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## **KANHANA TECHNOLOGIES GROUP LIMITED**

**看漢科技集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8175)

### **RESULTS OF THE OPEN OFFER**

**Financial adviser to the Company**



**INCUB Corporate Finance Limited**

The Board is pleased to announce that the Open Offer has become unconditional at 4:00 p.m. on Friday, 14 December 2007.

As at 4:00 p.m. on Tuesday, 11 December 2007, being the latest time for acceptance of and payment for the Offer Shares and application for excess Offer Shares, a total of 340 acceptances of Offer Shares have been received, all of which are valid applications, for a total of 434,851,741 Offer Shares, representing approximately 98.06% of the total number of the Offer Shares available for subscription under the Open Offer, and a total of 447 applications for excess Offer Shares have been received, all of which are valid applications, for a total of 1,526,319,383 Offer Shares, representing approximately 177.34 times of the 8,606,619 Offer Shares available for excess Offer Shares application. Accordingly, a total of 787 valid applications of 1,961,171,124 Offer Shares have been received. In aggregate, they represent approximately 4.42 times of the total number of 443,458,360 Offer Shares offered under the Open Offer.

It is expected that the share certificates for the Offer Shares in respect of the valid acceptances of the Offer Shares on the Application Forms and successful applications for excess Offer Shares, in their fully-paid form, will be despatched to the addresses (as shown on the register of members of the Company) by ordinary post on or before Tuesday, 18 December 2007 at the relevant Shareholders' own risks. Refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares are expected to be sent by ordinary post to the respective unsuccessful applicants on or before Tuesday, 18 December 2007 at their own risks.

Dealings in the Offer Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:30 a.m. on Thursday, 20 December 2007.

Reference is made to the prospectus of the Company dated 26 November 2007 (the "Prospectus"). Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the Prospectus.

## **RESULTS OF THE OPEN OFFER**

The Board is pleased to announce that all of the conditions set out in the Underwriting Agreement have been fulfilled and the Underwriting Agreement has not been terminated in accordance with its terms. The Open Offer has become unconditional at 4:00 p.m. on Friday, 14 December 2007.

As at 4:00 p.m. on Tuesday, 11 December 2007, being the latest time for acceptance of and payment for the Offer Shares and application for excess Offer Shares, a total of 340 acceptances of Offer Shares have been received, all of which are valid applications, for a total of 434,851,741 Offer Shares, representing approximately 98.06% of the total number of the Offer Shares available for subscription under the Open Offer, and a total of 447 applications for excess Offer Shares have been received, all of which are valid applications, for a total of 1,526,319,383 Offer Shares, representing approximately 177.34 times of the 8,606,619 Offer Shares available for excess Offer Shares application. Accordingly, a total of 787 valid applications of 1,961,171,124 Offer Shares have been received. In aggregate, they represent approximately 4.42 times of the total number of 443,458,360 Offer Shares offered under the Open Offer.

As a result of the over-subscription of the Offer Shares, the Underwriters' obligations in respect of the subscription or procurement of the subscription of the Offer Shares not taken up and other related obligations arising thereto under the Underwriting Agreement have been discharged.

## Excess application

Regarding the 1,526,319,383 Offer Shares being applied for by way of excess application, the Board has resolved to allot 8,606,619 Offer Shares available for excess application to each of the Qualifying Shareholders who have submitted valid Excess Application Form on the following basis:

Range of Applied Shares	No. of Applications	Total number of excess Offer Shares applied for	Total number of excess Offer Shares allotted	Allotment Basis
1-9,999	158	1,459,750	1,459,750	Odd lot in full
10,000 -799,999	220	24,361,306	2,161,306	Odd lot in full plus approximately 1.25% on remaining excess Offer Shares applied (rounded down to the nearest board lot)
800,000-999,999	7	6,879,877	139,877	Odd lot in full plus approximately 1.2% on remaining excess Offer Shares applied (rounded down to the nearest board lot)
1,000,000-1,199,999	11	11,159,918	169,918	Odd lot in full plus approximately 1% on remaining excess Offer Shares applied (rounded down to the nearest board lot)
1,200,000-2,899,999	11	20,084,331	194,331	Odd lot in full plus approximately 0.8% on remaining excess Offer Shares applied (rounded down to the nearest board lot)
2,900,000-3,499,999	7	21,173,495	133,495	Odd lot in full plus approximately 0.35% on remaining excess Offer Shares applied (rounded down to the nearest board lot)
3,500,000-739,999,999	32	700,293,706	2,133,706	Odd lot in full plus approximately 0.2984% on remaining excess Offer Shares applied (rounded down to the nearest board lot)
Above 740,000,000	1	740,907,000	2,214,236	approximately 0.2979%
	<u>447</u>	<u>1,526,319,383</u>	<u>8,606,619</u>	

The Directors has allocated the excess Offer Shares at their discretion on a fair and equitable basis based on the principles announced in the announcement dated 2 November 2007. There is no excess application made with intention to abuse the mechanism relating to the rounding up odd-lot to whole board lot arrangement.

### Changes in shareholding structure of the Company

To the best knowledge of the Board, the following is a table showing the changes in shareholding structure of the Company immediately prior to and after completion of the Open Offer:

	Immediately before completion of the Open Offer		Immediately following completion of the Open Offer	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Manciple ( <i>Note 1</i> )	179,005,492	20.18%	268,728,238	20.20%
Mr. Yang ( <i>Note 3</i> )	142,750,000	16.10%	214,125,000	16.10%
Glory Force ( <i>Note 2</i> )	32,800,000	3.70%	49,200,000	3.70%
Mr. Yip ( <i>Note 2</i> )	1,970,000	0.22%	2,955,000	0.22%
Ms. Lei I Si ( <i>Note 2</i> )	100,000	0.01%	150,000	0.01%
<i>Sub-total</i>	<i>34,870,000</i>	<i>3.93%</i>	<i>52,305,000</i>	<i>3.93%</i>
Other Directors: ( <i>Note 3</i> )				
Mr. Pang	7,000,000	0.79%	10,500,000	0.79%
Mr. Ma	5,800,000	0.65%	8,700,000	0.65%
Mr. Mo	20,057,280	2.26%	30,085,920	2.26%
Ms. Au	15,000,000	1.69%	22,500,000	1.69%
<i>Sub-total</i>	<i>47,857,280</i>	<i>5.39%</i>	<i>71,785,920</i>	<i>5.39%</i>
<b>Public Shareholders</b>	<u>482,433,948</u>	<u>54.40%</u>	<u>723,430,922</u>	<u>54.38%</u>
Total	<u>886,916,720</u>	<u>100.00%</u>	<u>1,330,375,080</u>	<u>100.00%</u>

Notes:

- 1 Manciple Enterprise Ltd., a company incorporated in the British Virgin Islands and is wholly and beneficially owned by Mr. Lau.
- 2 Glory Force Limited, a company incorporated in the British Virgin Islands and is wholly and beneficially owned by Mr. Yip. Ms. Lei is the spouse of Mr. Yip.
- 3 Mr. Yang, Mr. Pang, Mr. Mo and Ms. Au are executive Directors. Mr. Ma is a non-executive Director.

## **Despatch of certificates for Offer Shares and refund cheques and commencement of dealings in Offer Shares in fully-paid form**

It is expected that the share certificates for the Offer Shares in respect of the valid acceptances of the Offer Shares on the Application Forms and successful applications for excess Offer Shares, in their fully-paid form, will be despatched to the addresses (as shown on the register of members of the Company) by ordinary post on or before Tuesday, 18 December 2007 at the relevant Shareholders' own risks. Refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares are expected to be sent by ordinary post to the respective unsuccessful applicants on or before Tuesday, 18 December 2007 at their own risks.

Dealings in the Offer Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:30 a.m. on Thursday, 20 December 2007.

## **NO ADJUSTMENT IN RELATION TO THE WARRANTS**

As at the date of this announcement, all the Warrants have been exercised and therefore there is no outstanding Warrants.

By Order of the Board  
**KanHan Technologies Group Limited**  
**Pang Hong Tao**  
*Executive Director*

Hong Kong, 17 December 2007

*As at the date of this announcement, the executive Directors are Mr. Pang Hong Tao, Peter, Mr. Yang Pei Gen, Mr. Mo Wai Ming, Lawrence and Ms. Au Shui Ming, Anna. The non-executive Director is Mr. Ma She Shing, Albert. The independent non-executive Directors are Mr. Hsu William Shiu Foo, Mr. Lee Kun Hung and Mr. Kwok Chi Sun, Vincent.*

*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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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 remain on GEM website on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the website of the Company at [www.kanhan.com](http://www.kanhan.com).*

\* *For identification purpose only*