

IMPORTANT

If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in Winfoong International Limited, you should at once hand this circular to the purchaser or the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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WINFOONG INTERNATIONAL LIMITED

(榮豐國際有限公司*)

(Incorporated in Bermuda with limited liability)

(Stock code: 63)

Executive directors:

Cheong Pin Chuan, Patrick
(Chairman and Managing Director)
Cheong Kim Pong
Cheong Sim Eng

*Principal place of business
in Hong Kong:*

Room 3201
9 Queen's Road Central
Hong Kong

Independent non-executive directors:

Chan Yee Hoi, Robert
Kan Fook Yee
Lai Hing Chiu, Dominic
Leung Wing Ning

Non-executive director:

Lim Ghee

15 April 2011

Dear Shareholders

GENERAL MANDATE TO REPURCHASE SHARES AND RE-ELECTION OF DIRECTORS

INTRODUCTION

At the annual general meeting of Winfoong International Limited (“Company”, together with its subsidiaries, the “Group”) to be held on 24 May 2011 (“Annual General Meeting”), Mr. Cheong Sim Eng, Madam Lim Ghee and Mr. Lai Hing Chiu, Dominic will

retire as directors of the company (“**Directors**”) in accordance with Bye-Law 87 of the bye-laws of the Company (“**Bye-Laws**”). Mr. Cheong Sim Eng, being eligible, will offer himself for re-election as executive Director; Mr. Lai Hing Chiu, Dominic and Madam Lim Ghee will not offer themselves for re-election as independent non-executive Director and non-executive Director respectively, at the Annual General Meeting. Accordingly, Ms. Cheong Hooi Kheng will cease to be an alternate Director to Madam Lim Ghee. It is proposed that Ms. Cheong Hooi Kheng will be appointed as an executive Director of the Company at the Annual General Meeting. Brief biographical details of Mr. Cheong Sim Eng and Ms. Cheong Hooi Kheng are set out in the appendix to this circular. You are advised to read the appendix so as to make decision on whether to vote for or against the resolutions to re-elect Mr. Cheong Sim Eng, and to appoint Ms. Cheong Hooi Kheng as Directors.

In addition, among other resolutions, a resolution will be proposed to grant to the Directors a general mandate to repurchase shares of the Company.

This circular contains the explanatory statement in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) to give all the information reasonably necessary to enable shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the grant of the general mandate for the purchase by the Company of its own shares.

I. GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, among other things, an ordinary resolution will be proposed that the Directors be given a general mandate to exercise all powers of the Company to repurchase issued and fully paid shares of HK\$0.05 each (each, a “**Share**”) in the capital of the Company not exceeding 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing the relevant resolution (“**Repurchase Mandate**”). The Company’s authority is restricted to purchases made on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”). As at 8 April 2011, being the latest practicable date prior to the printing of this circular (“**Latest Practicable Date**”), there were in issue an aggregate of 2,631,652,084 Shares. Exercising in full of the Repurchase Mandate, on the basis that no further Shares are issued or repurchased from the Latest Practicable Date up to (and including) the date of the Annual General Meeting, could accordingly result in up to 263,165,208 Shares being repurchased by the Company. The Repurchase Mandate allows the Company to make repurchases only during the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law and the date upon which such authority is revoked or varied by the shareholders of the Company.

Reason for Shares Repurchase

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company with the flexibility to make repurchase when appropriate and beneficial to the Company. Such repurchases may enhance the net asset value of the Company and/or earnings per Share.

Funding of Shares Repurchase

There might be material adverse impact on the working capital or gearing position of the Company, as compared with the financial position of the Company as at 31 December 2010 (being the date of its latest audited accounts) in the event that the share repurchases pursuant to the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the mandate to such an extent as would, in the circumstances, have a material adverse impact on the working capital or gearing ratio of the Company, which in the opinion of the Directors are from time to time appropriate for the Company.

The Company is empowered by its memorandum of association and the Bye-Laws to repurchase its Shares. The Companies Act 1981 (as amended) of Bermuda provides that the amount of capital repaid in connection with the share repurchases may only be paid out of the capital paid up on the relevant shares, funds of the Company that would otherwise be available for dividend or distribution or the proceeds of a new issue of shares made for such purpose. In repurchasing shares, the Company will only apply funds legally available for such purpose in accordance with the Bye-Laws and the laws of Bermuda. In accordance with the Listing Rules, the listing of all shares which are repurchased by the Company (whether on the Stock Exchange or otherwise) shall be automatically cancelled upon repurchase and the Company would apply for listing of any further issue of that type of shares in the normal way.

DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge of the Directors having made all reasonable enquiries, any of the associates of any of the Directors has any present intention, in the event that the proposal is approved by shareholders, to sell Shares to the Company. No connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make repurchases of Shares.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules, the laws of Hong Kong and all applicable laws of Bermuda and in accordance with the regulations set out in the memorandum of association of the Company and the Bye-Laws.

EFFECT OF TAKEOVERS CODE

If on the exercise of the power to repurchase shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Hong Kong Code on Takeovers and Mergers ("**Takeovers code**"). As a result, a shareholder or group of shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the substantial shareholders having interests in 10% or more of the issued share capital of the Company were:

Shareholder	Number of Shares held	Approximate percentage shareholding as at the Latest Practicable Date
Hong Fok Corporation Limited ("HFC")	1,652,910,365	62.81%
Hong Fok Corporation (H.K.) Limited ("HFCHK")	1,652,910,365	62.81%
Hong Fok Enterprises Limited ("HFE")	1,605,467,362	61.01%
Hong Fok Corporation Limited (a Cayman Islands company) ("HFC Cayman")	1,605,467,362	61.01%
Hong Fok Land International Limited ("HFL")	628,746,775	23.89%
Hong Fok Land Asia Limited ("HFLA")	628,746,775	23.89%
First Strategy Investments Limited	628,746,775	23.89%
Barragan Trading Corp.	285,312,566	10.84%

Note:

HFC was deemed to have the same beneficial interests as its wholly-owned subsidiary, HFCHK, did in the share capital of the Company. HFCHK was deemed to have the same beneficial interests as its wholly-owned subsidiary, HFE, did in the share capital of the Company. HFE was deemed to have the same beneficial interests as its wholly-owned subsidiary, HFC Cayman, did in the share capital of the Company. HFC Cayman was directly interested in 976,720,587 shares of the Company. In addition, HFCHK was directly interested in 47,443,003 shares of the Company. HFCHK beneficially owned approximately 40.38% of the issued share capital of HFL and was deemed to have the same beneficial interests as HFL did in 628,746,775 shares of the Company. HFL was deemed to have the same beneficial interests as its wholly-owned subsidiary, HFLA, did in the share capital of the Company. HFLA was deemed to have the same beneficial interests as its wholly-owned subsidiary, First Strategy Investments Limited, did in the share capital of the Company.

If the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution and as set out above assuming the present shareholding by each of the substantial shareholders of the Company remain the same, the percentage holdings of the above substantial shareholders in the Company would be as follows:

Shareholder	Approximate Percentage shareholding if the repurchase is exercised in full
HFC	69.79%
HFCHK	69.79%
HFE	67.78%
HFC Cayman	67.78%
HFL	26.55%
HFLA	26.55%
First Strategy Investments Limited	26.55%
Barragan Trading Corp.	12.05%

On the above basis, as at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the Directors are not aware of any consequence which would arise under the Takeovers Code as a result of any repurchases pursuant to the Repurchase Mandate.

In addition, the Directors have no intention to exercise the Repurchase Mandate to the extent that it would result in the aggregate amount of the share capital of the Company in public hands being reduced to less than 25%, being the minimum prescribed public float requirement under the Listing Rules.

GENERAL

During each of the six months preceding the date of this circular, no Shares have been repurchased by the Company.

During each of the twelve months from 1st April 2010 to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Highest Traded Price (HK\$)	Lowest Traded Price (HK\$)
April 2010	0.249	0.189
May 2010	0.220	0.163
June 2010	0.200	0.161
July 2010	0.180	0.160
August 2010	0.183	0.150
September 2010	0.193	0.158
October 2010	0.190	0.165
November 2010	0.240	0.151
December 2010	0.182	0.160
January 2011	0.180	0.160
February 2011	0.168	0.150
March 2011	0.175	0.147
April 2011 (up to the Latest Practicable Date)	0.160	0.136

II. ANNUAL GENERAL MEETING

At the Annual General Meeting, resolutions will be proposed to the shareholders in respect of the ordinary business of the Company to be considered at the Annual General Meeting, being:

- (1) To receive and consider the statement of accounts and the reports of the Directors and the auditors for the year ended 31 December 2010;
- (2) To re-elect the retiring Director, appoint Director and to fix the remuneration of the Directors;
- (3) To re-appoint auditors and to authorise the Directors to fix their remuneration; and
- (4) The proposal to grant to the Directors:
 - (a) the Repurchase Mandate;
 - (b) to issue, allot and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options including warrants, bonds and debentures convertible into shares which might require the exercise of such power, of an aggregate nominal amount of up to 20 per cent. of the share capital of the Company in issue on the date of passing the relevant resolution (“**Issuance Mandate**”); and
 - (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate shall not extend beyond the conclusion of the next annual general meeting of the Company or any earlier date as referred to in the ordinary resolutions No. (4)A and (4)B as set out in the notice of the Annual General Meeting.

The notice of Annual General Meeting is set out on pages 152 to 156 of the 2010 annual report expected to be dispatched to the shareholders together with this circular.

ACTION TO BE TAKEN

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy and return it to the Company's branch registrar in Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting if you so desire.

VOTING BY WAY OF POLL

Pursuant to the Listing Rules, all votes at the Annual General Meeting will be taken by poll and the Company will announce the results of the poll in the manner prescribed under the Listing rules.

RECOMMENDATION

The Directors consider that the granting of the mandate to repurchase Shares is in the interest of the Company and so recommend you to vote in favour of the relevant resolutions at the Annual General Meeting. The Directors will vote all their shareholdings in favour of the relevant resolutions.

Yours faithfully
Cheong Pin Chuan, Patrick
Chairman

* *For identification purpose only*

APPENDIX

PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION AND PROPOSED DIRECTOR

The biographical and other details of the retiring Director standing for re-election and the Director proposed to be appointed at the Annual General Meeting as required by the Listing Rules are set out below:

Mr. Cheong Sim Eng, aged 50

Executive Director

Mr. Cheong Sim Eng (“Mr. Cheong”) graduated from the Chaminade University of Honolulu with a Bachelor of Arts degree. He joined the Group in 1991 and was appointed a Director in 1996. He has over 25 years’ experience in the construction industry. He is a director of the Company’s substantial shareholder, Hong Fok Corporation Limited (“HFC”), which is listed on the Singapore Exchange Securities Trading Limited, and is a director of certain subsidiaries of the Company.

Mr. Cheong is son to Madam Lim Ghee, a non-executive Director, brother to Messrs. Cheong Kim Pong and Cheong Pin Chuan, Patrick, Directors and executive directors of HFC, Ms. Cheong Hooi Kheng, alternate non-executive Director and executive director of HFC and Ms. Cheong Puay Kheng, senior management of the Group. Mr. Cheong is uncle to Messrs. Cheong Aik Yen, Roy, Cheong Tze Hong, Marc and Cheong Tze Hian, Howard, senior management of the Group.

As at the Latest Practicable Date, Mr. Cheong had the following interests in shares of the Company and its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”):

HFC, an associated corporation

Capacity	Number of securities held	Percentage
Beneficial owner	75,524,300	11.45%
Interest of spouse	651,700	0.10%
Held by controlled corporation (<i>Note a</i>)	31,263,663	4.74%
Other (<i>Note b</i>)	134,537,600	20.40%

Notes:

- (a) These shares of HFC represented (i) 25,116,863 shares of HFC held by Goodyear Realty Co. Pte. Ltd., which was 25% owned by Mr. Cheong; and (ii) 6,146,800 shares of HFC held by Corporate Development Limited, which was 25% owned by Mr. Cheong.
- (b) Mr. Cheong had interests in the share capital of HFC, which in turn held 40.38% in the existing share capital of Hong Fok Land Holding Limited, and Hong Fok Land Holding Limited was interested in 20.4% of the existing share capital of HFC.

There is no service agreement between the Company and Mr. Cheong and no terms have been fixed or proposed for his length of service with the Company. For the year ended 31 December 2010, Mr. Cheong has not received any salaries, allowances and benefits in kind. Mr. Cheong is an eligible person of the Company’s existing share option scheme by virtue of his directorship of the Company.

On or about 16 October 2006, it has come to Mr. Cheong's attention that Sam Kee Garden (H.K.) Limited ("Sam Kee"), a company incorporated in Hong Kong, was wound up by the Court by a Winding Up Order made on 11th October 2006. As Mr. Cheong resigned as director of Sam Kee on 17 October 2005, he has no knowledge of the amount involved and the current position of such winding up proceedings as the same has not yet been commenced during his term of directorship. Before Mr. Cheong's resignation, Sam Kee's business was provision of management services. Mr. Cheong is an eligible person of the Company's existing share option scheme by virtue of his directorship of the Company.

Save as disclosed above and as at the Latest Practicable Date, Mr. Cheong had not held any other directorship in any listed companies or had any major appointment in the last three years before the date of appointment and does not hold any other positions with the Company or other members of the Group and is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

Ms. Cheong Hooi Kheng, aged 58
Proposed executive Director

Ms. Cheong Hooi Kheng ("Ms. Cheong") joined the Group in 1991 and is presently senior manageress of the property development division of the Group. She is holder of a Bachelor of Science degree in Business Administration from the California State University, Hayward and a Master of Business Administration degree from the Chaminade University of Honolulu. She has over 29 years' experience in the construction industry. She is a director of HFC, a substantial shareholder of the Company which is listed on the Singapore Exchange Securities Trading Limited.

Ms. Cheong is daughter to Madam Lim Ghee, a non-executive Director, sister to Mr. Cheong, Mr. Cheong Kim Pong and Mr. Cheong Pin Chuan, Patrick, Directors and executive directors of HFC, and Ms. Cheong Puay Kheng, senior management of the Group. Ms. Cheong is aunt to Messrs. Cheong Aik Yen, Roy, Cheong Tze Hong, Marc and Cheong Tze Hian, Howard, senior management of the Group.

As at the Latest Practicable Date, Ms. Cheong had the following interests in shares of the Company and its associated corporation within the meaning of Part XV of the SFO:

(i) *the Company*

Position	Number of securities held	Percentage
Long	2,200,000	0.08%

(ii) *HFC, an associated corporation*

Position	Number of securities held	Percentage
Beneficial owner	10,569,000	1.60%
Other (<i>Note</i>)	134,537,600	20.40%

Note:

Ms. Cheong had interests in the share capital of HFL, which through its wholly-owned subsidiary, Hong Fok Land Holding Limited, was interested in 20.4% of the existing share capital of HFC; and HFC was interested in 40.38% of the existing share capital of Hong Fok Land Holding Limited.

There is no service agreement between the Company and Ms. Cheong and no terms have been fixed or proposed for her length of service with the Company. Pursuant to the Bye-Laws, Ms. Cheong, as an alternate Director to Madam Lim Ghee, shall cease to be an alternate Director if Madam Lim Ghee ceases for any reason to be a Director and is not entitled to receive from the Company any fee in her capacity as alternate Director. Ms. Cheong is an eligible person of the Company's existing share option scheme by virtue of her directorship of the Company.

Save as disclosed above and as at the Latest Practicable Date, Ms. Cheong had not held any other directorship in any listed companies or had any major appointment in the last three years before the date of appointment and does not hold any other positions with the Company or other members of the Group and is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

The Directors confirm that save as disclosed above, there is no other information relating to any of Mr. Cheong and Ms. Cheong which needs to be disclosed pursuant to any of the requirements in paragraph (h) to (v) of Rule 13.51(2) of the Listing Rules and there are no other matters which need to be brought to the attention of the shareholders of the Company.