



## GLOBAL CHINA TECHNOLOGY GROUP LIMITED

泛華科技集團有限公司\*  
(Incorporated in Bermuda with limited liability)



## SING TAO HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

### JOINT ANNOUNCEMENT SALE OF 31,576,000 EXISTING SHARES IN SING TAO BY GLOBAL CHINA

#### Summary:

- (1) On 12th June, 2001, the Vendor proceeded to sell 8,000,000 Shares to the First Purchaser at a price of HK\$1.65 per Share and the First Sale will be completed on 14th June, 2001.
- (2) On 12th June, 2001, the Vendor entered into the S & P Agreement with the Second Purchaser, pursuant to which the Vendor will complete the sale of 23,576,000 Shares to the Second Purchaser at a price of HK\$1.65 per Share on 14th June, 2001.
- (3) The aggregate Sale Shares represents about 7.5% of the existing issued share capital of Sing Tao of 419,619,246 Shares.
- (4) Immediately after the Sales, about 74.8% and 25.2% of the existing issued share capital of Sing Tao will be held by the Vendor and parties acting in concert with it and the public respectively and Sing Tao will comply with the requirement of Rule 8.08 of the Listing Rules.

#### FIRST SALE

**Vendor:** The Vendor, the majority shareholder of Sing Tao, which holds 344,200,443 Shares representing about 82.0% of the existing issued share capital of Sing Tao before the completion of the Sales

**Purchaser:** The First Purchaser, which does not hold any Shares before the completion of the Sales

The First Purchaser and its ultimate beneficial owners are independent of and not connected with the Second Purchaser nor with the directors, chief executives or substantial shareholders of any member of the Sing Tao Group or the Global China Group, or any of their respective associates (as defined in the Listing Rules)

**Number of First Sale Shares:** 8,000,000 existing Shares, representing about 1.9% of the existing issued share capital of Sing Tao of 419,619,246 Shares

**Sale Price:** HK\$1.65 per First Sale Share settled by cash

This price was agreed after arm's length negotiations between the Vendor and the First Purchaser and represents:

- (i) a premium of about 8.6% over the closing price of HK\$1.52 per Share as quoted on the Stock Exchange on 11th June, 2001, being the last full trading day of the Shares immediately prior to the date of the First Sale; and
- (ii) a premium of about 13.8% over the average closing price of about HK\$1.45 per Share as quoted on the Stock Exchange for the last ten trading days of the Shares up to and including 11th June, 2001.

The board of directors of Global China is of the view that the sale price was fair and reasonable and in the interest of Global China and its shareholders as a whole.

**Completion Date:** 14th June, 2001

#### SECOND SALE

##### S & P Agreement Dated 12th June, 2001

**Parties Involved:** The S & P Agreement was entered into between the Vendor and the Second Purchaser

**Vendor:** The Vendor, the majority shareholder of Sing Tao, which holds 344,200,443 Shares representing about 82.0% of the existing issued share capital of Sing Tao before the completion of the Sales

**Purchaser:** The Second Purchaser, which does not hold any Shares before the completion of the Sales

The Second Purchaser and its ultimate beneficial owners are independent of and not connected with the First Purchaser nor with the directors, chief executives or substantial shareholders of any member of the Sing Tao Group or the Global China Group, or any of their respective associates (as defined in the Listing Rules)

**Number of Second Sale Shares:** 23,576,000 existing Shares, representing about 5.6% of the existing issued share capital of Sing Tao of 419,619,246 Shares

**Sale Price:** HK\$1.65 per Second Sale Share settled by cash

This price was agreed after arm's length negotiations between the Vendor and the Second Purchaser and represents:

- (i) a premium of about 8.6% over the closing price of HK\$1.52 per Share as quoted on the Stock Exchange on 11th June, 2001, being the last full trading day of the Shares immediately prior to the date of entering into the S & P Agreement; and
- (ii) a premium of about 13.8% over the average closing price of about HK\$1.45 per Share as quoted on the Stock Exchange for the last ten trading days of the Shares up to and including 11th June, 2001.

The board of directors of Global China is of the view that the sale price was fair and reasonable and in the interest of Global China and its shareholders as a whole.

**Completion Date:** 14th June, 2001

#### EFFECTS OF THE SALES

The respective shareholdings in Sing Tao of the Vendor and parties acting in concert with it and the public immediately before and after the completion of the First Sale and the Second Sale are as follows:

	Number of Shares Held by the Vendor and Parties Acting in Concert with It		Shareholding in Sing Tao Held by the Vendor and Parties Acting in Concert with It	
		the Public		the Public
Immediately before the First Sale	345,628,443	73,990,803	82.4%	17.6%
Immediately after the First Sale	337,628,443	81,990,803	80.5%	19.5%
Immediately after the Second Sale	314,052,443	105,566,803	74.8%	25.2%

So far as the respective boards of directors of Global China and Sing Tao are aware, neither the First Purchaser nor the Second Purchaser will become a substantial shareholder of Sing Tao immediately after the completion of the Sales.

In addition, the Global China Group will not realise any profit or loss from the Sales (not taking into account the costs and expenses incurred in connection with the Sales).

#### REASONS FOR THE SALES

As set out in the press announcements of Sing Tao dated 6th June, 2001, 4th May, 2001, 6th April, 2001 and 6th March, 2001, the Vendor and parties acting in concert with it held about 82.4% of the issued share capital of Sing Tao and therefore less than 25% of the Shares were held in public hands. Accordingly, applications had been made by Sing Tao to the Stock Exchange for the Waiver and extension of the deadlines of the Waiver and the Stock Exchange granted Sing Tao the Waiver and extension of the deadlines of the Waiver until 6th July, 2001. As stated in the Offer Document and the Offeree Document (as defined in the said announcements), it was the Vendor's intention that the listing of the Shares on the Stock Exchange be maintained. As a result, Global China had undertaken to the Stock Exchange to take appropriate steps to ensure that sufficient public float existed in the Shares.

The board of directors of Sing Tao considers that the Sales will broaden the shareholder base of Sing Tao while enabling Sing Tao to comply with the requirement of Rule 8.08 of the Listing Rules so that no less than 25% of the existing issued share capital of Sing Tao will be held by the public.

The board of directors of Global China is of the opinion that the Sales represent an opportunity to introduce strategic investors to Sing Tao and for the benefit of its future development.

#### INTENDED USE OF PROCEEDS FROM THE SALES

The Vendor will bear all legal costs and expenses in connection with the Sales. The aggregate net proceeds of approximately HK\$51,000,000 receivable by the Vendor from the Sales will be used by the Global China Group as general working capital. The Global China Group presently does not have any other solid plan regarding the use of such proceeds.

#### DEFINITIONS

The following defined terms are used in this announcement:

"First Purchaser"	Tesco Nominees Limited, a company incorporated in Hong Kong with limited liability;
"First Sale"	sale of 8,000,000 existing Shares by the Vendor to the First Purchaser;
"First Sale Share(s)"	Share(s) to be sold by the Vendor under the First Sale;
"Global China"	Global China Technology Group Limited, an exempted company incorporated in Bermuda with limited liability and whose issued shares are listed on the main board of the Stock Exchange;
"Global China Group"	Global China and its subsidiaries;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange;
"S & P Agreement"	the letter agreement for sale and purchase dated 12th June, 2001 and entered into between the Vendor and the Second Purchaser in relation to the Second Sale;
"Sale Shares"	First Sale Shares and the Second Sale Shares;
"Sales"	First Sale and the Second Sale;
"Second Purchaser"	Ontario Municipal Employees Retirement System, a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund as provided in Section 5 of the Ontario Municipal Employees Retirement System Act;
"Second Sale"	sale of 23,576,000 existing Shares by the Vendor to the Second Purchaser;
"Second Sale Share(s)"	Share(s) to be sold by the Vendor under the Second Sale;
"Share(s)"	share(s) of HK\$0.25 each in the issued share capital of Sing Tao;
"Sing Tao"	Sing Tao Holdings Limited, an exempted company incorporated in Bermuda with limited liability and whose issued Shares are listed on the main board of the Stock Exchange;
"Sing Tao Group"	Sing Tao and its subsidiaries;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Vendor"	Global China Multimedia Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of Global China;
"Waiver"	waiver from compliance with Rule 8.08 of the Listing Rules;
"HK\$"	Hong Kong dollar(s), the lawful currency of Hong Kong for the time being; and
"%"	per cent.

By Order of the Board of  
Global China Technology Group Limited  
Charles HO Tsu Kwok  
Chairman

By Order of the Board of  
Sing Tao Holdings Limited  
Charles HO Tsu Kwok  
Chairman

Hong Kong, 13th June, 2001

\* For identification purpose only