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This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. Potential investors should read the prospectus dated 30 June 2006 (the "Prospectus") issued by Hembly International Holdings Limited (the "Company") for detailed information about the placing and public offer described below before deciding whether or not to invest in the shares thereby being offered.

In connection with the Share Offer, SBI E2-Capital Securities Limited (the "Lead Manager") (for itself and on behalf of the Underwriters) may effect transactions which stabilise or maintain the market price of the Shares at levels above those which might otherwise prevail for a limited period after the Listing Date. The number of Shares that may be over-allocated will be up to, but not more than, an aggregate of 10,080,000 additional Shares, being the number of Shares that may be issued under the Over-allotment Option. Such stabilising action may include over-allocating Placing Shares and covering such over-allocations by exercising the Over-allotment Option or by making purchases in the secondary market or through stock borrowing arrangements with Charm Hero or through a combination of these means. In the event that the Over-allotment Option is exercised, a press announcement will be made. However, there is no obligation on the Lead Manager (for itself and on behalf of the Underwriters) to do this. Such stabilisation action, if commenced, may be discontinued at any time, and is required to be brought to an end after a limited period. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements, including the Securities and Futures (Price Stabilising) Rules made under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The details of the intended stabilisation and how it will be regulated under the Securities and Futures (Price Stabilising) Rules of the SFO are contained in the Prospectus.

Potential investors should be aware that stabilising action cannot be taken to support the price of the Shares for longer than the stabilising period which begins on the commencement of trading of the Shares on the Stock Exchange and ends on the 30th day after the last day for the lodging of applications under the Public Offer, that the stabilising period is expected to expire on 4 August 2006, and that after this date, when no further stabilising action may be taken, demand for the Shares, and therefore its price, could fall.

Unless otherwise defined herein, capitalised terms used in this announcement have the same meanings as defined in the Prospectus.



Hembly International Holdings Limited

恒寶利國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

LISTING ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

By way of Placing and Public Offer

- Number of Offer Shares** : 67,200,000 Offer Shares, comprising
60,000,000 New Shares and 7,200,000 Sale
Shares (subject to the Over-allotment
Option)
- Number of Placing Shares** : 60,480,000 Shares, comprising
53,280,000 New Shares and 7,200,000 Sale
Shares (subject to reallocation and the
Over-allotment Option)
- Number of Public Offer Shares** : 6,720,000 New Shares (subject to
reallocation)
- Offer Price** : Not more than HK\$2.30 per Offer Share
(payable in full on application and subject
to refund) and expected to be not less than
HK\$1.70 per Offer Share
- Nominal Value** : HK\$0.10 each
- Stock Code** : 3989

Joint Sponsors



Deloitte & Touche Corporate Finance Ltd.

Lead Manager



Co-Lead Manager



Co-Managers

Grand Vinco Capital Limited

UOB Kay Hian (Hong Kong) Limited

Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares of HK\$0.10 each in the share capital of the Company in issue and to be issued as described in the Prospectus and of the Application Forms relating thereto, including any Shares which may be issued pursuant to the exercise of any option which may be granted under the Share Option Scheme and the exercise of the Over-allotment Option. Dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:30 a.m. on 13 July 2006. Subject to the granting of the listing of, and permission to deal in, the Shares on the Main Board of the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the Central Clearing and Settlement System (“CCASS”) with effect from the commencement date of dealings in the Shares on the Main Board of the Stock Exchange or such other date as determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

If the Share Offer does not become unconditional, all application monies received from applicants under the Public Offer will be refunded without interest and on the term set out in the sub-section headed “Collection/Posting of Share certificates/refund cheques and deposit of Share certificates into CCASS” under the section headed “How to apply for the Public Offer Shares” of the Prospectus. Refund of monies will also be made, in accordance with such terms and conditions, in respect of wholly or partially unsuccessful applications.

Applicants for the Public Offer Shares should pay, on application, the maximum price of HK\$2.30 per Offer Share plus 1% brokerage, 0.005% Stock Exchange trading fee and 0.005% SFC transaction levy. The Offer Price is expected to be determined by the Price Determination Agreement at or before the Price Determination Time, which is scheduled at or before 5:00 p.m. on 6 July 2006 or such other time as may be agreed between the Company and the Lead Manager, but in any event no later than 12:00 noon on 7 July 2006. The Lead Manager (for itself and on behalf of the Underwriters) may, with the consent of the Company, reduce the indicative Offer Price range below that as stated in the Prospectus (which is from HK\$1.70 per Offer Share to HK\$2.30 per Offer Share) at any time prior to the morning of the last day for lodging applications under the Public Offer. In such a case, notice of the reduction in the indicative Offer Price range will be published in The Standard (in English) and Hong Kong Economic Times (in Chinese) not later than the morning of the day which is the last day for lodging applications under the Public Offer. If applications for the Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Public Offer, then even if the Offer Price is so reduced, such applications cannot be

subsequently withdrawn. If, for any reason, the Offer Price is not agreed upon between the Company and the Lead Manager (for itself and on behalf of the Underwriters) by that time or such time and/or date as agreed between the Company and the Lead Manager (for itself and on behalf of the Underwriters), the Share Offer will not become unconditional and will lapse immediately, and a press announcement will be made by the Company as soon as possible.

The Share Offer comprises the Placing and the Public Offer. A total of 67,200,000 Shares will be initially made available under the Share Offer, of which 60,480,000 Placing Shares (comprising 53,280,000 New Shares and 7,200,000 Sale Shares), representing 90% of the Offer Shares initially available under the Share Offer, will be conditionally placed with selected professional, institutional and other investors under the Placing. The remaining 6,720,000 Public Offer Shares, representing 10% of the Offer Shares initially available under the Share Offer, will be offered to members of the public in Hong Kong under the Public Offer. Multiple or suspected multiple applications on **WHITE** and/or **YELLOW** Application Forms, applications made by an applicant for more than 100% of the Public Offer Shares being initially offered for public subscription under pool A or pool B (the details of which are set out in the Prospectus and the terms and conditions of the related Application Forms) and, applications where cheques or banker's cashier orders are dishonoured upon their first presentation will be rejected. Only one application on a **WHITE** or **YELLOW** Application Form may be made for the benefit of any person. An applicant for Public Offer Shares under the Public Offer will be required to give an undertaking and confirmation in the Application Forms submitted by him/her/it that he/she/it and any person(s) for whose benefit he/she/it is making the application has not received or applied for or will not receive or apply for any Placing Shares under the Placing. Applicants should note that if such undertaking and/or confirmation given by the applicant is breached and/or is untrue (as the case may be), such applicant's application under the Public Offer is liable to be rejected.

For allocation purposes only, the number of the Public Offer Shares will be divided equally into two pools: pool A and pool B. The Public Offer Shares in pool A will consist of 3,360,000 Shares and will be allocated on an equitable basis to applicants who have applied for the Public Offer Shares in an aggregate value of HK\$5,000,000 (excluding the brokerage, the Stock Exchange trading fee and the SFC transaction levy thereon) or less. The Public Offer Shares available in pool B will consist of 3,360,000 Shares and will be allocated on an equitable basis to applicants who have applied for Public Offer Shares in an aggregate the value of more than HK\$5,000,000 (excluding the brokerage, the Stock Exchange trading fee and the SFC transaction levy) and up to the total initial value of pool B. Investors should be aware that the allocation ratios for applications in the two pools, as well as the allocation ratios for applications in the same pool, are likely to be different. Where the Public Offer Shares of one of the pools is undersubscribed, the surplus Public Offer Shares will be transferred to satisfy demand in the other pool and be allocated accordingly. Applicants can only receive an allocation of Public Offer Shares from any one pool but not from both pools and can only make applications to either pool A or pool B. Any multiple or suspected multiple applications within either pool or between pools and any application made for more than 100% of the Public Offer Shares initially available under either pool A or pool B will be rejected.

Applications for the Public Offer Shares will only be considered on the basis of the terms and conditions of the Prospectus and the related Application Forms. Applicants who would like to be allotted the Public Offer Shares in their own names should complete and sign the **WHITE** Application Forms. Applicants who would like to have the allotted Public Offer Shares issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their investor participant stock accounts or the stock accounts of their designated CCASS participants maintained in CCASS should complete and sign the **YELLOW** Application Forms, copies of which, together with copies of the Prospectus, may be obtained during normal business hours from 9:00 a.m. on Friday, 30 June 2006 until 12:00 noon on Wednesday, 5 July 2006 at the Depository Counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong or the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128-140 Queen's Road Central, Hong Kong.

The Share Offer is conditional on the conditions as stated in the sub-section headed “Conditions of the Share Offer” under the section headed “Structure and Conditions of the Share Offer” of the Prospectus. If the conditions are not fulfilled or waived prior to the times and dates specified in the Prospectus, the Share Offer will thereby lapse and all application monies, together with the brokerage, the SFC transaction levy and the Stock Exchange trading fee received from applicants under the Share Offer, will be returned to the applicants, without interest, on the terms set out under the paragraph headed “Refund of your money” on the related Application Forms.

Copies of the Prospectus, together with the WHITE Application Forms, maybe obtained during normal business hours from 9:00 a.m. on Friday, 30 June 2006 until 12:00 noon on Wednesday, 5 July 2006 at:

1. Any participant of the Stock Exchange;
2. SBI E2-Capital Securities Limited, 43rd Floor, Jardine House, One Connaught Place, Central Hong Kong;
3. SBI Crosby Limited, Suites 3711–3715 Jardine House, One Connaught Place, Central, Hong Kong;
4. Tai Fook Securities Company Limited, 25th Floor, New World Tower, 16-18 Queen’s Road Central, Hong Kong.
5. Grand Vinco Capital Limited, Unit 4909–4910, 49th Floor, The Center, 99 Queen’s Road Central, Hong Kong;
6. UOB Kay Hian (Hong Kong) Limited, 15th Floor, Aon China Building, 29 Queen’s Road Central, Hong Kong;
7. any one of the following branches of Standard Chartered Bank (Hong Kong) Limited:

Hong Kong Island:	Des Voeux Road Branch	Standard Chartered Bank Building, 4–4A, Des Voeux Road Central, Central
	88 Des Voeux Road Branch	88 Des Voeux Road Central, Central
	Central Branch	Shop No. 16, G/F and Lower G/F, New World Tower, 16–18 Queen’s Road Central, Central
	Hennessy Road Branch	399 Hennessy Road, Wanchai
	Leighton Centre Branch	Shop 12–16, UG/F, Leighton Centre, 77 Leighton Road, Causeway Bay
	Quarry Bay Branch	G/F, Westlands Gardens, 1027 King’s Road, Quarry Bay
Kowloon:	Mongkok Branch	Shop B, G/F, 1/F & 2/F, 617–623 Nathan Road, Mongkok
	Tsimshatsui Branch	G/F, 10 Granville Road, Tsimshatsui
	Cheung Sha Wan Branch	828 Cheung Sha Wan Road, Cheung Sha Wan
	Kwun Tong Branch	88–90 Fu Yan Street, Kwun Tong
New Territories:	Tsuen Wan Branch	Shop C, G/F & 1/F, Jade Plaza, No. 298 Sha Tsui Road, Tsuen Wan

Both WHITE and YELLOW Application Forms, duly completed in all respects, to which cheques or banker’s cashier orders should be securely stapled, should be deposited in the special collection boxes provided at any one of the branches of Standard Chartered Bank (Hong Kong) Limited as referred to above on the following dates during the following times:

Friday, 30 June 2006	—	9:00 a.m. to 4:00 p.m.
Monday, 3 July 2006	—	9:00 a.m. to 4:00 p.m.
Tuesday, 4 July 2006	—	9:00 a.m. to 4:00 p.m.
Wednesday, 5 July 2006	—	9:00 a.m. to 12:00 noon.

The application lists will open from 11:45 a.m. to 12:00 noon on Wednesday, 5 July 2006.

Subject to the terms and conditions set out in the Prospectus and the related Application Forms, applications under the **WHITE** and **YELLOW** Application Forms must be received by no later than 12:00 noon on Wednesday, 5 July 2006 (or such later date as may apply in the case of a tropical cyclone warning signal No. 8 or above or a “black” rainstorm warning being in force as described in the paragraph headed “Effect of bad weather on the opening of the application lists” in the section headed “How to apply for Public Offer Shares” in the Prospectus).

If you have applied for 1,000,000 Public Offer Shares or more on a WHITE Application Form and have indicated on your Application Form that you wish to collect your Share certificate(s) and/or refund cheque (if any) in person, you may collect it/ them in person from the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited in Hong Kong between 9:00 a.m. and 1:00 p.m. on the date notified by the Company in the newspapers as the date of despatch of Share certificates and refund cheques, which is expected to be Wednesday, 12 July 2006. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, identification documents and (where applicable) authorisation documents which must correspond to the information contained in the relevant Application Form, acceptable to Tricor Investor Services Limited, to collect the Share certificate(s) and/or refund cheque, if any. Individual applicants who opt for personal collection must not authorise any other person to make collection on their behalf. You must show identification documents acceptable to Tricor Investor Services Limited in order to collect your Share certificate(s) and/or refund cheque (if any). Applicants being corporations who opt for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations’ chops.

If you do not collect your Share certificate(s) and/or refund cheque (if any) in person within the specified time, it/they will be sent to the address on your Application Form by ordinary post at your own risk.

If you have applied for less than 1,000,000 Public Offer Shares or if you have applied for 1,000,000 Public Offer Shares or more and have not indicated on your Application Form that you wish to collect your Share certificate(s) (where applicable) and/or refund cheque (if any) in person, your Share certificate(s) and/or refund cheque (if any) will be sent to the address on your Application Form on 12 July 2006 by ordinary post at your own risk.

If you have applied for the Public Offer Shares on a YELLOW Application Form and your application is wholly or partially successful, your Share certificate(s) will be issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to your CCASS investor participant stock account or your designated CCASS participant stock account as instructed by you at the close of business on Wednesday, 12 July 2006 or under contingent situation, on any other date as shall be determined by HKSCC or HKSCC Nominees Limited. You should check the number of Public Offer Shares allotted to you with your designated CCASS participant, if you are applying through a designated CCASS participant. If you are applying as a CCASS investor participant, you should check the results of the Public Offer in the newspapers to be published by the Company on Wednesday, 12 July 2006 and report any discrepancies to HKSCC or HKSCC Nominees Limited before 5:00 p.m. on 12 July 2006, or such other date as shall be determined by HKSCC or HKSCC Nominees Limited. Immediately following the credit of the Public Offer Shares to your CCASS investor participant stock account, you can check your new account balance via the CCASS Phone System and CCASS Internet System (under the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). For CCASS investor participants, HKSCC will also make available an activity statement showing the number of Public Offer Shares credited to your CCASS investor participant stock account. If you have applied for 1,000,000 Public Offer Shares or more on a **WHITE** Application Form and have indicated on your Application Form that you wish to collect your refund cheque (if any) in person, then you should follow the collection procedures for applicants using **WHITE** Application Forms as mentioned above.

The Company will not issue temporary documents of title. No receipt will be issued for application monies paid.

If your application is wholly or partially unsuccessful, the Company will refund your application money, brokerage, SFC transaction levy and Stock Exchange trading fee to you without interest. All refunds will be made by a cheque crossed “Account payee only”, and made out to you, or, if you are joint applicants, to the first-named applicant on your Application Form.

The Company has granted to the Lead Manager the Over-allotment Option exercisable by Lead Manager (for itself and on behalf of the Underwriters) to require the Company to issue up to 10,080,000 additional Shares to cover any over-allocation in the Placing. If any part of the Over-allotment Option is exercised, an announcement will be made by the Company.

Announcement on the level of indication of interest in the Placing and the results of application under the Public Offer and basis of allocation of the Offer Shares, and the procedures for collecting Share certificate(s) and refund cheque(s) are scheduled to be announced in *The Standard* (in English) and *Hong Kong Economic Times* (in Chinese) on or before Wednesday, 12 July 2006.

As at the date of this announcement, the executive Directors are Mr. NGOK Yan Yu, Mr. LAM Hon Keung, Keith, Ms. TANG Chui Yi, Janny, Mr. WONG Ming Yeung, Mr. PIVA Antonio and Mr. APPELLA Marcello; the non-executive Director is Mr. JE Kin Ming; the independent non-executive Directors are Mr. LO Ming Chi, Charles, Mr. PAO Ping Wing and Mr. KWAN Hung Sang, Francis.

By order of the Board
Hembly International Holdings Limited
NGOK Yan Yu
Chairman

Hong Kong, 30 June 2006

*Please also refer to the published version of this announcement in **The Standard**.*