Songning Shen. Mr Shen has 18 years of experience in companies engaging in oil field investment and oil field drilling businesses in the People's Republic of China, Norway and Canada.

The Purchaser and Mr. Songning Shen have confirmed that they do not intend to make any changes to the existing business operations of the Company after Completion and there are no plans to inject any assets (or business) into the Company or dispose any assets (or business) of the Company.

**BENEFITS OF THE TRANSACTION AND THE USE OF PROCEEDS**

Based on Wonson Group's interest in Beauforte Group in the amount of HK\$246,085,000 as disclosed in the unaudited interim results of Wonson as at 30th June, 2003, Wonson Group will incur a loss on the disposal of the Disposal Shares of approximately HK\$168 million.

The disposal of the Charity Shares was a term of the sale of the Sale Shares. The disposal of the Charity Shares by Wonson as a term of the Agreement is required by the Purchaser to ensure that the Charity Shares are disposed to Independent Third Parties not acting in concert with the Purchaser such that upon completion of the sale of the Sale Shares the Purchaser will not incur a general offer obligation under Rule 26 of the Takeovers Code.

The value of the Charity Shares has been taken into account when determining the Consideration to be paid by the Purchaser and the price per Disposal Share to be received by Wonson is approximately HK\$7.64 and represents a premium of about 148% to the closing price per Share of HK\$3.075 as quoted on the Stock Exchange on 5th January, 2004 being the date on which the Shares were suspended from trading. The price per Disposal Share of HK\$7.64 represents a discount of approximately 66.7% of the net asset value per Share of approximately HK\$22.93 of the Beauforte Group (based on the unaudited interim results of the Beauforte Group for the six months ended 30th June, 2003).

As the price per Disposal Share received by Wonson is substantially greater than the current market price of the Shares, the Directors consider that the entering into of the Agreement represents an opportunity to realise Wonson Group's investment in Beauforte Group. In addition, the proceeds from the disposal of the Disposal Shares are expected to be used as to a maximum amount of HK\$62,000,000 to repay Wonson's debts with the remaining proceeds to be used as general working capital. Upon completion of the Disposal Shares and the repayment of the debts of Wonson, the liabilities of Wonson will be significantly reduced.

The directors of Wonson considered that the transactions contemplated under the Agreement are and will be of commercial benefit to Wonson.

**SHAREHOLDING STRUCTURE OF THE COMPANY**

Shareholders	Before Completion of the Agreement		Immediately after completion of the Agreement	
	Number of Shares Held	Percentage Shareholding	Number of Shares Held	Percentage Shareholding
E-Tech Pacific Limited	10,210,000	34.87%	—	—
Honourable International Holdings Limited	—	—	8,780,000	29.98%
Public	19,072,000	65.13%	20,502,000	70.02% (including the Charity Shares transferred to the Charity(ies))
Total	29,282,000	100%	29,282,000	100%

As at the date of this Announcement the Purchaser or his associates or any persons acting in concert with them do not hold any shares in the Company.

**GENERAL**

As the value of the Disposal Shares (based on the net tangible assets of the Beauforte Group) being realised under the Agreement exceeds 50 per cent of the consolidated net tangible assets of Wonson Group, the transactions contemplated under the Agreement constitute a discloseable and major transaction for Wonson under Chapter 14 of the Listing Rules and is subject to the approval by the shareholders of Wonson.

A circular in relation to the Agreement together with a notice convening its special general meeting to approve the Agreement will be despatched by Wonson to its shareholders as soon as practicable.

Trading in the shares of the Company and Wonson were suspended at the request of the Company and Wonson respectively with effect from 2:30 p.m. on 5th January, 2004. The Company and Wonson have applied for resumption of trading in the shares in Wonson and the Company with effect from 9:30 a.m. 12th January, 2004.

**DEFINITIONS**

"Agreement"	the sale and purchase agreement between Wonson and the Purchaser dated 5th January, 2004 in relation to the sale of the Sale Shares;
"Beauforte Group"	the Company and its subsidiaries;
"Charity"	a charity exempted from tax under Section 88 of the Inland Revenue Ordinance, Chapter 112 of the Laws of Hong Kong and recognised as such by the Inland Revenue Department of Hong Kong;
"Charity Shares"	1,430,000 Shares, representing approximately 4.88% of the issued share capital of the Company;
"Company"	Beauforte Investors Corporation Limited, a company incorporated in Hong Kong, the shares of which are listed on the Stock Exchange;
"Completion"	completion of the Agreement;
"Consideration"	an aggregate consideration of HK\$78,000,000, being the consideration for the sale of the Sale Shares and the transfer of the Charity Shares;
"Directors"	the directors of Wonson;
"Disposal Shares"	the Charity Shares and the Sale Shares;
"Independent Third Party"	an independent third party not connected with the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associate as "associate" is defined in the Listing Rules and are not connected persons of the Company;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Promissory Note"	a promissory note in the amount of HK\$48,000,000 and to be repaid on 31st May, 2004, to be executed and delivered to Wonson by the Purchaser on Completion;
"Purchaser"	Honourable International Holdings Limited, a company incorporated in the British Virgin Islands and beneficially wholly-owned by Mr Songning Shen, who are an Independent Third Parties;
"Sale Shares"	8,780,000 Shares, representing approximately 29.98% of the issued share capital of the Company;
"Shares"	ordinary shares of HK\$4.00 each in the issued share capital of the Company;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Wonson"	Wonson International Holdings Limited, a company incorporated in Bermuda, the shares of which are listed on the Stock Exchange;
"Wonson Group"	Wonson and its subsidiaries; and
"HK\$"	Hong Kong dollars.

By Order of the Board  
Beauforte Investors Corporation Limited  
Yeung Kwok Yu  
Director

By Order of the Board  
Wonson International Holdings Limited  
Yeung Kwok Yu  
Director

Hong Kong, 9th January, 2004