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SAM WOO HOLDINGS LIMITED

三和集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 2322)

**(1) PLACING OF NEW SHARES UNDER GENERAL MANDATE
AND
(2) PLACING OF NEW SHARES SUBJECT
TO SHAREHOLDERS' APPROVAL**

PLACING AGENT



KINGSTON SECURITIES LTD.

The Company and the Placing Agent entered into the Placing Agreements after trading hours on 17 May 2011, whereby the Company has conditionally agreed to place, through the Placing Agent (i) under the Tranche I Placing on a best effort basis a maximum of 604,000,000 Placing Shares to independent investors at a price of HK\$0.175 per Placing Share and (ii) under the Tranche II Placing on a best effort basis a maximum of 906,000,000 Placing Shares to independent investors at a price of HK\$0.175 per Placing Share.

The 604,000,000 Placing Shares under Tranche I Placing represent (i) 20% of the existing issued share capital of the Company of 3,020,000,000 Shares; (ii) approximately 16.67% of the Company's issued share capital of 3,624,000,000 Shares as enlarged by completion of the Tranche I Placing; and (iii) approximately 13.33% of the Company's issued share capital of 4,530,000,000 Shares as enlarged by completion of the Placings.

* For identification purpose only

The 906,000,000 Placing Shares under Tranche II Placing represent (i) 30% of the existing issued share capital of the Company of 3,020,000,000 Shares; (ii) approximately 23.08% of the Company's issued share capital of 3,926,000,000 Shares as enlarged by completion of the Tranche II Placing; and (iii) 20% of the Company's issued share capital of 4,530,000,000 Shares as enlarged by completion of the Placings.

The aggregate of 1,510,000,000 Placing Shares under the Placings represent (i) 50% of the existing issued share capital of the Company of 3,020,000,000 Shares; and (ii) approximately 33.33% of the Company's issued share capital of 4,530,000,000 Shares as enlarged by completion of the Placings.

The total maximum net proceeds from the Placings will be approximately 257.1 million, which are intended to be used as to about 20% for general working capital of the Group and as to about 80% for financing any business opportunities, and assets and/or business acquisition targets to be identified. At the moment, the Company is exploring business opportunities, and assets and/or business acquisition targets and has not yet identified any of them. The maximum net proceeds raised per Share upon the completion of the Placings will be approximately HK\$0.170 per Share.

The Tranche I Placing is conditional upon, among other things, the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Tranche I Placing Shares.

The Tranche II Placing is conditional upon, among other things, (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Tranche II Placing Shares under the relevant lots of the Tranche II Placing; and (ii) the passing of a resolution by the Shareholders to approve the allotment, issue and dealing with the Tranche II Placing Shares at the SGM.

The Tranche I Placing and the Tranche II Placing are not inter-conditional.

Completion of Tranche I Placing and Tranche II Placing are subject to the satisfaction of the conditions precedent in the Tranche I Placing Agreement and the Tranche II Placing Agreement respectively.

As the Tranche I Placing and/or the Tranche II Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

A circular containing, among other things, (i) details regarding the Tranche II Placing and (ii) a notice convening the SGM will be despatched to the Shareholders as soon as possible.

The Company and the Placing Agent entered into the Placing Agreements after trading hours on 17 May 2011. Set out below are the details of the Placing Agreements.

THE TRANCHE I PLACING AGREEMENT

Date

17 May 2011

Issuer

The Company

Placing Agent

The Placing Agent has conditionally agreed to place a maximum of 604,000,000 Placing Shares on a best effort basis and will receive a placing commission of 2.5% of the aggregate amount equal to the Placing Price multiplied by the actual number of Tranche I Placing Shares being placed. The Directors (including the independent non-executive Directors) are of the view that the placing commission is fair and reasonable. The Placing Agent and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Placees

The Placing Agent agreed to place the Tranche I Placing Shares on a best effort basis to not fewer than six Placees who and whose ultimate beneficial owners will not be connected persons (as defined in the Listing Rules) of the Company and its connected persons (as defined in the Listing Rules). None of the individual Placee will become a substantial Shareholder (as defined in the Listing Rules) immediately after the Tranche I Placing.

Tranche I Placing Shares

The 604,000,000 Tranche I Placing Shares represent (i) 20% of the existing issued share capital of the Company of 3,020,000,000 Shares; (ii) approximately 16.67% of the Company's issued share capital of 3,624,000,000 Shares as enlarged by completion of the Tranche I Placing; and (iii) approximately 13.33% of the Company's issued share capital of 4,530,000,000 Shares as enlarged by completion of the Placings.

Ranking of Tranche I Placing Shares

The Tranche I Placing Shares will rank, upon issue, *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Tranche I Placing Shares.

Placing Price

The Placing Price of HK\$0.175 represents a discount of approximately 19.72% to the benchmarked closing price of HK\$0.218 per Share, which is the higher of (i) the closing price of HK\$0.218 as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average closing price of approximately HK\$0.191 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day.

The Placing Price was determined with reference to the prevailing market price of the Share and 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 Tranche I Placing are on normal commercial terms and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

General Mandate

The Tranche I Placing Shares will be issued under the General Mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the annual general meeting held on 3 September 2010 subject to the limit up to 20% of the then issued share capital of the Company as at the date of such annual general meeting. Under the General Mandate, the Company is authorized to issue 604,000,000 Shares. Up to the date of this announcement, none of the new Shares has been issued under the General Mandate and the Company is allowed to issue up to 604,000,000 Shares.

Conditions of the Tranche I Placing

Completion of the Tranche I Placing is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Tranche I Placing Shares; and
- (ii) the obligations of the Placing Agent under the Tranche I Placing Agreement not being terminated in accordance with the terms of the Tranche I Placing Agreement, including provisions regarding force majeure event.

The completion of the Tranche I Placing is not subject to the completion of the Tranche II Placing and the completion of the Tranche II Placing is also not subject to the completion of the Tranche I Placing.

Termination and force majeure

The Tranche I Placing Agreement may be terminated by the Placing Agent if at any time at or before 10:00 a.m. on the date of completion of the Tranche I Placing Agreement, there occurs:

- (i) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or**
- (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Tranche I Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudices the success of the Tranche I Placing by potential investor(s) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Tranche I Placing; or**
- (iii) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs which affect the success of the Tranche I Placing (such success being the Tranche I Placing to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Tranche I Placing.**

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

Completion of the Tranche I Placing

The conditions set out in the Tranche I Placing Agreement are expected to be fulfilled on or before 30 June 2011 or such other date as may be agreed by the Company and the Placing Agent and the completion of the Tranche I Placing will take place within four business days after the Tranche I Placing Agreement becomes unconditional.

Completion of the Tranche I Placing is subject to the satisfaction of the conditions precedent in the Tranche I Placing Agreement. As the Tranche I Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE TRANCHE II PLACING AGREEMENT

Date

17 May 2011

Issuer

The Company

Placing Agent

The Placing Agent has conditionally agreed to place a maximum of 906,000,000 Placing Shares on a best effort basis, by a maximum of four tranches (in which each tranche shall not be less than 230,000,000 Placing Shares, save for the last tranche) to the Placees and will receive a placing commission of 2.5% of the aggregate amount equal to the Placing Price multiplied by the actual number of Tranche II Placing Shares being placed. The Directors (including the independent non-executive Directors) are of the view that the placing commission is fair and reasonable. The Placing Agent and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Placees

The Placing Agent agreed to place the Tranche II Placing Shares on a best effort basis to not fewer than six Placees who and whose ultimate beneficial owners will not be connected persons (as defined in the Listing Rules) of the Company and its connected persons (as defined in the Listing Rules). None of the Placee will become a substantial Shareholder (as defined in the Listing Rules) immediately after the Tranche II Placing.

Tranche II Placing Shares

The 906,000,000 Tranche II Placing Shares represent (i) 30% of the existing issued share capital of the Company of 3,020,000,000 Shares; (ii) approximately 23.08% of the Company's issued share capital of 3,926,000,000 Shares as enlarged by the Tranche II Placing; and (iii) 20% of the Company's issued share capital of 4,530,000,000 Shares as enlarged by completion of the Placings.

Ranking of the Tranche II Placing Shares

The Tranche II Placing Shares will rank, upon issue, pari passu in all respects with the Shares in issue on the date of allotment and issue of the relevant Tranche II Placing Shares.

Placing Price

The Placing Price of HK\$0.175 represents:

- (i) a discount of approximately 19.72% to the closing price of HK\$0.218 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 12.32% to the average closing price per Share of HK\$0.1996 in the last five consecutive trading days up to and including the Last Trading Date; and
- (iii) a discount of approximately 12.67% to the average closing price per Share of HK\$0.2004 in the last ten consecutive trading days up to and including the Last Trading Date.

The Placing Price was determined with reference to the prevailing market price of the Share and 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 Tranche II Placing are on normal commercial terms and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Conditions of the Tranche II Placing

Completion of the Tranche II Placing is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Tranche II Placing Shares under the relevant lots of the Tranche II Placing;
- (ii) the passing of a resolution by the Shareholders to approve the allotment, issue and dealing with the Tranche II Placing Shares at the SGM; and
- (iii) the obligations of the Placing Agent under the Tranche II Placing Agreement becoming unconditional and not being terminated in accordance with the terms of the Tranche II Placing Agreement, including provisions regarding force majeure event.

The Company and the Placing Agent agreed that the Tranche II Placing will be completed in tranches by a maximum of four tranches provided that the aggregate number of the Placing Shares for each tranche shall not be less than 230,000,000 Placing Shares (save for the last tranche of the Placing where the number of the Placing Shares to be allotted and issued may be less than 230,000,000) and that the conditions precedent of the Placing shall apply to each of such partial completion.

If any of the above conditions are not fulfilled prior to 5:00 p.m. on the date falling on three months after the date of SGM, the Tranche II Placing shall terminate and subject to terms of the Tranche II Placing Agreement, neither party shall have any claim against the other for any costs or losses (save for any antecedent breaches of the Tranche II Placing Agreement).

The completion of the Tranche II Placing is not subject to the completion of the Tranche I Placing and the completion of the Tranche I Placing is not subject to the completion of Tranche II Placing.

Termination and force majeure

The Tranche II Placing Agreement may be terminated by the Placing Agent if at any time at or before 10:00 a.m. on the date of completion of the Tranche II Placing Agreement, there occurs:

- (i) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or**
- (ii) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Tranche II Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudices the success of the Tranche II Placing by potential investor(s) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Tranche II Placing; or**
- (iii) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs which affect the success of the Tranche II Placing (such success being the Tranche II Placing to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Tranche II Placing.**

For the avoidance of doubt, the termination of the Tranche II Placing Agreement mentioned above shall not affect any partial completion of the Tranche II Placing Shares that may have taken place prior to such date of termination.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

Completion of the Tranche II Placing

Completion of each tranche of the Tranche II Placing will take place within four business days after the fulfillment of the conditions for each tranche set out in the Tranche II Placing Agreement, but not later than the date falling on three months after the date of SGM.

Completion of the Tranche II Placing is subject to the satisfaction of the conditions precedent in the Tranche II Placing Agreement. As the Tranche II Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

OTHER INFORMATION ON THE PLACINGS

Number of Placing Shares

The aggregate of 1,510,000,000 Placing Shares under the Placings represent (i) 50% of the existing issued share capital of the Company of 3,020,000,000 Shares; and (ii) approximately 33.33% of the Company's issued share capital of 4,530,000,000 Shares as enlarged by completion of the Placings.

Reasons for the Placings

The Directors consider that notwithstanding that the Placings will result in the dilution of the existing shareholding interest of the Shareholders, the Placings represent an opportunity to raise additional capital for the Company to enhance its general working capital base and to finance any business opportunities, and assets and/or business acquisitions by the Group which is expected to enhance its growth. As at the date of this announcement, no specific business opportunities, and assets and/or business acquisition targets have been identified by the Company.

The Directors consider carrying out the Placings in two separate tranches is appropriate after taking into account that it will (i) allow the Company to capture different market sentiments for fund raising purpose; (ii) mitigate the immediate impact on the Share price; and (iii) be more attainable than a one-time placing of the same size.

The Directors (including the independent non-executive Directors) consider that the Placings are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Use of proceeds

The maximum gross proceeds and net proceeds from the Tranche I Placing will be approximately HK\$105.7 million and HK\$102.9 million respectively. The maximum gross proceeds and net proceeds from the Tranche II Placing will be approximately HK\$158.6 million and HK\$154.2 million respectively. The Company intends to apply the total maximum net proceeds of approximately 257.1 million as to about 20% for general working capital of the Group and as to about 80% for financing any business opportunities, and assets and/or business acquisition targets to be identified. At the moment, the Company is exploring business opportunities, and assets and/or business acquisition targets and has not yet identified any of them. The maximum net proceeds raised per Share upon the completion of both the Tranche I Placing and the Tranche II Placing will be approximately HK\$0.170 per Share.

Effects on shareholding structure

The existing and enlarged shareholding structure of the Company immediately before and after completion of the Placings (assuming that there are no other changes in the issued share capital of the Company) are set out below:

	As at the date of this announcement		Assuming completion of Tranche I Placing		Assuming completion of Tranche II Placing		Assuming completion of the Placings	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Superb Smart Limited (<i>Note 1</i>)	1,700,000,000	56.29	1,700,000,000	46.91	1,700,000,000	43.30	1,700,000,000	37.53
Public Shareholders:								
Places under Tranche I Placing	—	—	604,000,000	16.67	—	—	604,000,000	13.33
Places under Tranche II Placing	—	—	—	—	906,000,000	23.08	906,000,000	20.00
Other public Shareholders	1,320,000,000	43.71	1,320,000,000	36.42	1,320,000,000	33.62	1,320,000,000	29.14
Total	<u>3,020,000,000</u>	<u>100.00</u>	<u>3,624,000,000</u>	<u>100.00%</u>	<u>3,926,000,000</u>	<u>100.00</u>	<u>4,530,000,000</u>	<u>100.00</u>

Note:

1. Superb Smart Limited, a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Ms. Zheng Juhua, the Chairman and an executive Director of the Company

As at the date of this announcement, the existing authorized share capital of the Company consists of 10,000,000,000 Shares out of which 3,020,000,000 Shares are issued and fully paid up. As at the date of this announcement, the Company has no outstanding options, warrants or convertible instruments to subscribe for any Shares.

Fund raising activities in the past twelve months

The Company has not undertaken any fund raising exercises in the 12 months immediately preceding the date of this announcement.

GENERAL

The Company is an investment holding company and, through its subsidiaries, is engaged in the vessel chartering business.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Tranche I Placing Shares and the relevant Tranche II Placing Shares separately.

To the best of the Director's knowledge, information and belief having made all reasonable enquires, no Shareholder is required to abstain from voting for the Tranche II Placing at the SGM.

A circular containing, among other things, (i) details regarding the Tranche II Placing and (ii) a notice convening the SGM will be despatched to the Shareholders as soon as possible.

Terms and definitions

“Board”	the board of Directors
“Company”	Sam Woo Holdings Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting, among other things, to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the annual general meeting held on 3 September 2010
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Date”	17 May 2011, being the last trading day for the Shares before the date of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent’s obligations under the Placing Agreements
“Placings”	the Tranche I Placing and the Tranche II Placing
“Placing Agent”	Kingston Securities Limited, a licensed corporation to carry on business in type 1 regulated activities (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement(s)”	the Tranche I Placing Agreement and/or the Tranche II Placing Agreement
“Placing Price”	HK\$0.175 per Placing Share
“Placing Share(s)”	up to a maximum of 1,510,000,000 new Shares to be placed pursuant to the terms of the Placing Agreements, up to a maximum of 604,000,000 under the Tranche I Placing and up to a maximum of 906,000,000 under the Tranche II Placing

“SGM”	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the Tranche II Placing
“Share(s)”	ordinary share(s) of HK\$0.01 in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tranche I Placing”	placing for a maximum of 604,000,000 new Shares pursuant to the terms of the Tranche I Placing Agreement
“Tranche I Placing Agreement”	the conditional placing agreement entered between the Company and the Placing Agent dated 17 May 2011 in relation to the Tranche I Placing
“Tranche I Placing Shares”	up to a maximum of 604,000,000 new Shares to be placed pursuant to the Tranche I Placing Agreement
“Tranche II Placing”	placing for a maximum of 906,000,000 new Shares pursuant to the terms of the Tranche II Placing Agreement
“Tranche II Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 17 May 2011 in relation to the Tranche II Placing
“Tranche II Placing Shares”	up to a maximum of 906,000,000 new Shares to be placed pursuant to the Tranche II Placing Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Sam Woo Holdings Limited
Zheng Juhua
Chairman

Hong Kong, 17 May 2011

As at the date of this announcement, the executive Directors are Ms. Zheng Juhua, Mr. Lau Chun Ming and Mr. Chan Sun Kwong; the independent non-executive Directors are Mr. Man Kwok Leung, Mr. Yu Pak Yan, Peter and Mr. Chi Chi Hung, Kenneth.