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GOLD WO INTERNATIONAL HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

PROPOSED RIGHTS ISSUE

The Company aims to raise about HK\$30 million after expenses by issuing 2 billion new shares at a price of HK\$0.016 per share.

The Company will provisionally allot 1 rights share for every 2 shares held by qualifying shareholders.

The rights issue is not available to overseas shareholders.

The net proceeds of the rights issue will be used for the Group's additional general working capital and capital expenditure, such as the purchase of manufacturing equipment for the Group's operation.

The rights issue is conditional. In particular, it is subject to the Underwriters not terminating the underwriting agreement (see "Termination of the underwriting agreement" below).

The Company will send a prospectus for the rights issue, a provisional allotment letter and an application for excess rights shares to all qualifying shareholders by 21st May, 2002.

To qualify for the rights issue, any transfers of shares must be lodged for registration by 4:00 p.m. on 15th May, 2002.

Investors' attention is drawn to the statements in "Warning of the risks of dealing in shares and rights shares" below.

Trading of shares has been suspended with effect from 9:30 a.m. on 30th April, 2002 pending the release of this announcement. Application has been made for resumption of trading of shares with effect from 9:30 a.m. on 2nd May, 2002.

RIGHTS ISSUE

Basis of rights issue:

1 rights share for every 2 shares held by qualifying shareholder

Total number of rights shares:

2 billion rights shares based on the current issued share capital of 4 billion shares. The Company does not have any warrants, options or other securities convertible into shares as at the date of this announcement.

Qualifying shareholders:

The Company will send a provisional allotment letter to qualifying shareholders only.

To qualify for the rights issue shareholders must:

- be registered as a member of the Company on 21st May, 2002; and
- have an address in Hong Kong on the register of members.

In order to be registered as a member on the record date, shareholders must lodge any transfers of shares (with the relevant share certificates) with the Company's branch share registrar in Hong Kong by **4:00 p.m. on 15th May, 2002**.

The registrar is:

Tengis Limited at 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong

The register of members of the Company will be closed from 16th May, 2002 to 21st May, 2002 inclusive. No transfer of shares will be registered during this period.

Subscription price:

HK\$0.016 per rights share, payable in full when a shareholder accepts the rights issue.

This price is a discount of 73.3% to the closing price of HK\$0.06 per share quoted on the Stock Exchange on 29th April, 2002, and a discount of about 64.44% to the theoretical ex-rights price of HK\$0.045 per share based on such closing price per share. The substantial discount in the subscription price aims to attract qualifying shareholders to subscribe for their rights shares. The directors of the Company consider that the subscription price is fair and reasonable.

Each rights share has a nominal value of HK\$0.001.

Status of the rights shares:

When fully paid, the rights shares will rank equally with existing shares. Holders of rights shares will receive all future dividends and distributions.

Share certificates:

Share certificates for all fully-paid rights shares are expected to be posted to subscribers by 12th June, 2002.

Rights of overseas shareholders:

If on the record date a shareholder's address on the register of members is outside Hong Kong, that shareholder cannot take part in the rights issue as the rights issue prospectus will only be registered in Hong Kong and Bermuda. The Company will send a rights issue prospectus to an overseas shareholder for information only. The Company will not send provisional allotment letter or application for excess rights shares to an overseas shareholder.

If a premium (net of expenses) can be obtained, the Company will sell each overseas shareholder's provisional allotment of rights shares once dealings in the nil-paid rights shares start. The proceeds of each sale, less expenses, of HK\$100 or more will be paid to the overseas shareholder in Hong Kong dollars. The Company will keep individual amounts of less than HK\$100.

Fractions of rights shares:

The Company will not provisionally allot fractions of rights shares. The Company will sell any rights shares created by adding together fractions of rights shares, and will keep the proceeds.

Application for excess shares:

Qualifying shareholders may apply for any unsold entitlements of overseas shareholders, any unsold rights shares created by adding together fractions of rights shares, and any rights shares provisionally allotted but not accepted.

Application is made by completing the application for excess rights shares. The directors of the Company will allocate the excess shares at their discretion.

Application for listing:

The Company will apply to the Listing Committee of the Stock Exchange for the listings of and permission to deal in the rights shares in both nil-paid and fully-paid forms.

Dealings in rights shares in nil-paid and fully paid forms in Hong Kong will be subject to the payment of stamp duty in Hong Kong.

UNDERWRITING ARRANGEMENTS**Undertaking:**

Top Master Development Limited, which as at the date of this announcement is beneficially interested in 2.18 billion shares (representing 54.5% of the issued share capital of the Company), has given an irrevocable undertaking to accept or procure acceptance of its entitlement to 620 million rights shares (being about 56.88% of the 1.09 billion rights shares which will be provisionally allotted to it).

Top Master Development Limited is beneficially owned by Mr. Fu Chu Kan and Madam Fu Yin Ling, the Chairman and the Deputy Chairman of the Company respectively, as to 90% and 10%, respectively.

Underwriting agreement dated 30th April, 2002:

Underwriters: Taiwan Concord Capital Securities (HK) Limited – 500 million rights shares
Luen Fat Securities Company Limited – 500 million rights shares
Times Securities Company Limited – 312.5 million rights shares
Ever-long Asset Management Limited – 67.5 million rights shares

The Underwriters are independent third parties not connected with the Company, its directors or substantial shareholders or any of its subsidiaries or their respective associates.

Number of rights shares underwritten: 1.38 billion

Commission: 2.5% of the total issue price of the rights shares underwritten by the Underwriters

Termination of the underwriting agreement:

If certain things (including force majeure) happen up to 5:00 p.m. on the second business day after the last day for acceptance of provisional allotments, then Ever-long (on behalf of the Underwriters) may terminate the underwriting agreement, including if:

- (a) there develops, occurs or comes into force:
 - (i) any new law or government regulation or other occurrence of any nature whatsoever which in the opinion of Ever-long on behalf of the Underwriters will materially adversely affect the business of the Group or the rights issue; or**
 - (ii) any change in local, national, international, financial, political or economic conditions which in the opinion of Ever-long on behalf of the Underwriters will materially adversely affect the rights issue materially; or**
 - (iii) any material adverse change in market conditions which in the opinion of Ever-long on behalf of the Underwriters makes it inadvisable or inexpedient to proceed with the rights issue;**

or

- (b) there comes to the notice of any of the Underwriters any event showing any of the representations and warranties given by the Company in the underwriting agreement to be untrue or inaccurate which Ever-long on behalf of the Underwriters considers to be material.

If Ever-long on behalf of the Underwriters terminates the underwriting agreement, then the rights issue will not proceed.

Conditions of the rights issue

The rights issue is conditional upon, inter alia, each of the following happening on or before 5:00 p.m. on the second business day after the last day for acceptance of provisional allotments:

- the Listing Committee of the Stock Exchange granting listings of and permission to deal in the rights shares in their nil-paid and fully-paid forms;
- compliance with the undertaking given by Top Master Development Limited referred to above; and
- the obligations of the Underwriters under the underwriting agreement becoming unconditional and the underwriting agreement not being terminated in accordance with its terms or otherwise.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES

Existing shares will be dealt with on an ex-rights basis from 14th May, 2002. The rights shares will be dealt with in their nil-paid form from 23rd May, 2002 to 31st May, 2002, both dates inclusive. If the Underwriters terminate the underwriting agreement, or the conditions of the rights issue are not fulfilled, the rights issue will not proceed.

Any buying or selling of the Company shares or rights shares from now up to the date on which all conditions of the underwriting agreement are fulfilled is at an investor's own risk. The rights issue may or may not become unconditional and may or may not proceed.

Investors may want to get professional advice about this.

EXPECTED TIMETABLE

2002

Register of members closed to determine eligibility for the rights issue	Thursday, 16th May to Tuesday, 21st May
Record date	Tuesday, 21st May
Rights issue prospectus, provisional allotment letters and applications for excess shares to be posted	Tuesday, 21st May
First day for dealings in nil-paid rights shares	Thursday, 23rd May
Latest time for splitting of nil-paid rights shares	4:00 p.m. on Tuesday, 28th May
Last day for dealings in nil-paid rights shares	Friday, 31st May
Latest time for acceptance of rights issue and payment	4:00 p.m. on Wednesday, 5th June
Latest time for the rights issue to become unconditional	4:00 p.m. on Friday, 7th June

Refund cheques for unsuccessful excess applications to be posted Wednesday, 12th June

Share certificates for rights shares to be posted Wednesday, 12th June

Dealings of rights shares commence Friday, 14th June

USE OF THE PROCEEDS OF THE RIGHTS ISSUE

The rights issue will enable the Company to raise additional fund to strengthen its financial position and have more flexibility in its growth strategy. It is intended that the net proceeds of the rights issue will be used as to about HK\$23 million for the Group's additional general working capital and the balance of about HK\$7 million for capital expenditure, such as the purchase of manufacturing equipment for the operation of the Group. There is no present intention to acquire any new business.

FINANCIAL ADVISER

The Company has appointed Ever-long Securities Company Limited as financial adviser in respect of the rights issue.

SUSPENSION AND RESUMPTION OF TRADING

Trading of shares has been suspended with effect from 9:30 a.m. on 30th April, 2002 pending the release of this announcement. Application has been made for resumption of trading of shares with effect from 9:30 a.m. on 2nd May, 2002.

TERMS USED IN THIS ANNOUNCEMENT

“Company”	Gold Wo International Holdings Limited, an exempted company incorporated in Bermuda with limited liability
“Group”	The Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Ever-long”	Ever-long Asset Management Limited
“overseas shareholders”	shareholders of the Company on the register of members of the Company on the record date whose registered addresses are outside Hong Kong
“qualifying shareholders”	shareholders of the Company, other than the overseas shareholders, on the register of members of the Company on the record date
“record date”	21st May, 2002
“rights issue”	the issue of the rights shares at a price of HK\$0.016 per rights share

“rights shares”	2 billion new shares to be issued under the rights issue
“share(s)”	share(s) of HK\$0.001 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Underwriters”	Taiwan Concord Capital Securities (HK) Limited, Luen Fat Securities Company Limited, Times Securities Company Limited and Ever-long
“underwriting agreement”	the underwriting agreement dated 30th April, 2002 between, among others, the Company and the Underwriters in relation to the rights issue
“HK\$”	Hong Kong dollars

By order of the Board
Fu Chu Kan
Chairman

Hong Kong, 30th April, 2002

"Please also refer to the published version of this announcement in the Hong Kong i-Mail"