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RIVERHILL HOLDINGS LIMITED

山河控股有限公司*

(incorporated in the Cayman Islands with limited liability)

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

PLACING AND PUBLIC OFFER

Number of Offer Shares	: 100,000,000 (subject to Over-allotment Option adjustment)
Number of Placing Shares	: 80,000,000 (subject to reallocation)
Number of Public Offer Shares	: 20,000,000 (subject to reallocation)
Offer Price	: HK\$0.60 per Share
Nominal value	: HK\$0.10 each
Stock code	: 8127

Sponsor and Lead Manager

ANGLO CHINESE
CORPORATE FINANCE, LIMITED

Financial Adviser and Co-Lead Manager



International Capital Network Limited

Co-Managers



EVER-LONG SECURITIES CO., LTD.

Underwriters

Liu Chong Hing Bank Limited

Sun Hung Kai International Limited
Shenyin Wanguo Capital (H.K.) Limited
Guotai Junan Securities (Hong Kong) Limited
TIS Taiwan International Securities (HK) Limited
Core Pacific-Yamaichi International (H.K.) Limited

South China Securities Limited
Coin Fall Limited
Prudential Brokerage Limited
First Securities (HK) Limited
Vermont Securities Company Limited

SUMMARY

- The Offer Price has been fixed by the Company and Anglo Chinese (on behalf of the Underwriters) at HK\$0.60 per Share pursuant to a price determination agreement dated 23rd May, 2001.
- A total of 2,002 valid applications pursuant to the Public Offer on **WHITE** and **YELLOW** application forms for a total of 2,403,600,000 Public Offer Shares have been received, which is equivalent to approximately 120 times the total number of Public Offer Shares initially available for subscription under the Public Offer.
- In response to the strong demand under the Public Offer, a total of 15,000,000 Placing Shares initially available for subscription under the Placing were reallocated to the Public Offer. As a result of such reallocation, there are 65,000,000 Placing Shares and 35,000,000 Public Offer Shares available for subscription under the Placing and the Public Offer respectively, representing 65% and 35% of the total number of Shares offered under the Share Offer respectively.
- 80,000,000 Placing Shares initially available to professional, institutional and individual investors in Hong Kong for subscription under the Placing were fully subscribed and have been conditionally allocated.
- In order to satisfy the over-allocation of 15,000,000 Shares under the Placing, Anglo Chinese will borrow Shares from Cyber Town Company Limited under a stock borrowing arrangement. Such borrowed Shares will be returned to Cyber Town Company Limited by the exercise of the Over-allotment Option or the purchase of Shares in the secondary market or by a combination of purchase in the secondary market and exercise of the Over-allotment Option.
- The Company has granted to the Placing Underwriters the Over-allotment Option which is exercisable for 30 days from 18th May, 2001 by Anglo Chinese (on behalf of the Placing Underwriters) to require the Company to issue and allot at the Offer Price up to an aggregate of 15,000,000 additional Shares, representing 15% of the Shares initially available under the Share Offer, to cover over-allocations in the Placing, if any. As at the date of this announcement, there has been no exercise of the Over-allotment Option.
- Share certificates for Public Offer Shares allotted to applicants using **WHITE** application forms who have applied for less than 1,000,000 Public Offer Shares or those who have applied for 1,000,000 Public Offer Shares or more and have not indicated on the application forms that they wish to collect their share certificates and/or refund cheques (if any) in person will be posted to those entitled by ordinary post at their own risk on or before Wednesday, 30th May, 2001.

- Share certificates for Public Offer Shares allotted to applicants using **WHITE** application forms who have applied for 1,000,000 Public Offer Shares or more and have indicated on the application forms that they wish to collect their share certificates and/or refund cheques (if any) in person will be available for collection from 9:00 a.m. to 1:00 p.m. on Wednesday, 30th May, 2001 from the Company's Hong Kong branch share registrar, Standard Registrars Limited at 5th Floor, Wing On Centre, 111 Connaught Road, Central, Hong Kong. Any share certificates not collected within such time will be despatched shortly after 1:00 p.m. on 30th May, 2001 by ordinary post at the own risk of the successful applicants.
- Share certificates for Public Offer Shares allotted to applicants using **YELLOW** application forms will be issued in the name of HKSCC Nominees Limited and are expected to be deposited directly into CCASS for credit to the applicants' CCASS investor participant stock accounts or their designated CCASS participants' stock accounts at the close of business on Wednesday, 30th May, 2001.
- Refund cheques to applicants using **WHITE** or **YELLOW** application forms who have applied for less than 1,000,000 Public Offer Shares, or those who have applied for 1,000,000 Public Offer Shares or more but have not indicated on the application forms that they wish to collect their refund cheques in person, or in the case of invalid applications, will be sent to those entitled by ordinary post at their own risk on or before Wednesday, 30th May, 2001.
- Refund cheques to applicants using **WHITE** or **YELLOW** application forms who have applied for 1,000,000 Public Offer Shares or more and have indicated on the application forms that they wish to collect their refund cheques in person will be available for collection from 9:00 a.m. to 1:00 p.m. on Wednesday, 30th May, 2001 from the Company's Hong Kong branch share registrar, Standard Registrars Limited at 5th Floor, Wing On Centre, 111 Connaught Road, Central, Hong Kong. Any refund cheques not collected within such time will be despatched shortly after 1:00 p.m. on 30th May, 2001 by ordinary post at the own risk of the applicants.
- 12,000,000 Placing Shares have been allocated to a director and shareholder of International Capital Network Limited, the financial adviser to the Company and one of the Placing Underwriters, representing 3% of the issued share capital of the Company immediately after completion of the Share Offer, the Pre-IPO Issue and the Capitalisation Issue but before any exercise of the Over-allotment Option, options granted under the Pre-IPO Share Option Scheme and options which may be granted under the Share Option Scheme.
- Dealings in the Shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited are expected to commence at 10:00 a.m. on Friday, 1st June, 2001.

DETERMINATION OF THE OFFER PRICE

The Offer Price has been fixed by the Company and Anglo Chinese (on behalf of the Underwriters) at HK\$0.60 per Share pursuant to a price determination agreement dated 23rd May, 2001.

APPLICATIONS RECEIVED UNDER THE SHARE OFFER

The Directors are pleased to announce that upon the close of the application lists at 12:00 noon on Wednesday, 23rd May, 2001, a total of 2,002 valid applications have been received pursuant to the Public Offer on **WHITE** and **YELLOW** application forms for a total of 2,403,600,000 Public Offer Shares, which is equivalent to approximately 120 times the total number of Shares initially available for subscription under the Public Offer. All multiple applications or applications not made in accordance with the **WHITE** and **YELLOW** application forms have been rejected.

REALLOCATION OF 15,000,000 SHARES FROM THE PLACING TO THE PUBLIC OFFER

In response to the strong demand under the Public Offer, a total of 15,000,000 Placing Shares initially available for subscription under the Placing were reallocated to the Public Offer. As a result of such reallocation, there are 65,000,000 Placing Shares and 35,000,000 Public Offer Shares available for subscription under the Placing and the Public Offer respectively, representing 65% and 35% of the total number of Shares offered under the Share Offer respectively.

ALLOCATION OF SHARES UNDER THE PLACING

80,000,000 Placing Shares initially available to professional, institutional and individual investors in Hong Kong for subscription under the Placing were fully subscribed and have been conditionally allocated. In order to satisfy the over-allocation of 15,000,000 Shares under the Placing, Anglo Chinese will borrow Shares from Cyber Town Company Limited under a stock borrowing arrangement. Such borrowed Shares will be returned to Cyber Town Company Limited by the exercise of the Over-allotment Option or the purchase of Shares in the secondary market or by a combination of purchase in the secondary market and exercise of the Over-allotment Option.

Out of the total number of 80,000,000 Placing Shares, 47,312,000 Placing Shares, representing approximately 59.1% of the Placing Shares, or approximately 11.8% of the issued share capital of the Company immediately after completion of the Share Offer, the Pre-IPO Issue and the Capitalisation Issue but before any exercise of the Over-allotment Option, options granted under the Pre-IPO Share Option Scheme and options which may be granted under the Share Option Scheme, have been placed to the ten largest placees.

12,000,000 Placing Shares have been allocated to a director and shareholder of International Capital Network Limited, the financial adviser to the Company and one of the Placing Underwriters, representing 3% of the issued share capital of the Company immediately after completion of the Share Offer, the Pre-IPO Issue and the Capitalisation Issue but before any exercise of the Over-allotment Option, options granted under the Pre-IPO Share Option Scheme and options which may be granted under the Share Option Scheme. Save as aforesaid and to the best knowledge of the Directors, the placees are

independent of and not connected with any of the chief executives, directors, substantial shareholders or initial management shareholders of the Company or any of its subsidiaries or any associate of any of them or any parties specified under rule 10.12(4) of the GEM Listing Rules.

The 80,000,000 Placing Shares were allocated to a total of 177 places as follows:

Number of Placing Shares	Number of places
8,000 to 32,000	78
32,001 to 64,000	19
64,001 to 128,000	23
128,001 to 200,000	14
200,001 to 600,000	17
600,001 to 1,000,000	8
1,000,001 to 2,000,000	10
2,000,001 to 5,000,000	5
5,000,001 to 10,000,000	2
10,000,001 to 12,000,000	<u>1</u>
Total	<u><u>177</u></u>

Investors should be aware that the concentration of shareholders might affect the liquidity of the Shares in the secondary market. Consequently, the shareholders and potential investors are advised to exercise extreme caution in the dealing with the Shares.

BASIS OF ALLOTMENT OF THE PUBLIC OFFER SHARES

A total of 35,000,000 Public Offer Shares have been conditionally allotted to 1,264 applicants. Subject to fulfilment of the conditions set out in the paragraph headed “Conditions of the Share Offer” in the section headed “Structure and conditions of the Share Offer” of the Prospectus, valid applications made by the public on **WHITE** and **YELLOW** application forms will be conditionally allotted on the following basis:

Number of Public Offer Shares applied for	Number of valid applications	Basis of allotment/ballot	Approximate percentage allotted out of the total number of Shares applied for
8,000	367	111 out of 367 to receive 8,000 Shares	30.25%
16,000	255	103 out of 255 to receive 8,000 Shares	20.20%
24,000	108	34 out of 108 to receive 8,000 Shares	10.49%
32,000	113	42 out of 113 to receive 8,000 Shares	9.29%
40,000	82	36 out of 82 to receive 8,000 Shares	8.78%
48,000	71	35 out of 71 to receive 8,000 Shares	8.22%
56,000	39	21 out of 39 to receive 8,000 Shares	7.69%
64,000	18	10 out of 18 to receive 8,000 Shares	6.94%

Number of Public Offer Shares applied for	Number of valid applications	Basis of allotment/ballot	Approximate percentage allotted out of the total number of Shares applied for
72,000	31	18 out of 31 to receive 8,000 Shares	6.45%
80,000	131	79 out of 131 to receive 8,000 Shares	6.03%
120,000	67	55 out of 67 to receive 8,000 Shares	5.47%
160,000	35	8,000 Shares	5.00%
200,000	79	8,000 Shares	4.00%
240,000	5	8,000 Shares	3.33%
280,000	18	8,000 Shares	2.86%
320,000	18	8,000 Shares	2.50%
360,000	15	8,000 Shares, and 1 out of 15 to receive additional 8,000 Shares	2.37%
400,000	44	8,000 Shares, and 7 out of 44 to receive additional 8,000 Shares	2.32%
600,000	49	8,000 Shares, and 35 out of 49 to receive additional 8,000 Shares	2.29%
800,000	20	16,000 Shares	2.00%
1,000,000	87	16,000 Shares, and 21 out of 87 to receive additional 8,000 Shares	1.79%
1,200,000	27	16,000 Shares, and 11 out of 27 to receive additional 8,000 Shares	1.60%
1,400,000	10	16,000 Shares, and 8 out of 10 to receive additional 8,000 Shares	1.60%
1,600,000	14	24,000 Shares, and 2 out of 14 to receive additional 8,000 Shares	1.57%
1,800,000	6	24,000 Shares, and 3 out of 6 to receive additional 8,000 Shares	1.56%
2,000,000	44	24,000 Shares, and 33 out of 44 to receive additional 8,000 Shares	1.50%
2,400,000	9	32,000 Shares, and 5 out of 9 to receive additional 8,000 Shares	1.52%
2,800,000	23	40,000 Shares, and 6 out of 23 to receive additional 8,000 Shares	1.50%
3,200,000	22	48,000 Shares	1.50%
3,600,000	2	48,000 Shares, and 1 out of 2 to receive additional 8,000 Shares	1.44%
4,000,000	29	56,000 Shares, and 8 out of 29 to receive additional 8,000 Shares	1.46%
4,400,000	1	64,000 Shares	1.45%
4,800,000	25	64,000 Shares, and 15 out of 25 to receive additional 8,000 Shares	1.43%
5,200,000	17	72,000 Shares, and 1 out of 17 to receive additional 8,000 Shares	1.39%
5,600,000	6	72,000 Shares, and 3 out of 6 to receive additional 8,000 Shares	1.36%
6,000,000	10	80,000 Shares	1.33%
6,400,000	1	80,000 Shares	1.25%
6,800,000	2	80,000 Shares, and 1 out of 2 to receive additional 8,000 Shares	1.24%
7,200,000	1	88,000 Shares	1.22%

Number of Public Offer Shares applied for	Number of valid applications	Basis of allotment/ballot	Approximate percentage allotted out of the total number of Shares applied for
7,600,000	2	88,000 Shares, and 1 out of 2 to receive additional 8,000 Shares	1.21%
8,000,000	14	96,000 Shares	1.20%
10,000,000	37	104,000 Shares, and 31 out of 37 to receive additional 8,000 Shares	1.11%
12,000,000	3	128,000 Shares, and 2 out of 3 to receive additional 8,000 Shares	1.11%
13,200,000	2	144,000 Shares, and 1 out of 2 to receive additional 8,000 Shares	1.12%
13,600,000	1	152,000 Shares	1.12%
14,800,000	2	160,000 Shares	1.08%
15,200,000	1	160,000 Shares	1.05%
16,000,000	2	168,000 Shares	1.05%
20,000,000	<u>37</u>	208,000 Shares	1.04%
	<u>2,002</u>		

RESULTS OF APPLICATION MADE ON WHITE APPLICATION FORMS

The following are the identification document numbers (where supplied) of successful applicants using **WHITE** application forms and the number of Public Offer Shares allotted to them.

Identification document number	Number of Public Offer Shares to be allotted	Identification document number	Number of Public Offer Shares to be allotted
3314331	8,000	A7270332	8,000
3314349	8,000	A754694A	8,000
10947563	8,000	A7805377	8,000
19521449	8,000	A780955A	8,000
A1968974	8,000	A8071309	16,000
A2288799	8,000	A8239811	8,000
A2350923	8,000	A8388809	8,000
A296607A	8,000	A8563090	8,000
A3271008	8,000	A8587256	8,000
A3588451	16,000	A8641628	8,000
A3596403	8,000	A8687229	8,000
A416504A	8,000	A8712711	8,000
A4940264	8,000	A899038A	8,000
A6344928	8,000	A9011431	8,000
A6712765	8,000	A9069375	8,000
A6849876	8,000	A9264070	8,000
A7034213	8,000	A9291469	8,000

Identification document number	Number of Public Offer Shares to be allotted	Identification document number	Number of Public Offer Shares to be allotted
A9319932	8,000	D2573726	8,000
A935083A	8,000	D2580285	80,000
A942082A	8,000	D2631378	8,000
A9442572	8,000	D2643295	8,000
A9552572	8,000	D2956692	8,000
A9643969	8,000	D2983878	8,000
A9701861	8,000	D3002951	8,000
A9981783	8,000	D3181082	8,000
B0276788	8,000	D3336205	8,000
B0427972	8,000	D3364403	8,000
B3528664	8,000	D3453686	8,000
B7233278	8,000	D3763669	8,000
B7618080	8,000	D380604A	32,000
C0185130	24,000	D3955819	8,000
C266897A	8,000	D4280343	8,000
C2976577	8,000	D4345267	8,000
C323549A	8,000	D4403151	8,000
C3610711	8,000	D4558880	8,000
C3701628	8,000	D4700415	8,000
C3831939	8,000	D4784724	8,000
C4178805	8,000	D4828292	8,000
C4395040	8,000	D4870671	8,000
C4470018	16,000	D4896417	8,000
C4742077	8,000	D4999178	8,000
C5429801	8,000	D5024650	8,000
C5452129	8,000	D5106584	8,000
C5685948	8,000	D5142939	24,000
C5801441	8,000	D5263264	8,000
C5879130	8,000	D5279640	8,000
C5879629	8,000	D5392315	8,000
C6132837	8,000	D5630143	8,000
C620160A	8,000	D5677387	8,000
C6505080	8,000	D6309810	8,000
C6615137	8,000	D6385835	8,000
D0022579	8,000	D6404007	8,000
D0029972	8,000	D6643605	8,000
D0167402	8,000	D6743669	8,000
D0275264	8,000	D6748342	8,000
D0398838	8,000	D7014377	8,000
D0621189	8,000	D7046384	8,000
D0680932	8,000	D8222313	8,000
D0855120	8,000	D8578223	8,000
D0886735	40,000	E0130765	8,000
D0988120	40,000	E0186078	8,000
D1092740	8,000	E0245473	8,000
D1828577	8,000	E0824252	8,000
D1953770	8,000	E1081156	8,000
D198370A	8,000	E1681498	8,000
D2022576	8,000	E1788446	8,000
D2049369	8,000	E1955555	8,000
D2095158	8,000	E2046370	8,000
D2116198	8,000	E210317A	16,000
D2156025	8,000	E2267059	8,000
D2247551	8,000	E3047761	8,000
D2252547	8,000	E3184750	16,000
D2255627	8,000	E3443322	8,000
D2323843	8,000	E3547667	8,000
D2349508	8,000	E3636899	8,000
D2436647	16,000	E3859332	8,000
D2474078	8,000	E3883098	16,000

Identification document number	Number of Public Offer Shares to be allotted	Identification document number	Number of Public Offer Shares to be allotted
E4582652	8,000	G6270084	8,000
E4712602	8,000	G6836320	8,000
E4917522	8,000	G6932958	8,000
E4933714	8,000	G6954633	8,000
E4972027	8,000	G7148975	8,000
E5450970	8,000	H0018475	8,000
E602004A	8,000	H0050379	8,000
E6204965	8,000	H0056113	8,000
E6681216	8,000	H0391974	8,000
E690939A	8,000	H146858A	8,000
E7431396	8,000	H3247432	8,000
E7454744	8,000	H3619992	8,000
E7708428	8,000	H3794069	8,000
E7943710	8,000	H3814922	8,000
E7991960	8,000	H4173874	8,000
E8275282	8,000	H4221690	8,000
E8311556	8,000	H4708085	8,000
E8363947	8,000	K0328073	8,000
E8403132	8,000	K0664030	8,000
E8501517	8,000	K074056A	8,000
E8518592	8,000	K0742678	8,000
E8547215	8,000	K0779695	8,000
E9453192	8,000	K1128213	8,000
E9522461	8,000	K120808A	8,000
G0581835	8,000	K1235125	8,000
G0658722	8,000	K1244566	8,000
G0712328	8,000	K1426435	8,000
G0764751	8,000	K1442430	8,000
G0850062	8,000	K1516884	8,000
G1720316	8,000	K1669230	8,000
G1975349	8,000	K1719467	8,000
G2016426	8,000	K1881310	8,000
G2250526	8,000	K2332485	8,000
G2290374	8,000	K2444704	8,000
G2468211	8,000	K2512750	8,000
G2569131	8,000	K2659247	8,000
G271820A	8,000	K3004139	16,000
G3183741	8,000	K3040178	8,000
G3230030	8,000	K310916A	8,000
G346158A	16,000	K3594211	8,000
G3820377	8,000	K3650456	8,000
G3872822	8,000	K3653579	8,000
G4068156	8,000	K3679721	8,000
G4147269	8,000	K3709264	8,000
G4237845	8,000	K3846067	8,000
G4372645	8,000	K4012887	8,000
G4498045	8,000	K416864A	8,000
G4698192	8,000	K4263448	8,000
G4752219	8,000	K4304268	8,000
G4772511	8,000	K4326679	8,000
G5046857	8,000	K4398173	8,000
G5163497	8,000	K4775554	8,000
G5282755	8,000	K4811453	8,000
G530449A	16,000	K4825780	8,000
G5376709	96,000	K4902610	8,000
G5502615	8,000	K4964829	8,000
G5643545	8,000	K5228212	8,000
G5850745	8,000	K5687330	8,000
G596501	8,000	K6285481	8,000
G6020134	8,000	K6289274	8,000

Identification document number	Number of Public Offer Shares to be allotted	Identification document number	Number of Public Offer Shares to be allotted
K7079796	8,000	P5433782	8,000
K7767021	8,000	P6761031	8,000
K7856679	8,000	TONGA126278	48,000
K8052034	8,000	V0020087	8,000
K8517649	8,000	V0071285	8,000
K873870A	8,000	V0220507	8,000
P0304399	8,000	V0383686	8,000
P129012A	8,000	Z003531A	8,000
P2215458	8,000	Z0608433	8,000
P2215628	8,000	Z2210151	8,000
P280125A	8,000	Z3105661	8,000
P5421091	8,000	Z4280688	8,000

A total of 2,784,000 Public Offer Shares have been conditionally allotted to 298 applicants using **WHITE** application forms.

RESULTS OF CCASS INVESTOR PARTICIPANTS' APPLICATIONS USING YELLOW APPLICATION FORMS

No Public Offer Shares are wholly or partially allotted to applicants as CCASS investor participants using **YELLOW** application forms.

COLLECTION/DESPATCH OF SHARE CERTIFICATES AND REFUND CHEQUES

For those applicants who have applied on **WHITE** application forms for less than 1,000,000 Public Offer Shares or for 1,000,000 Public Offer Shares or more but have not elected to collect share certificates and/or refund cheques (if any) in person, share certificates and/or refund cheques (if any) are expected to be despatched by ordinary post to those entitled at their own risk on or before Wednesday, 30th May, 2001. In addition, for those applicants who have applied on **YELLOW** application forms for less than 1,000,000 Public Offer Shares or for 1,000,000 Public Offer Shares or more but have not elected to collect their refund cheques (if any) in person, refund cheques (if any) are expected to be despatched by ordinary post to those entitled at their own risk on or before Wednesday, 30th May, 2001.

Applicants who have applied on **WHITE** application forms for 1,000,000 Public Offer Shares or more and have indicated on their application forms their wish to collect their share certificates and/or refund cheques (if any) in person may collect their share certificates and/or refund cheques (if any) from the Company's Hong Kong branch share registrar, Standard Registrars Limited, at 5th Floor Wing On Centre, 111 Connaught Road, Central, Hong Kong. Applicants who have applied on **YELLOW** application forms for 1,000,000 Public Offer Shares or more and have indicated in their application forms their wish to collect refund cheques (if any) in person may collect their refund cheques (if any) from Standard Registrars Limited at the above address. The time and date for collection of share certificates and/or refund cheques are between 9:00 a.m. to 1:00 p.m. on Wednesday, 30th May, 2001. Applicants being individuals who opt for personal collection must not authorise any other person to make their collection on their behalf. Applicants being corporations who opt for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations' chops. Both individuals and authorised representatives (if applicable) must produce at the time of collection evidence of identification and authorisation letters acceptable to Standard

Registrars Limited. Any share certificates and refund cheques not collected within the above time and date will be despatched by ordinary post at the applicants' own risk to the address shown on the relevant application form shortly after 1:00 p.m. on 30th May, 2001.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

For wholly or partially successful applicants using the **YELLOW** application forms who are allocated Shares in the name of HKSCC Nominees Limited, the allocated Shares will be deposited directly into CCASS for credit to their investor participant stock accounts or their designated CCASS participants' stock accounts as instructed by the applicants at the close of business on Wednesday, 30th May, 2001 or, under contingent situation, on any other date as shall be determined by Hongkong Clearing or HKSCC Nominees Limited. Such applicants can check the number of Public Offer Shares allocated to them with their designated CCASS participants if they are applying through designated CCASS participants, or via the CCASS Phone System or the CCASS Internet System (under the procedures contained in Hongkong Clearing's "An Operating Guide for Investor Participants" in effect from time to time), if they are applying as CCASS investor participants. Hongkong Clearing will also mail to applicants applying as CCASS investor participants activity statements showing the number of Public Offer Shares credited to their investor participant stock accounts.

MINIMUM PUBLIC FLOAT REQUIREMENT

According to the GEM Listing Rules, the Company is required to maintain a public float of not less than 20% of its issued share capital from time to time. Immediately after the Share Offer, the Pre-IPO Issue and the Capitalisation Issue but before any exercise of the Over-allotment Option, options granted under the Pre-IPO Share Option Scheme or options which may be granted under the Share Option Scheme, the Company has a public float of 25% of its enlarged issued share capital. If the Over-allotment Option is exercised in full, the Company will have a public float of approximately 27.7% of its then issued share capital as enlarged by the 15,000,000 Shares to be issued under the Over-allotment Option. As at the date of this announcement, the Over-allotment Option has not yet been exercised. An announcement will be made by the Company if the Over-allotment Option is exercised.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on the GEM are expected to commence at 10:00 a.m. on Friday, 1st June, 2001.

By order of the Board
Riverhill Holdings Limited
Prof. He Xiao Feng
Chairman

Hong Kong, 29th May, 2001

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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, the information contained in this announcement is accurate and complete in all material respects and is not misleading; there are no other matters the omission of which would make

any statement in this announcement misleading; and 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 appears on the GEM website (www.hkgem.com).

** For identification purposes only*