



# **Warderly International Holdings Limited**

**滙多利國際控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 607)**

## **ANNOUNCEMENT**

**(I) PROPOSED APPOINTMENT OF AUDITORS;**

**(II) RESIGNATION OF DIRECTORS;**

**AND**

**(III) STATUS UPDATE OF THE COMPANY**

### **Proposed appointment of auditors**

The Board announces that it has resolved to propose to appoint PKF as the new auditors of the Company to fill the casual vacancy following the resignation of Deloitte and to hold office until the conclusion of the next annual general meeting of the Company. The appointment of PKF as auditors of the Company is subject to the approval of the Shareholders at the EGM.

### **Resignation of Directors**

The Board further announces that (i) Mr. Chow resigned as an independent non-executive Director, a member of the audit committee and a member of the remuneration committee of the Company; and (ii) Mr. Chu resigned as an executive Director, both with effect from 23 July 2008.

### **Status update of the Company**

At the request of the SFC, trading in the Shares on the Stock Exchange has been suspended since 14 May 2007 pursuant to sub-Rule 8(1) of the Securities and Futures (Stock Market Listing) Rules (subsidiary legislation V of Chapter 571 of the Laws of Hong Kong).

On 24 April 2008, the Company received the Letter stating that in view of the prolonged suspension of trading in the Shares and the Company's failure to demonstrate its compliance with Rule 13.24 of the Listing Rules, the Stock Exchange would place the Company in the second stage of the delisting procedures pursuant to Practice Note 17 to the Listing Rules and the Company was required to submit viable resumption proposals to the Stock Exchange at least 10 business days before the expiry of the

\* *for identification purpose only*

six-month period from the date of the Letter. The Stock Exchange further stated that it would, after considering any proposal to be made by the Company, determine whether to proceed to the third stage of the delisting procedures at the end of such six-month period. The Company is in the process of preparing the Resumption Proposal and it is expected that the Resumption Proposal will be submitted to the Stock Exchange in due course.

**Trading in the Shares on the Stock Exchange will remain suspended until further notice.**

## **PROPOSED APPOINTMENT OF AUDITORS**

Reference is made to the announcement of the Company dated 14 December 2007 in which the Board announced, among other things, the resignation of Messrs. Deloitte Touche Tohmatsu (“**Deloitte**”) as auditors of the Company with effect from 6 December 2007 and the then proposal by the Board of appointing Messrs. NCN CPA Limited (“**NCN**”) as the auditors of the Company, subject to the approval of the Shareholders at a duly convened general meeting of the Company pursuant to the articles of association of the Company, to fill the casual vacancy following Deloitte’s resignation and to hold office until the conclusion of the next annual general meeting of the Company. As the Company has not convened any general meeting for the purposes of approving the proposed appointment of NCN, the vacancy remains up to the date of this announcement.

In support of the Company’s application of lifting the suspension of trading of the Shares on the Stock Exchange by submitting the Resumption Proposal, the Board has resolved to propose to appoint PKF as auditors of the Company to fill the casual vacancy following Deloitte’s resignation and to hold office until the conclusion of the next annual general meeting of the Company. The appointment of PKF is subject to the approval by the Shareholders at the EGM.

A circular, containing details of the appointment of auditors of the Company and a notice of EGM, will be despatched to the Shareholders in due course.

## **RESIGNATION OF DIRECTORS**

The Board further announces that (i) Mr. Chow Yiu Wah, Joseph (“**Mr. Chow**”) resigned as an independent non-executive Director, a member of the audit committee and a member of the remuneration committee of the Company; and (ii) Mr. Charles Chu (“**Mr. Chu**”) resigned as an executive Director, both with effect from 23 July 2008 due to the pursuance of their respective personal businesses.

Each of Mr. Chow and Mr. Chu confirmed that he has no disagreement with the Board and there are no other matters with respect to his resignation that need to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to thank Mr. Chow and Mr. Chu for their contribution to the Company during their respective term of services.

To fill the casual vacancy following Mr. Chow’s resignation as a member of the audit committee and a member of the remuneration committee of the Company, the Board has appointed each of Mr. Lee Kong Leong, Mr. Li Siu Yui and Mr. Ip Woon Lai, all being existing independent non-executive Directors, as a member of the audit committee and a member of the remuneration committee of the Company with effect from 23 July 2008.

## **STATUS UPDATE OF THE COMPANY**

At the request of the SFC, trading in the Shares on the Stock Exchange has been suspended since 14 May 2007 pursuant to sub-Rule 8(1) of the Securities and Futures (Stock Market Listing) Rules (subsidiary legislation V of Chapter 571 of the Laws of Hong Kong).

On 24 April 2008, the Company received a letter from the Stock Exchange dated 24 April 2008 (the “Letter”) stating that in view of the prolonged suspension of trading in the Shares and the Company’s failure to demonstrate its compliance with Rule 13.24 of the Listing Rules, the Stock Exchange would place the Company in the second stage of the delisting procedures pursuant to Practice Note 17 to the Listing Rules and the Company was required to submit viable resumption proposals to the Stock Exchange at least 10 business days before the expiry of the six-month period from the date of the Letter. The Stock Exchange further stated that it would, after considering any proposal to be made by the Company, determine whether to proceed to the third stage of the delisting procedures at the end of such six-month period.

As set out in the Letter, a viable resumption proposal should enable the Company to demonstrate that it has a sufficient level of operations or has tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to the Stock Exchange to warrant the continued listing of the Company as required under Rule 13.24 of the Listing Rules and the resumption proposal will also need to demonstrate the Company’s compliance with the Listing Rules and all applicable laws and regulations. In particular, the Company is required to (i) clarify the financial position and operations of the Group; (ii) investigate and address the issues and concerns in relation to, among other things, (a) the significantly deteriorating financial conditions of the Company; and (b) the Company’s failure to demonstrate its compliance with Rule 13.24 of the Listing Rules; (iii) publish all outstanding financial results of the Group as required under the Listing Rules and address any concerns that may be raised by the auditors of the Company through the qualification of their auditors’ report on the financial statements of the Group published after the suspension of trading in the Shares; and (iv) demonstrate that the Company has adequate financial reporting system and internal control procedures to enable the Company to meet its obligations under the Listing Rules. In this connection, the Company should appoint an independent accounting firm to perform a review of the internal control system of the Group and take remedial actions to rectify and control failings or weaknesses identified by the independent accounting firm.

The Company is in the process of preparing the Resumption Proposal and it is expected that the Resumption Proposal will be submitted to the Stock Exchange in due course.

**Trading in the Shares on the Stock Exchange will remain suspended until further notice.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms shall have the respective meanings set out opposite to them:

“Board”	the board of Directors
“Company”	Warderly International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange

“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider and, if thought fit, approve the proposed appointment of auditors of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Resumption Proposal”	the proposal in relation to the resumption of trading in the Shares to be submitted to the Stock Exchange
“SFC”	the Hong Kong Securities and Futures Commission
“Share”	share of HK\$0.01 in the capital of the Company and “Shares” shall be construed accordingly
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

*As at the date hereof, the Board comprises (i) five executive Directors, namely Mr. Li Kai Yien, Arthur Albert, Ms. Li Shu Han, Eleanor Stella, Ms. Seto Ying, Mr. Hung Kwok Wa and Mr. Lau Man Tak; and (ii) five independent non-executive Directors, namely Mr. Lee Kong Leong, Mr. Li Siu Yui, Mr. Ip Woon Lai, Mr. Tam Ping Kuen and Mr. Lau Tai Chim.*

By order of the Board  
**Warderly International Holdings Limited**  
**Hung Kwok Wa**  
*Director*

Hong Kong, 23 July 2008