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SHINHINT ACOUSTIC LINK HOLDINGS LIMITED

成謙聲匯控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(stock code: 2728)

TOP-UP PLACING PLACING OF EXISTING SHARES AND SUBSCRIPTION FOR NEW SHARES UNDER GENERAL MANDATE AND PLACING BY MINORITY SHAREHOLDER

Financial Adviser to Shinhint Acoustic Link Holdings Limited



ASIAN CAPITAL
(CORPORATE FINANCE) LIMITED

卓亞(企業融資)有限公司

THE TOP-UP PLACING

On 27 March 2007, Pro Partner, the controlling Shareholder of the Company, reached a legally binding arrangement with the Purchasers that Pro Partner will place and the Purchasers will acquire 27,120,064 Top-Up Placing Shares at a price of HK\$0.75 per Share. The Top-Up Placing Price per Share was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between Pro Partner and the Purchasers. Pro Partner is interested in 152,655,473 Shares, representing approximately 50.32% of the existing issued share capital of the Company, as at the date of this announcement.

On 27 March 2007, Pro Partner and the Company entered into the Top-Up Subscription Agreement, under which Pro Partner will subscribe 27,120,064 Top-Up Subscription Shares from the Company at a price of HK\$0.7477 per Share subject to the Top-Up Placing Shares having been transferred. The Top-Up Subscription Price per Share was determined after netting off relevant expenses relating to the Top-Up Placing.

The Top-Up Subscription Shares represent (i) approximately 8.94% of the existing issued share capital of the Company of 303,397,500 Shares as at the date of this announcement, and (ii) approximately 8.21% of the issued share capital as enlarged by the Top-Up Subscription.

The Top-Up Placing Price of HK\$0.75 per Share represents (i) a discount of approximately 2.60% to the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of approximately 4.58% to the average of the closing prices of approximately HK\$0.786 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Date; and (iii) a discount of approximately 4.09% to the average of the closing prices per Share of HK\$0.782 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date.

The Top-Up Subscription Price of HK\$0.7477 per Share represents (i) a discount of approximately 2.90% to the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of approximately 4.87% to the average of the closing prices of approximately HK\$0.786 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Date; and (iii) a discount of approximately 4.39% over the average of the closing prices per Share of HK\$0.782 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date.

The gross proceed from the Top-Up Subscription will be approximately HK\$20.34 million. The net proceed of approximately HK\$19.99 million from the Top-Up Subscription is intended to be used as general working capital of the Company.

PLACING BY A MINORITY SHAREHOLDER

The Company has been notified by the Minority Shareholder on 27 March 2007 that it has agreed to sell and the Purchasers have agreed to acquire 14,479,936 Shares at HK\$0.75 per Share. The Minority Shareholder is interested in 14,479,936 Shares, representing approximately 4.77% of the existing issued share capital of the Company as at the date of this announcement.

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:30 a.m. on 27 March 2007 pending the release of this announcement. Application has been made for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on 28 March 2007.

THE TOP-UP PLACING ARRANGEMENT

On 27 March 2007, Pro Partner, the controlling Shareholder of the Company, reached a legally binding arrangement with the Purchasers and fixed the terms of the Top-Up Placing that Pro Partner will place and the Purchasers will acquire 27,120,064 Top-Up Placing Shares at a price of HK\$0.75 per Share.

Vendor:

Pro Partner

Pro Partner is interested in 152,655,473 Shares, representing approximately 50.32% of the existing issued share capital of the Company. The beneficial owner of Pro Partner is Mr. Cheung, the Chairman and an executive Director of the Company. Mr. Cheung is interested in 158,711,473 Shares (including those held through Pro Partner), representing approximately 52.31% of the existing issued share capital of the Company as at the date of this announcement.

Number of Shares to be placed:

27,120,064 existing ordinary shares of HK\$0.01 each, representing approximately 8.94% of the Company's existing issued share capital of 303,397,500 Shares and approximately 8.21% of the Company's issued share capital as enlarged by the Top-Up Subscription.

Purchasers:

- (i) China Development Capital Partnership Master Fund LP; and
- (ii) General Motors Investment Management Corporation.

Each of the Purchasers will be interested in 13,560,032 Shares upon completion of the Top-Up Placing. To the best knowledge of the Company, the Purchasers and their ultimate beneficial owners are Independent Third Parties.

The Top-Up Placing Price:

HK\$0.75 per Share, represents (i) a discount of approximately 2.60% to the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of approximately 4.58% to the average of the closing prices of approximately HK\$0.786 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Date; and (iii) a discount of approximately 4.09% over the average of the closing prices per Share of HK\$0.782 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date.

The Top-Up Placing Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between Pro Partner and the Purchasers.

Conditions of the Top-Up Placing:

The Top-Up Placing is conditional upon the completion of the Minority Shareholder Placing.

Completion:

Completion of the Top-Up Placing is expected to take place on 28 March 2007.

The TOP-UP SUBSCRIPTION AGREEMENT

On 27 March 2007, Pro Partner and the Company fixed the terms of the Top-Up Subscription and entered into the Top-Up Subscription Agreement, under which Pro Partner will subscribe 27,120,064 Top-Up Subscription Shares from the Company at a price of HK\$0.7477 per Share.

Subscriber:

Pro Partner, the controlling Shareholder

Number of new Shares to be subscribed:

27,120,064 new Shares of HK\$0.01 each, representing approximately 8.94% of the Company's existing issued share capital of 303,397,500 Shares and 8.21% of the issued share capital of the Company as enlarged by the Top-Up Subscription.

The Top-Up Subscription Price:

HK\$0.7477 per Share, representing the Top-up Placing Price of HK\$0.75 per Share as adjusted for the expenses relating to the Top-Up Placing incurred by Pro Partner.

The Top-Up Subscription Price of HK\$0.7477 per Share represents (i) a discount of approximately 2.90% to the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on the Last Trading Date; (ii) a discount of approximately 4.87% to the average of the closing prices of approximately HK\$0.786 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Date; and (iii) a discount of approximately 4.39% over the average of the closing prices per Share of HK\$0.782 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date.

The Directors are of the view that the Top-Up Subscription Price is fair and reasonable.

Conditions of the Top-Up Subscription:

The Top-Up Subscription is conditional upon the completion of the Top-Up Placing and the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Top-Up Subscription Shares.

Ranking of Top-Up Subscription Shares:

The Top-Up Subscription Shares, when issued and fully paid, will rank *pari passu* among themselves and with the Shares in issue at the time of issue and allotment of the Top-Up Subscription Shares.

Shareholding structure of the Company before and after the Top-Up Placing and the Top-Up Subscription, and the Minority Shareholder Placing

Name of shareholder	Existing shareholding		Upon the completion of the Top-Up Placing and the Minority Shareholder Placing but before the Top-Up Subscription		After the completion of the Top-Up Placing and the Top-Up Subscription, and the Minority Shareholder Placing	
	No. of Shares	Approximately %	No. of Shares	Approximately %	No. of Shares	Approximately %
Pro Partner ¹	152,655,473	50.32	125,535,409	41.38	152,655,473	46.19
Mr. Cheung ¹	6,056,000	1.99	6,056,000	1.99	6,056,000	1.83
Ip Wai Cheong, Ernest	5,298,302	1.75	5,298,302	1.75	5,298,302	1.60
Public Shareholders						
Lucky Merit Holdings Limited ²	16,500,000	5.44	16,500,000	5.44	16,500,000	4.99
S.I. Technology Venture Capital Limited ²	16,500,000	5.44	16,500,000	5.44	16,500,000	4.99
Minority Shareholder ²	14,479,936	4.77	–	–	–	–
China Development Capital Partnership Master Fund LP ³	–	–	20,800,000	6.855	20,800,000	6.295
General Motors Investment Management Corporation ³	–	–	20,800,000	6.855	20,800,000	6.295
Other public shareholders	91,907,789	30.29	91,907,789	30.29	91,907,789	27.81
Total	303,397,500	100.00	303,397,500	100.00	330,517,564	100.00

Notes:

1. Pro Partner is beneficially owned by Mr. Cheung, who together will hold 158,711,473 Shares, representing approximately 48.02% in the Company upon completion of the Top-Up Subscription.
2. Lucky Merit Holdings Limited, S.I. Technology Venture Capital Limited and the Minority Shareholder are public shareholders of the Company.
3. After the completion of the Minority Shareholder Placing and Top-Up Placing, China Development Capital Partnership Master Fund LP and General Motors Investment Management Corporation are considered public shareholders of the Company.

Mandate to issue the Top-Up Subscription Shares:

The Top-Up Subscription Shares will be issued under the general mandate granted to the Directors at the annual general meeting of the Company held on 25 May 2006. Pursuant to the general mandate granted to the Directors, the total number of new Shares the Company is authorized to allot and issue is 60,679,500, being 20% of the then issued share capital of the Company. The general mandate has not been utilized since the date of grant. 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 Top-Up Subscription Shares.

Completion:

Under Rule 14A.31 (3) (d) of the Listing Rules, the Top-Up Subscription must be completed within 14 days from the date of the Top-Up Placing arrangement (i.e. 27 March 2007), that is, on or before 10 April 2007, failing which, the Top-Up Subscription will be subject to independent Shareholders, approval under Chapter 14A of the Listing Rules.

REASONS FOR THE TRANSACTIONS AND USE OF PROCEEDS

The gross proceed from the Top-Up Subscription will be approximately HK\$20.34 million. The net proceed of approximately HK\$19.99 million from the Top-Up Subscription is intended to be used as general working capital of the Company.

The Directors believe that the Top-Up Placing and Top-Up Subscription will diversify the shareholder base of the Company whilst providing additional working capital for the Company's operation.

PLACING BY A MINORITY SHAREHOLDER

The Company has been notified by the Minority Shareholder on 27 March 2007 that it has agreed to sell and the Purchasers have agreed to acquire 14,479,936 Shares at HK\$0.75 per Share. The Minority Shareholder is interested in 14,479,936 Shares, representing approximately 4.77% of the existing issued share capital of the Company as at the date of this announcement.

Completion:

Completion of the Minority Shareholder Placing is expected to take place on 28 March 2007 and it is conditional on the Top-Up Placing but not the Top-Up Subscription. Each of the Purchasers will be interested in 7,239,968 Shares upon completion of the Minority Shareholder Placing.

FUND RAISING ACTIVITY IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising exercises in the past twelve-month period immediately before the date of this announcement.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:30 a.m. on 27 March 2007 pending the release of this announcement. Application has been made for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on 28 March 2007.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Company”	Shinhint Acoustic Link Holdings Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Independent Third Party(ies)”	Third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules) or any party or parties acting in concert with any of them

“Last Trading Date”	26 March 2007, being the last full trading day for the Shares before this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minority Shareholder”	the shareholder who is an Independent Third Party that beneficially holds 14,479,936 Shares before the Minority Shareholder Placing
“Minority Shareholder Placing”	placing of Sale Shares by the Minority Shareholder
“Mr. Cheung”	Mr. Cheung Wah Keung, an executive Director and the Chairman of the Company
“Pro Partner”	Pro Partner Developments Limited, a company incorporated in the British Virgin Islands with limited liability and the entire issued share capital of which is beneficially owned by Mr. Cheung
“Purchasers”	China Development Capital Partnership Master Fund LP and General Motors Investment Management Corporation, which are Independent Third Parties and will be interested in 20,800,000 Shares each upon completion of the Top-Up Placing and the Minority Shareholder Placing
“Sale Shares”	14,479,936 issued Shares owned by the Minority Shareholder as at the date of this announcement and before the Minority Shareholder Placing
“Shareholder(s)”	holder(s) of the issued Share(s)
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Top-Up Placing “	the arrangements for placing by Pro Partner the Top-Up Placing Shares to the Purchasers
“Top-Up Placing Price”	HK\$0.75 per Top-Up Placing Share
“Top-Up Placing Shares”	27,120,064 issued Shares owned by Pro Partner
“Top-Up Subscription”	the subscription for the Top-Up Subscription Shares by Pro Partner pursuant to the Top-Up Subscription Agreement dated 27 March 2007
“Top-Up Subscription Agreement”	the subscription agreement between the Pro Partner and the Company dated 27 March 2007 in relation to the Top-Up Subscription
“Top-Up Subscription Price”	HK\$0.7477 per Top-Up Subscription Share
“Top-Up Subscription Share(s)”	new Shares equivalent to the number of the Top-Up Placing Shares to be subscribed by Pro Partner pursuant to the Top-Up Subscription Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
Shinhint Acoustic Link Holdings Limited
Cheung Wah Keung
Chairman

Hong Kong, 28 March 2007

As at the date of this announcement, the Company has three executive Directors, namely Mr. Cheung Wah Keung (Chairman), Mr. Ip Wai Cheong, Ernest and Mr. Wang Dong and three independent non-executive Directors, namely Mr. Lai Ming, Joseph, Dr. Lam King Sun, Frankie and Mr. Goh Gen Cheung.

“Please also refer to the published version of this announcement in The Standard.”