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EXCEL TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED

(志鴻科技國際控股有限公司)*

(Incorporated in Bermuda with limited liability)

PLACING AND PUBLIC OFFER

Number of Placing Shares: 127,500,000 (subject to adjustment and reallocation)

Number of Public Offer Shares: 22,500,000 (subject to adjustment and reallocation)

Offer Price: not more than HK\$1.40 per Offer Share (plus one per cent. brokerage and a Hong Kong Stock Exchange transaction levy of 0.01 per cent., payable in full on application and subject to refund)

Nominal Value: HK\$0.10 each

Application methods: Electronic Initial Public Offering (EIPO) Arrangement and Application Forms (White and Yellow)

Stock Code: 8048

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

Global Co-ordinator, Sponsor and Lead Manager



HSBC Investment Bank Asia Limited

Co-Lead Managers

Bear Stearns Asia Limited

CEF Capital Limited

Co-Managers

**Advanced Partners Brokerage Limited
CLSA Emerging Markets**

**Cazenove Asia Limited
Vickers Ballas Capital Limited**

Application has been made to the Listing Committee of the Growth Enterprise Market (“GEM”) of the Stock Exchange for the listing of, and permission to deal in, shares of HK\$0.10 each (the “Shares”) in the share capital of Excel Technology International Holdings Limited (the “Company”) in issue and to be issued as described in the prospectus of the Company dated 20th June, 2000 (the “Prospectus”), including any Shares which may fall to be issued pursuant to the exercise of the options granted under the share option scheme of the Company as described in Appendix VI to the Prospectus and any Shares which may fall to be issued pursuant to the exercise of the over-allotment option as described in the section headed “Structure of the Share Offer” in the Prospectus. Dealings in the Shares are expected to commence on 30th June, 2000. Subject to the granting of listing of, and permission to deal in, the Shares on the GEM of the Stock Exchange as well as the compliance with the stock admission requirements of Hongkong Clearing, the Shares will be accepted as eligible securities by Hongkong Clearing for deposit, clearance and settlement in the Central Clearing and Settlement System (“CCASS”) with effect from the commencement date of dealings in the Shares on GEM of the Stock Exchange or such other date as determined by Hongkong Clearing. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Share Offer (as defined below) comprises an offer for subscription of initially 22,500,000 Shares (“Public Offer Shares”) (subject to adjustment and reallocation) to the public in Hong Kong (the “Public Offer”) and a placing by HSBC Investment Bank Asia Limited together with other placing underwriters to professional, institutional and individual investors (the “Placing”) of initially 125,346,000 Shares (“Placing Shares”) (subject to adjustment and reallocation) in Hong Kong and in certain other jurisdictions outside

Hong Kong as well as an offer of 2,154,000 Shares on a preferential basis as to allocation only to full-time employees (including directors) of the Company and its subsidiaries (the Public Offer and the Placing collectively referred to herein as the “Share Offer”). The Underwriters (as defined in the Prospectus) have been granted an over-allotment option which is exercisable by HSBC Investment Bank Asia Limited on behalf of the Underwriters at any time at or before 20th July, 2000. Pursuant to the over-allotment option, the Company may be required to issue and allot at the Offer Price up to an aggregate of 22,500,000 additional Shares, representing 15 per cent. of the Shares initially available under the Share Offer, solely to cover over-allocations in the Placing and/or over-subscriptions in the Public Offer, if any. The allocation of the Shares between the Placing and the Public Offer is subject to adjustment. If the number of Shares validly applied for in the Public Offer represents 15 times or more of the number of Shares initially available for subscription under the Public Offer, then 7,500,000 Shares will be reallocated to the Public Offer from the Placing, so that an aggregate of 30,000,000 Shares will be available under the Public Offer, representing 20 per cent. of the Shares initially available under the Share Offer. The number of Shares available under the Placing will be correspondingly reduced as a result of such reallocation. In addition, if the Public Offer is not fully subscribed, HSBC Investment Bank Asia Limited may, in its absolute discretion, reallocate all or any unsubscribed Public Offer Shares originally included in the Public Offer to the Placing in such proportion and in such manner as HSBC Investment Bank Asia Limited considers appropriate. The basis of allocation of Public Offer Shares to investors under the Public Offer may vary depending on the level of valid applications received under the Public Offer but, subject to that, will be on a strictly pro-rata basis. Such allocation may involve balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Public Offer Shares and that applicants who are not successful in the ballot may not receive any Public Offer Shares. It should be noted that under the Rules Governing the Listing of Securities on GEM, multiple or suspected multiple applications for Public Offer Shares and any application on a WHITE or YELLOW application form or through giving instructions to Hong Kong

Clearing **electronically** for more than 100 per cent. of the Public Offer Shares initially being offered as described in the Prospectus, will be rejected and only one application on a WHITE or YELLOW application form or through giving instructions to Hong Kong Clearing **electronically** may be made for the benefit of any person.

Acceptance of all applications for the Share Offer is conditional on the conditions as stated in the paragraph headed “Conditions of the Share Offer” under the section headed “Structure of the Share Offer” in the Prospectus. If the conditions are not fulfilled on or before 20th July, 2000, application monies received from applicants under the Public Offer will be returned, without interest, on the terms set out under the paragraph headed “Refund of your money” on the application forms.

Applications for the Public Offer Shares will only be considered on the basis of the Prospectus and the application forms relating thereto. Applicants who would like to be allotted Public Offer Shares in their own names should complete and sign the WHITE application forms. Applicants who would like to have the allotted Shares issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS investor participant stock accounts or the stock accounts of their designated CCASS participants should complete and sign the YELLOW application forms. CCASS Participants may give electronic instructions to apply for Public Offer Shares and to arrange payment of the money due on application and payment of refunds. This will be in accordance with their participant agreements with Hongkong Clearing and the General Rules of CCASS and the CCASS Operational Procedures. Copies of the YELLOW application form, together with copies of the Prospectus, may be obtained during normal business hours from 9:00 a.m. on 20th June, 2000 until 12:00 noon on 23rd June, 2000 from the Service Counter of Hongkong Clearing at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong or its Investor Service Centre at Room 1901, Chinachem Exchange Square, 1 Hoi Wan Street, Quarry Bay, Hong Kong. WHITE application forms, together with copies of the Prospectus, may be obtained from:

1. any member of **the Stock Exchange**;

2. **HSBC Investment Bank Asia Limited**, Level 15, 1 Queen's Road Central, Hong Kong;
3. **Bear Stearns Asia Limited**, 26/F Citibank Tower, 3 Garden Road, Hong Kong
4. **CEF Capital Limited**, Suite 2001, 20/F Cheung Kong Center, No.2 Queen's Road Central, Hong Kong
5. **Advanced Partners Brokerage Limited**, 6501-06 The Center, 99 Queen's Road Central, Hong Kong
6. **Cazenove Asia Limited**, 3601 Two Exchange Square, 8 Connaught Place, Central, Hong Kong
7. **CLSA Limited**, 33rd Floor, Tower Two, Lippo Centre, 89 Queensway, Hong Kong
8. **Vickers Ballas Capital Limited**, 19th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong
9. or any of the following branches of **The Hongkong and Shanghai Banking Corporation Limited**:

HONG KONG ISLAND:	Hong Kong Office	Level 3, 1 Queen's Road Central
	Central Branch	29 Queen's Road Central
	Cityplaza Branch	Unit 065, Cityplaza 1, Taikoo Shing
	Des Voeux Road Central Branch	141 Des Voeux Road Central
	Des Voeux Road West Branch	40-50 Des Voeux Road West
	Harcourt Road Branch	Ground Floor, Hutchison House, 10 Harcourt Road
	Hay Wah Building Branch	Ground Floor, Hay Wah Building, 71-85B Hennessy Road, Wanchai

	Hopewell Centre Branch	Shops 1-2, Ground Floor, Hopewell Centre, 183 Queen's Road East, Wanchai
	North Point Branch	306-316 King's Road, North Point
KOWLOON:	Festival Walk Branch	Shop LG 1-37, Festival Walk, 80 Tat Chee Avenue, Kowloon Tong
	Kwun Tong Branch	1 Yue Man Square, Kwun Tong
	Mongkok Branch	673 Nathan Road, Mongkok
	Tai Yau Street Branch	26-28, Tai Yau Street, San Po Kong
	Telford Gardens Branch	Unit P16, Block G, Telford Plaza I, Kowloon Bay
	Tsimshatsui Branch	82-84 Nathan Road, Tsimshatsui
	Union Park Centre Branch	Shops 4-7, Ground Floor, Union Park Centre, 771-775 Nathan Road
	Waterloo Road Branch	71 Waterloo Road, Homantin
NEW TERRITORIES:	City Landmark Branch	Shops 117-131, 1st Floor, City Landmark I, 68 Chung On Street, Tsuen Wan
	Shatin City One Branch	Shops 138-140, 1st Floor, City One Plaza, Shatin
	Yuen Long Branch	Ground Floor, HSBC Building Yuen Long, 150-160 Castle Peak Road, Yuen Long

Both WHITE and YELLOW application forms completed in all respects (to which one cheque or one banker's cashier order should be securely stapled) should be deposited in the special

collection boxes provided at any of the branches of The Hongkong and Shanghai Banking Corporation Limited referred to above at the following times:

Tuesday, 20th June, 2000 — 9:00 a.m. to 4:00 p.m.
Wednesday, 21st June, 2000 — 9:00 a.m. to 4:00 p.m.
Thursday, 22nd June, 2000 — 9:00 a.m. to 4:00 p.m.
Friday, 23rd June, 2000 — 9:00 a.m. to 12:00 noon

Electronic Share Application through CCASS

Investors can apply for the Public Offer Shares by giving electronic application instructions to Hongkong Clearing as follows:

1. If you are a CCASS Investor Participant, you may give electronic application instructions through the CCASS Phone System by calling 2979 7888 (using the procedures contained in “An Operating Guide for Investor Participants” in effect from time to time). Hongkong Clearing can also input electronic application instructions for you if you come to:

Investor Service Centre of Hongkong Clearing
at Room 1901, Chinachem Exchange Square
1 Hoi Wan Street, Quarry Bay
Hong Kong

or to

Service Counter of Hongkong Clearing
at 2nd Floor, Vicwood Plaza
199 Des Voeux Road Central
Hong Kong

and complete an input request form.

Prospectuses are available for collection from any of the above addresses.

2. If you are not a CCASS Investor Participant, you may instruct your broker or custodian who is a CCASS Broker Participant or a CCASS Custodian Participant to give electronic application instructions via CCASS terminals to apply for Public Offer Shares. You are deemed to have

authorised Hongkong Clearing and/or HKSCC Nominees to transfer the details of your application whether submitted by you or through your broker or custodian to the Company and its registrars.

CCASS Participants can input electronic application instructions during the following times:

Tuesday, 20th June, 2000 — 9:00 a.m. to 7:00 p.m.
Wednesday, 21st June, 2000 — 9:00 a.m. to 7:00 p.m.
Thursday, 22nd June, 2000 — 9:00 a.m. to 7:00 p.m.
Friday, 23rd June, 2000 — 9:00 a.m. to 12:00 noon

The application lists will open from 11:45 a.m. to 12:00 noon on Friday, 23rd June, 2000.

Subject to the terms and conditions set out in the Prospectus and the application forms relating thereto, applications on a WHITE or YELLOW application form must be received by no later than 12:00 noon on Friday, 23rd June, 2000 (or such later date as may apply in the case of a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal being in force in Hong Kong as described in the paragraph headed “Effect of bad weather on the opening of the application lists” in the section headed “How to Apply for Public Offer Shares” in the Prospectus). The latest time for inputting your electronic application instructions is 12:00 noon on Friday, 23rd June, 2000 (or a later date as may apply as described in the paragraph headed “Effect of bad weather on the last application day” in the section headed “How to Apply for Public Offer Shares”).

Applicants who have applied on a WHITE application form for 1,000,000 Public Offer Shares or more and who have opted for personal collection in their application forms may collect refund cheques and (where relevant) share certificates and applicants who have applied on a YELLOW application form for 1,000,000 Public Offer Shares or more and who have opted for personal collection in their application forms may collect refund cheques in person from Central Registration Hong Kong Limited, Shops 1712-1716, Hopewell Centre, 183 Queen’s Road East, Hong Kong between 9:00 a.m. and 1:00 p.m. on the date notified by the Company on the GEM website and in the newspapers as the date of despatch of

refund cheques and share certificates. This is expected to be Wednesday, 28th June, 2000. Applicants being individuals who opt for personal collection must not authorise any other person to make collection on their behalf. Applicants must show their identification documents (which must be acceptable to Central Registration Hong Kong Limited) to collect refund cheques and share certificates. Applicants being corporations which opt for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporation chops. Their authorised representatives must produce at the time of collection evidence of identity acceptable to Central Registration Hong Kong Limited. If an applicant who has applied for 1,000,000 Public Offer Shares or above and who has opted for personal collection does not collect refund cheques and share certificates in person within the time specified for collection, it/they will be sent to the address on the application form on the date of despatch, by ordinary post and at the applicant's own risk. If you have applied for less than 1,000,000 Public Offer Shares on a WHITE or YELLOW application form, your refund cheque (if any) and (if you are applying on a WHITE application form) any share certificates will be sent to the address on your application form on the date of despatch, by ordinary post at your own cost.

The Offer Price is expected to be fixed by agreement between HSBC Investment Bank Asia Limited, on behalf of the Underwriters, and the Company on or around 23rd June, 2000 and in any event on or before 27th June, 2000. The Offer Price will not be more than HK\$1.40 per Share and is expected to be not less than HK\$1.35 per Share. HSBC Investment Bank Asia Limited, on behalf of the Underwriters, may, with the consent of the Company, reduce the indicative Offer Price range stated in the Prospectus at any time prior to the morning of the last day for lodging applications Under the Public Offer. In such a case, the Company will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the day which is the latest day for lodging applications under the Public Offer, cause to be published on the GEM website and in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) notice of the reduction of the Offer Price range. Applicants should note

that in no circumstances can applications be withdrawn once submitted. If, for any reason, the Offer Price is not agreed on or before 27th June, 2000 between the Company and HSBC Investment Bank Asia Limited, on behalf of the Underwriters, the Share Offer will not proceed. It is expected that the Offer Price (defined in the Prospectus), indication of level of interests in the Placing, and the result of applications and basis of allotment under the Public Offer will be published on Wednesday, 28th June, 2000 on the GEM website, the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

If you have applied for the Public Offer Shares on a YELLOW application form and your application is wholly or partially successful, your share certificate(s) will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to your investor participant stock account or your designated CCASS participant's stock account as instructed by you at the close of business on Wednesday, 28th June, 2000 or, under any contingent situation, on any other date Hongkong Clearing or HKSCC Nominees Limited chooses. If you are applying through a designated CCASS participant, you should check the number of Public Offer Shares allotted to you with your designated CCASS participant. If you are applying as an investor participant, you should check against the announcement of the results of investor participant's applications together with results of the Public Offer to be published by the Company on the GEM website and in the newspapers on Wednesday, 28th June, 2000 and report any discrepancies to Hongkong Clearing before 5:00 p.m. on Wednesday, 28th June, 2000 or any other date Hongkong Clearing or HKSCC Nominees Limited chooses. On Thursday, 29th June, 2000 you can check your new account balance via the CCASS Phone System (under the procedures contained in Hongkong Clearing's "An Operating Guide for Investor Participants" in effect from time to time). For investor participants, Hongkong Clearing will also mail to you an Activity Statement showing the number of Public Offer Shares credited to your investor participant stock account. Share certificate(s) for successful applications made by giving electronic application instructions to Hongkong Clearing will be deposited directly into CCASS, for credit to your investor

participant stock account or your designated CCASS participant's stock account (as instructed by you) at the close of business on Wednesday, 28th June, 2000 (or in the event of a contingency, on any other date as shall be determined by Hongkong Clearing or HKSCC Nominees Limited). If you have applied for Public Offer Shares **electronically**, all refunds (if any) will be credited to your designated bank account or the designated bank account of your broker on Wednesday, 28th June, 2000.

Hong Kong, 20th June, 2000

** For identification only*

This announcement and a copy of the Prospectus will also be published on the GEM website.