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SINO TECHNOLOGY INVESTMENTS COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1217)

RESULTS OF THE RIGHTS ISSUE AND RESIGNATION OF EXECUTIVE DIRECTORS

Financial adviser

COMMERZBANK 

Commerzbank AG Hong Kong Branch

RESULTS OF THE RIGHTS ISSUE

The Board is pleased to announce that the Rights Issue became unconditional at 4:00 p.m. on Wednesday, 31 October 2007 and the Company have received (i) 227 valid acceptances for provisional allotments of a total of 2,835,553,940 Rights Shares and (ii) 2,555 valid excess applications for a total of 13,824,851,831 excess Rights Shares. The 2,835,553,940 provisionally allotted Rights Shares represent approximately 78.0% of the total Rights Shares and the 13,824,851,831 excess Rights Shares applied for represent approximately 17.3 times the number of Rights Shares available for excess application.

The Rights Issue, which was conducted on a fully underwritten basis, became unconditional at 4:00 p.m. on Wednesday, 31 October 2007. The Rights Issue was over-subscribed and, accordingly, the Underwriter does not have any further obligations under the Underwriting Agreement.

Share certificates for all fully-paid Rights Shares will be despatched to the Qualifying Shareholders by ordinary post at their own risks on or before Monday, 5 November 2007. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares will also be despatched to the Qualifying Shareholders by ordinary post at their own risks on or before Monday, 5 November 2007. Dealings in the fully-paid Rights Shares will commence at 9:30 a.m. on Wednesday, 7 November 2007.

RESIGNATION OF EXECUTIVE DIRECTORS

The Board announces that Mr. Ng Tin Sang and Mr. Kwok Chi Hung both resigned as executive Directors with effect from 1 November 2007. Mr. Ng and Mr. Kwok had indicated that their resignation was solely due to their desire to re-allocate their time to focus and concentrate more on family matters.

Mr. Ng and Mr. Kwok have confirmed that there is no disagreement between the Board and themselves and there is no matter relating to their resignation that needs to be brought to the attention of the Shareholders. Their resignation are not expected to have any significant impact on the operations of the Company.

Reference is made to the prospectus (the “Prospectus”) of the Company dated 11 October 2007 in relation to the Rights Issue of 3,633,552,000 Rights Shares in the proportion of 10 Rights Share for every Share held on the Record Date at HK\$0.04 per Rights Share payable in full on acceptance. Capitalised term used in this announcement shall have the same meanings as those defined in the Prospectus unless the context herein requires otherwise.

RESULT OF THE RIGHTS ISSUE

The Board is pleased to announce that the Rights Issue became unconditional at 4:00 p.m. on Wednesday, 31 October 2007 and the Company have received (i) 227 valid acceptances for provisional allotments of a total of 2,835,553,940 Rights Shares (the “Entitled Rights Shares Applied”) and (ii) 2,555 valid excess applications for 13,824,851,831 excess Rights Shares (the “Excess Rights Shares Applied”). The Entitled Rights Shares Applied represent approximately 78.0% of the total Rights Shares and the Excess Rights Shares Applied approximately 17.3 times the number of Rights Shares available for excess application for Rights Shares (being 797,998,060 Rights Shares).

The Rights Issue, which was conducted on a fully underwritten basis, became unconditional at 4:00 p.m. on Wednesday, 31 October 2007. The Rights Issue was over-subscribed and, accordingly, the Underwriter does not have any further obligations under the Underwriting Agreement.

Share certificates for all fully-paid Rights Shares will be despatched to the Qualifying Shareholders by ordinary post at their own risks on or before Monday, 5 November 2007. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares will also be despatched to the Qualifying Shareholders by ordinary post at their own risks on or before Monday, 5 November 2007. Dealings in the fully-paid Rights Shares will commence at 9:30 a.m. on Wednesday, 7 November 2007.

EXCESS APPLICATION

In respect of the 797,998,060 Rights Shares available (the “Available Excess Rights Shares”) for application of excess Rights Shares, the Directors have resolved that the Available Excess Rights Shares will be allocated to the 218 Qualifying Shareholders who have lodged their PALs and applied for excess Rights Shares (the “Entitled Qualifying Shareholders”) equivalent to the ratio (the “Allocation Ratio”) of the Available Excess Rights Shares over the aggregate 2,830,406,020 Entitled Rights Shares Applied of these Entitled Qualifying Shareholders (being approximately 28.19376%). The Available Excess Rights Shares will be allocated for purpose of topping up odd lots of these 218 Entitled Qualifying Shareholders to whole board lot of Shares.

As disclosed in the Prospectus, Qualifying Shareholders whose Shares held under CCASS will be considered as a single Qualifying Shareholder. The Company has made recommendation to HKSCC to adopt the same principle as mentioned above for the allocation of the Available Excess Rights Shares to its individual CCASS participants to ensure the same allocation basis is consistently applied under the Rights Issue.

Based on the above, the Available Excess Rights Shares are initially allocated in the following manner:

	Number of valid applications Shares	Number of Entitled Rights Shares Applied	Number of Excess Rights Rights Applied	Number of Excess Shares allocated
Qualifying Shareholders who have lodged PALs and applied for excess Rights Shares	217	12,970,550	4,262,001,496	5,093,450
Qualifying Shareholders who have participated in the Rights Issue through CCASS	1	2,817,435,470	6,807,318,887	792,904,610
Qualifying Shareholders who have not lodged PALs but applied for excess Rights Shares	2,337	–	2,755,531,448	–
Qualifying Shareholders who have lodged PALs but have not applied for excess Rights Shares	9	5,147,920	–	–
	<u>2,564</u>	<u>2,835,553,940</u>	<u>13,824,851,831</u>	<u>797,998,060</u>

Notes:

- the 227 applications for provisional allotment as mentioned above comprised (i) 217 Qualifying Shareholders who have lodged PALs and applied for excess Rights Shares; (ii) valid applications made through CCASS (which is considered as a single Qualifying Shareholder) and (iii) 9 Qualifying Shareholders who have lodged PALs but have not applied for excess Rights Shares.
- the 2,555 applications for excess Rights Shares as mentioned above comprised (i) 217 Qualifying Shareholders who have lodged PALs and applied for excess Rights Shares; (ii) valid applications made through CCASS (which is considered as a single Qualifying Shareholder) and (iii) 2,337 Qualifying Shareholders who have not lodged PALs but applied for excess Rights Shares.

As stated in the Prospectus, it is the intention of the Board to allocate the Available Excess Rights Shares on a fair and equitable basis. It is noted that among the 2,337 Qualifying Shareholders who have applied for excess Rights Shares as at the Record Date, 2,310 of which held one Share, 23 of which held less than one board lot of Shares; 3 of which held one board lot of Shares; and 1 of which held two board lots of Shares. As such, the Directors are of the view that in order to allocate the Rights Shares on a fair and equitable basis, consideration has to be made to avoid applications with an intention to abuse the general mechanism of Rights Issue. In view of the substantial number of applicants who have not lodged their

PALs and the significant portion of Excess Rights Shares Applied in connection with these applicants which the Directors could not anticipate at the time the Prospectus was issued, the Directors considered that preference should be given to those Qualifying Shareholders who have directly participated to the Rights Issue through lodging of the PALs so as to minimize the potential abusive application of the Rights Issue. Since the allocation of the Available Excess Rights Shares is effectively based on the direct participation of the Qualifying Shareholders to the Rights Issue, namely the number of Entitled Rights Shares Applied of each Qualifying Shareholder, the Directors consider that the allocation for the excess Right Shares is on a fair and equitable basis.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following is a summary of the shareholding structure of the Company immediately before and after the completion of the Rights Issue:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue (Note 1)	
	Share	%	Share	%
Mr. Xiang	60,104,000	16.54	830,599,775	20.78
Mr. Lu Kemin (Note 2)	59,983,200	16.51	828,930,394	20.74
Mr. Lin (Note 3)	77,696,000	21.38	77,696,000	1.94
Public Shareholders	165,572,000	45.57	2,259,681,031	56.54
	<u>363,355,200</u>	<u>100.00</u>	<u>3,996,907,200</u>	<u>100.00</u>

Notes:

1. Assuming HKSCC and each of the CCASS participants have adopted the allocation basis as described in the section headed "Excess Application" above
2. As described in the Prospectus, Mr. Lu Kemin is an Independent Third Party who was the holder of the Warrants as a result of the transfer of the Warrants by Ms. Leung Rui Ling, Florence, being the initial subscriber of the Warrants
3. Being a former Director and a substantial Shareholder before the Rights Issue

ADJUSTMENT FOR THE OPTIONS

Pursuant to the terms of the Share Option Scheme, adjustments are required to be made to the exercise price of and the number of Shares to be allotted and issued upon full exercise of the subscription rights attaching to the outstanding Options as a result of the Rights Issue.

In accordance with the terms of the Share Options Scheme and the supplementary guidance issued by the Stock Exchange on 5 September 2005 regarding adjustment of share options under Rule 17.03(13) of the Listing Rules (the "Supplementary Guidance"), the exercise price of the Options and the number of Shares to be allotted and issued upon full exercise of the subscription rights attaching to the outstanding Options will be adjusted (the "Adjustments") in the following manner with effect from 31 October 2007.

Exercisable period	Exercise price per Share to be issued before the completion of the Rights Issue HK\$	Original number of Shares to be issued before completion of the Rights Issue	Adjusted exercise price per Share to be issued upon completion of the Rights Issue HK\$	Adjusted number of Shares to be issued upon completion of the Rights Issue
28 August 2003 to 27 August 2013	0.2083 (Note 1)	20,544,000	0.0244	175,381,736
18 October 2007 to 15 October 2010	0.4260	36,000,000	0.0500	306,720,000

Note:

1. The exercise price per Share had been adjusted from HK\$0.25 to HK\$0.2083 on 29 September 2006. Please refer to the announcement of the Company dated 29 September 2006 for further details.

The Company's auditors have reviewed and confirmed in writing that the Adjustments are in accordance with the terms of the Share Option Scheme, Rule 17.03(13) of the Listing Rules and the Supplementary Guidance. Separate notification regarding the Adjustments will be sent to the holders of the Options.

Save for the Options granted under the Share Option Scheme, the Company had no other outstanding options, convertible securities or warrants which confer rights to subscribe for the Shares as at the date of this announcement.

RESIGNATION OF EXECUTIVE DIRECTORS

Both Mr. Ng Tin Sang and Mr. Kwok Chi Hung resigned as executive Directors with effect from 1 November 2007. Mr. Ng and Mr. Kwok had indicated that their resignation was solely due to their desire to re-allocate their time to focus and concentrate more on family matters.

Mr. Ng and Mr. Kwok have confirmed that there is no disagreement between the Board and themselves and there is no matter relating to their resignation that needs to be brought to the attention of the Shareholders. Their resignation are not expected to have any significant impact on the operations of the Company.

The Board would like to express its gratitude to Mr. Ng and Mr. Kwok for their contribution to the Company during the tenure of their directorship.

By order of the Board
SINO TECHNOLOGY INVESTMENTS COMPANY LIMITED
Xiang Xin
Director

Hong Kong, 2 November 2007

As at the date of this announcement, the executive Directors of the Company are Mr. Xiang Xin and Mr. Chan Cheong Yee; the non-executive Directors are Mr. Wang Qing Yu (Chairman) and Mr. Ng Kwong Chue Paul; the independent non-executive Directors are Mr. David Wang Xin, Mr. Zang Hong Liang and Mr. Lee Wing Hang.