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SONAVOX INTERNATIONAL HOLDINGS LIMITED

上聲國際控股有限公司

(incorporated in the Cayman Islands with limited liability)

LISTING BY WAY OF PLACING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Number of Placing Shares : 80,000,000 Shares
(subject to Over-allotment Option)
Placing Price : HK\$0.50 per Placing Share
Nominal value : HK\$0.01 each
Stock code : 8226

Sponsor

**Deloitte & Touche
Corporate Finance Ltd**

Co-Sponsor and Lead Manager

JS CRESVALE

Underwriters

JS Cresvale International Limited

SinoPac Securities (H.K.) Limited

A total of 80,000,000 Placing Shares initially available for subscription under the Placing (without taking into account any Shares which may fall to be issued pursuant to the exercise, if any, of the Over-allotment Option) were fully subscribed and were placed to professional, institutional and other individual investors. 293,000 Placing Shares have been allocated to SinoPac, one of the Underwriters. The other Underwriter, JS Cresvale International Limited, did not subscribe for any Placing Shares. Other than SinoPac, the placees are independent of and not connected with the directors, chief executive, substantial shareholders and initial management shareholders of the Company or an associate of any of them.

Pursuant to the Underwriting Agreement, the Company has granted to the Underwriters the Over-allotment Option exercisable by the Lead Manager (on behalf of the Underwriters), at any time within 30 days from the date of the Prospectus, to require the Company to allot and issue at the Placing Price up to 12,000,000 additional Shares, representing 15 per cent. of the Placing Shares initially offered under the Placing, on the same terms as those applicable to the Placing to cover over-allocations in the Placing. As at the date of this announcement, the Over-allotment Option has not been exercised by the Lead Manager.

The Company will have a public float of 25 per cent. of its enlarged share capital immediately following the Placing and the Capitalisation Issue but without taking into account any Shares which may fall to be issued pursuant to the exercise, if any, of the Over-allotment Option.

Dealings in the Shares on GEM are expected to commence at 9:30 a.m. on Friday, 19th July, 2002.

Unless otherwise defined herein, the capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus of Sonavox International Holdings Limited (the “Company”) dated 15th July, 2002 (the “Prospectus”).

PLACING PRICE

The Placing Price was HK\$0.50 per Placing Share.

LEVEL OF INTEREST

The 80,000,000 Placing Shares have been conditionally allocated in full to 113 professional, institutional and other individual investors. 293,000 Placing Shares have been allocated to SinoPac Securities (H.K.) Limited (“SinoPac”), one of the Underwriters. The other Underwriter, JS Cresvale International Limited, did not subscribe for any Placing Shares. Other than SinoPac, the placees are independent of and not connected with the Directors, chief executive, substantial shareholders and initial management shareholders of the Company or an associate of any of them.

No Placing shares have been placed to any parties or group of persons as specified in Rule 10.12(4) of the GEM Listing Rules.

RESULTS OF ALLOCATION

Pursuant to the Placing, the 80,000,000 Placing Shares will be held by a total of 113 placees, as follows:

Number of Placing Shares	Number of placees
4,000–20,000	1
20,001–50,000	1
50,001–100,000	26
100,001–500,000	58
500,001–1,000,000	15
1,000,001–2,000,000	4
2,000,001–5,000,000	5
5,000,001–10,000,000	2
10,000,001 or above	1
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Total	<u>113</u>

The following table sets out the distribution of the 80,000,000 Placing Shares:

	Aggregate number of Placing Shares held	Approximate percentage of the Placing Shares	Approximate percentage of shareholding immediately after the completion of the Placing and the Capitalisation Issue
Top 1 placee	12,116,000	15.15%	3.79%
Top 5 placees	36,816,000	46.02%	11.51%
Top 10 placees	48,416,000	60.52%	15.13%
Top 25 placees	62,643,000	78.30%	19.58%

There is a high concentration of Placing Shares held by a small number of Shareholders. Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise extreme caution when dealing in the Shares.

OVER-ALLOTMENT OPTION

Pursuant to the Underwriting Agreement, the Company has granted to the Underwriters the Over-allotment Option exercisable by the Lead Manager (on behalf of the Underwriters), at any time within 30 days from the date of the Prospectus, to require the Company to allot and issue at the Placing Price up to 12,000,000 additional Shares, representing 15 per cent. of the Placing Shares initially offered under the Placing, on the same terms as those

applicable to the Placing to cover over-allocations in the Placing. As at the date of this announcement, the Over-allotment Option has not been exercised by the Lead Manager. Further announcement will be made if the Over-allotment Option is exercised.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to the GEM Listing Rules, the Company is required to maintain a public float of not less than 25 per cent. of its issued share capital at all times immediately after the listing of the Shares on GEM. Immediately following the Placing and the Capitalisation Issue but without taking into account the Shares which may fall to be issued pursuant to the exercise of the Over-allotment Option, the Company will have a public float of 25 per cent. of the enlarged issued share capital of the Company.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM as well as the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Shares on GEM. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Placees of the Placing Shares will receive their allocated Shares via CCASS. The share certificates for the Placing Shares will be deposited into CCASS on 18th July, 2002 for distribution to the placees.

COMMENCEMENT OF DEALINGS

The board lot size is 4,000 Shares. Dealings in the Shares on GEM are expected to commence at 9:30 a.m. on Friday, 19th July, 2002.

By order of the Board
Sonavox International Holdings Limited
Yang Tsu Ying
Chairman

Hong Kong, 17th July, 2002

This announcement for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement and a copy of the Prospectus will remain on the GEM website at www.hkgem.com.