

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **VAN SHUNG CHONG HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

### **PLACING OF EXISTING SHARES BY A SUBSTANTIAL SHAREHOLDER TO INDEPENDENT INVESTORS**

The Company has been informed by Huge Top, the controlling shareholder of the Company, that the Placing Agreement has been concluded pursuant to which the Placing Agent will place, subject to conditions, 31,200,000 Shares held by Huge Top to independent investors at the Placing Price of HK\$1.25 per Placing Share. The Placing Shares represent approximately 10% of the existing issued share capital of the Company as at 4 July 2003. Upon completion of the Placing, Huge Top's interests in the Company will be reduced from 204,624,000 Shares to 173,424,000 Shares or approximately 65.74% to 55.72% of the existing issued share capital of the Company as at 4 July 2003.

Van Shung Chong Holdings Limited (the "Company") has been informed by Huge Top Industrial Ltd. ("Huge Top"), the controlling shareholder of the Company, that a placing agreement dated 4 July 2003 (the "Placing Agreement") has been concluded on the terms summarised below.

#### **Parties:**

The parties to the Placing Agreement are:

- (1) Huge Top as the vendor; and
- (2) Celestial Securities Limited as the placing agent (the "Placing Agent"), who is independent of and not connected with the Company nor with the directors, chief executive or substantial shareholders of the Company, and any of their subsidiaries or any of their respective associates (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules")).

Huge Top is the controlling shareholder of the Company and holds 204,624,000 shares of HK\$0.10 each in the capital of the Company ("Shares"), representing approximately 65.74% of the existing issued share capital of the Company as at 4 July 2003.

#### **Placees:**

The placees of the placing (the "Placing") will be independent investors who are independent of and not connected with the Company nor with the directors, chief executive or substantial shareholders of the Company, and any of their subsidiaries or any of their respective associates (as defined in the Listing Rules).

#### **Number of Placing Shares:**

31,200,000 Shares (the "Placing Shares"), representing approximately 10% of the existing issued share capital of the Company as at 4 July 2003.

#### **Placing Price:**

HK\$1.25 per Placing Share, representing a discount of approximately 18.3% to the closing price of HK\$1.53 per Share as quoted on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 4 July 2003, and (ii) also representing a discount of approximately 14.6% to the average closing price of HK\$1.463 per Share as quoted on the Stock Exchange for the last ten trading days ended 4 July 2003.

#### **Conditions of the Placing:**

The Placing is conditional upon, inter alia, there having been, prior to completion of the Placing, no breach of the representations, warranties and undertakings given by Huge Top.

#### **Completion of the Placing:**

9 July 2003.

Upon completion of the Placing, Huge Top's interests in the Company will be reduced from 204,624,000 Shares to 173,424,000 Shares or approximately 65.74% to 55.72% of the existing issued share capital of the Company as at 4 July 2003.

By Order of the Board  
**Andrew Cho Fai Yao**

*Chairman and Chief Executive Officer*