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Sau San Tong Holdings (Cayman Islands) Limited

修身堂控股(開曼群島)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**

By way of Placing

**Number of Placing Shares : 132,000,000 Shares comprising
92,400,000 New Shares and
39,600,000 Sale Shares**

Placing price : HK\$0.25 per Placing Share

Nominal value : HK\$0.01 each

Stock code : 8200

Sponsor



South China Capital Limited

Bookrunner



KINGSTON SECURITIES LIMITED

Joint Lead Managers



KINGSTON SECURITIES LIMITED



South China Securities Limited

Underwriters

**Guotai Junan Securities (Hong Kong) Limited
Lippo Securities Limited**

**Kim Eng Securities (Hong Kong) Limited
Luen Fat Securities Company Limited**

SUMMARY

- Total applications for 1,418,450,000 Shares from potential investors have been received, representing approximately 10.75 times of the 132,000,000 Placing Shares initially available in the Placing.
- The Placing of 132,000,000 Shares was conditionally allocated to 145 professional, institution and other investors.
- All placees are independent of and not connected with any of the Directors, chief executive, substantial shareholders or Initial Management Shareholders of the Company, its subsidiaries or any of their respective associates. Stephil Securities Limited, one of the Placing agent, has allocated 50,000 Placing Shares, representing approximately 0.04% of the total Placing Shares to Mak Chi Leung, a dealing director of Stephil Securities Limited. Save for the aforesaid, none of the Placing Shares have been allocated to any person or group of persons as referred to in Rule 10.12(4) of the GEM Listing Rules.
- **Investors should be aware that the concentration of shareholders might affect the liquidity of the Shares in the secondary market. As such, shareholders and potential investors are advised to exercise caution in dealing in the Shares.**
- Immediately after completion of the Placing, the Company will have a public float of 25% of the enlarged issued share capital of the Company.
- Dealings in the Shares on GEM are expected to commence at 9: 30 a.m. on Wednesday, 19 November 2003.

This announcement is further to the formal notice of Sau San Tong Holdings (Cayman Islands) Limited (the “Company”) dated 10 November 2003. Unless otherwise defined herein, the terms used in this announcement shall have the same meanings as defined in the prospectus of the Company dated 10 November 2003.

LEVEL OF INTEREST

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RESULTS OF ALLOCATION

Pursuant to the Placing, the 132,000,000 Shares have been conditionally allocated to a total of 145 places. The following table sets out the distribution of Placing Shares:

	Aggregate number of Placing Shares held	Approximate percentage of Placing Shares	Approximate percentage of shareholding immediately after completion of the Placing
Top placee	16,100,000	12.2%	3.0%
Top 5 placees	61,500,000	46.6%	11.6%
Top 10 placees	95,260,000	72.2%	18.0%
Top 25 placees	116,460,000	88.2%	22.1%

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

The allocation of 132,000,000 Shares to a total of 145 places is as follows:

Number of Placing Shares	Number of places
10,000 -50,000	85
50,001 -100,000	6
100,001 -500,000	24
500,001 -1,000,000	10
1,000,001-5,000,000	11
5,000,001 and above	<u>9</u>
Total	<u>145</u>

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(1) of the GEM Listing Rules, the Company is required to maintain a public float of not less than 25% of its issued share capital at the time the Shares commence dealings on GEM and at all times thereafter. Immediately after completion of the Placing, but before the exercise of options granted or to be granted under the Pre-IPO Share Option Scheme and the Share Option Scheme, the Company will have a public float of 25% of the enlarged issued share capital of the Company.

SHAREHOLDING STRUCTURE

The Company's shareholding structure immediately after completion of the Placing is as follows:

Name of Shareholders	Approximate percentage of shareholding immediately following the Placing
<i>Initial Management Shareholder</i>	
Biochem	55.53%
<i>Non-public Shareholders</i>	
Marlborough Resources Limited	4.44%
Thunder Ride Inc.	4.44%
Workingfield Group Limited	4.44%
Value Capital Investment Limited	3.71%
Diamond Profit Holdings Limited	2.44%
<i>Public Shareholders</i>	25%
Total	100%

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.

The share certificates issued in respect of the Placing Shares are expected to be deposited into CCASS on 18 November 2003 for credit to the respective CCASS participants' stock accounts of the designated CCASS participants of the places.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9: 30 a.m. on Wednesday, 19 November 2003.

By order of the Board of
Sau San Tong Holdings (Cayman Islands) Limited
Cheung Yuk San, Shirley
Chairman

Hong Kong, 17 November 2003

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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; (iii) 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 will appear on the GEM website at www.hkgem.com for at least 7 days from the day of its posting.

** for identification proposes only*