

Not for publication, distribution or release in the United States of America (including its territories and possessions, any state of the United States and the District of Columbia), Australia, Canada or Japan.

Unless the context requires otherwise, the use of capitalised terms here shall have the same meanings as defined in the prospectus (the "Prospectus") of GST Holdings Limited (the "Company") dated 20 June, 2005.

This announcement is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

In connection with the Global Offering, Morgan Stanley Dean Witter Asia Limited ("Morgan Stanley"), as stabilising manager, or any person acting for it, on behalf of the Underwriters, may over-allot or effect any other transactions with a view to stabilising or maintaining the market price of the Shares at a level higher than that which might otherwise prevail in the open market for a limited period after the last day for the lodging of applications in the Hong Kong Public Offering. This stabilising activity may include exercising the Over-allotment Option, stock borrowing, making market purchases of Shares in the secondary market or selling Shares to liquidate a position held as a result of those purchases. Any such market purchases will be effected in compliance with all applicable laws and regulatory requirements. However, there is no obligation on Morgan Stanley or any person acting for it to do this. Such stabilization, if commenced, will be conducted at the absolute discretion of Morgan Stanley or any person acting for it and may be discontinued at any time, and must be brought to an end within 30 days of the last day for the lodging of applications in the Hong Kong Public Offering. The details of the intended stabilization and how it will be regulated under the Securities and Futures Ordinance are contained in the Prospectus. It is expected that the number of Shares being offered in the Global Offering may be increased by up to an aggregate of 30,000,000 Shares through the exercise of the Over-allotment Option granted to the International Underwriters by the Company exercisable by the Global Co-ordinator on behalf of the International Underwriters to cover over-allocations (if any) in the International Offering, which option is exercisable at any time from the day on which trading of the Shares commences on the Stock Exchange until 30 days after the last day for lodging applications under the Hong Kong Public Offering.

The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Securities Clearing Company Limited ("HKSCC") take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



海灣控股有限公司
GST HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	: 200,000,000 Shares (subject to adjustment and the Over-allotment Option)
Number of Hong Kong Offer Shares	: 20,000,000 Shares (subject to adjustment)
Number of International Offering Shares	: 180,000,000 Shares (subject to reallocation and the Over-allotment Option)
Maximum Offer Price	: HK\$2.06 per Offer Share (payable in full on application in Hong Kong dollars, subject to refund on final pricing), plus brokerage of 1%, a SFC transaction levy of 0.005%, an investor compensation levy of 0.002% and a Stock Exchange trading fee of 0.005%
Par value	: HK\$0.10 per Share
Stock code	: 416

Global Co-ordinator, Bookrunner and Sponsor

Morgan Stanley Dean Witter Asia Limited

Joint Lead Managers

Morgan Stanley Dean Witter Asia Limited

DBS Asia Capital Limited

An application has been made by the Company to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in the Prospectus and the Application Forms relating thereto including any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the Share Option Scheme. Dealings in the Shares on the Stock Exchange are expected to commence at 9:30 a.m. on Thursday, 30 June, 2005. Subject to the granting of the listing of, and permission to deal in, the Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC 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 the Stock Exchange or any other date as determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

The Global Offering comprises the Hong Kong Public Offering of initially 20,000,000 Offer Shares in Hong Kong and the International Offering of initially 180,000,000 Offer Shares (a) in the United States, to QIBs in reliance on Rule 144A under the U.S. Securities Act; and (b) outside the United States, in reliance on Regulation S under the U.S. Securities Act. For allocation purposes only, the number of the Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering will be divided equally into two pools: pool A and pool B. The Hong Kong Offer Shares in pool A will be allocated on an equitable basis only to applicants who have validly applied for the Hong Kong Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, the SFC transaction levy, the Stock Exchange trading fee and the investor compensation levy payable thereon) or less. The Hong Kong Offer Shares in pool B will be allocated on an equitable basis only to applicants who have validly applied for the Hong Kong Offer Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, the SFC transaction levy, the Stock Exchange trading fee and the investor compensation levy payable thereon) and up to the total value of pool B. Applicants should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Hong Kong Offer Shares in one (but not both) of the pools is undersubscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in the pool and be allocated accordingly. Applicants can only receive an allocation of the Hong Kong Offer Shares from either pool A or pool B but not from both pools. Multiple or suspected multiple applications and any application for more than 50% of the Hong Kong Offer Shares initially included in the Hong Kong Public Offering (that is, 10,000,000 Hong Kong Offer Shares) will be rejected and only one application on a **WHITE** or **YELLOW** Application Form or by way of giving **electronic application instructions** to HKSCC may be made for the benefit of any person. In addition, applicants are required to undertake and confirm that they or the relevant beneficial owner(s) have not indicated and will not indicate an interest for, and have not received or been placed or allotted (including conditionally and/or provisionally) with, any International Offering Shares under the International Offering. Applications where cheques or banker’s cashier orders are dishonoured upon first presentation will be rejected.

In connection with the Global Offering, the Company are expected to grant an Over-allotment Option to Morgan Stanley. Pursuant to the Over-allotment Option, Morgan Stanley has the right (but not an obligation), exercisable at any time from the day of the International Underwriting Agreement until the 30th day after the last day for lodging applications under the Hong Kong Public Offering to require the Company to issue and allot up to an aggregate of 30,000,000 additional Shares, representing 15% of the total number of Shares initially available under the Global Offering. In the event that the Over-allotment Option is exercised, a press announcement will be made.

In connection with the Global Offering, the Global Coordinator, having been or would have been appointed as the stabilising manager, or any person acting for it, on behalf of Morgan Stanley, may over-allot or effect transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the commencement of trading in the Shares on the Stock Exchange. However, there is no obligation on the Global Coordinator or any person acting for it to do this. This stabilising activity may include exercising the Over-allotment Option, stock borrowing, making purchases of Shares in the secondary market or selling Shares to liquidate a position held as a result of those purchases. Any such purchase will be made in compliance with all applicable laws, rules and regulatory requirements. Such stabilising action, if commenced, will be conducted at the sole and absolute discretion of the Global Coordinator or any person acting for it and may be discontinued at any time, and must be brought to an end within 30 days of the last day for lodging applications under the Hong Kong

Public Offering. Details of such stabilising action and how it is regulated under the SFO are set out in the section headed “Stabilising Action — Over-allotment and Stabilization — Structure of the Global Offering” of the Prospectus.

The Offer Price is expected to be determined by agreement between the Company and the Global Co-ordinator (on behalf of the Underwriters) on or around Friday, 24 June, 2005, but in any event, no later than Sunday, 26 June, 2005 (Hong Kong time). Investors applying for Shares under the Hong Kong Public Offering must pay, on application, the maximum offer price of HK\$2.06 for each Share together with brokerage of 1%, SFC transaction levy of 0.005%, investor compensation levy of 0.002% and Stock Exchange trading fee of 0.005% on each Share. The Global Co-ordinator (on behalf of the Underwriters) may, with the consent of the Company, reduce the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range stated in the Prospectus (which is HK\$1.69 to HK\$2.06 per Share) at any time prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, a notice of the reduction of the number of Hong Kong Shares and/or the indicative Offer Price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. If applications for Hong Kong Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Hong Kong Public Offering, then even if the number of Offer Shares and/or the Offer Price is so reduced, such applications cannot subsequently be withdrawn. If, for any reason, the Offer Price is not agreed between the Company and the Global Co-ordinator (on behalf of the Underwriters) on or before Sunday, 26 June, 2005, the Global Offering will not become unconditional and will lapse.

The Global Offering is conditional upon fulfillment of the conditions as stated under “Conditions” in the section headed “Structure of the Global Offering” in the Prospectus. If the conditions are not fulfilled or waived on or before the dates and times specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times) and in any event not later than the date which is 30 days after the date of the Prospectus, the Hong Kong Public Offering will lapse and all application money received from applicants under the Hong Kong Public Offering will be refunded, WITHOUT INTEREST, on the terms set out under the heading “Refund of your application money” on the Application Forms.

Applicants who would like to be allotted the Hong Kong Offer Shares in their own names should complete and sign the **WHITE** Application Forms. Applicants who would like to have the allotted Hong Kong Offer Shares issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for the credit of their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants should (i) complete and sign the **YELLOW** Application Forms, copies of which, together with copies of the Prospectus, may be obtained during normal business hours from 9:00 a.m. on Monday, 20 June, 2005 until 12:00 noon on Thursday, 23 June, 2005 at the depository counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong or the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128–140 Queen’s Road Central, Hong Kong; or (ii) give **electronic application instructions** to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Forms, may be obtained during normal business hours in the same period from:

1. **Morgan Stanley Dean Witter Asia Limited**, 30th Floor, Three Exchange Square, Central, Hong Kong;
2. **DBS Asia Capital Limited**, 22nd Floor, The Center, 99 Queen’s Road Central, Hong Kong;
3. **ICEA Capital Limited**, 42nd Floor, Jardine House, 1 Connaught Place, Central, Hong Kong;
4. **Celestial Capital Limited**, 21st Floor, Low Block, Grand Millennium Plaza, 181 Queen’s Road Central, Hong Kong;

5. **First Shanghai Securities Limited**, 19th Floor, Wing On House, 71 Des Voeux Road Central, Central, Hong Kong;
6. **Prudential Brokerage Limited**, 9th Floor, World-Wide House, 19 Des Voeux Road, Hong Kong;
7. **Sun Hung Kai International Limited**, Level 12, One Pacific Place, 88 Queensway, Hong Kong; and
8. **Tai Fook Securities Company Limited**, 25th Floor, New World Tower, 16–18 Queen’s Road Central, Hong Kong.

or any of the following branches of **Bank of China (Hong Kong) Limited**:

Hong Kong Island:	Bank of China Tower Branch	3/F, 1 Garden Road
	Central District (Wing On House) Branch	71 Des Voeux Road Central
	Wan Chai (China Overseas Building) Branch	139 Hennessy Road, Wan Chai
	North Point Branch	Roca Centre, 464 King’s Road, North Point
	Causeway Bay Branch	18 Percival Street, Causeway Bay
	Sheung Wan Branch	252 Des Voeux Road Central
Kowloon:	Kwun Tong Branch	20–24 Yue Man Square, Kwun Tong
	Whampoa Garden Branch	Shop G8B, Site 1, Whampoa Garden, Hung Hom
	Canton Road Branch	60 Canton Road, Tsim Sha Tsui
	Shanghai Street (Mong Kok) Branch	611–617 Shanghai Street, Mong Kok
New Territories:	Ha Kwai Chung Branch	192–194 Hing Fong Road, Kwai Chung
	Lek Yuen Branch	No. 1, Fook Hoi House, Lek Yuen Estate, Shatin

Completed **WHITE** and **YELLOW** Application Forms (to which cheques or banker’s cashier orders should be securely stapled) should be deposited in the special collection boxes provided at any of the branches of Bank of China (Hong Kong) Limited referred to above at the following times on the following dates:

Monday, 20 June, 2005 — 9:00 a.m. to 5:00 p.m.
Tuesday, 21 June, 2005 — 9:00 a.m. to 5:00 p.m.
Wednesday, 22 June, 2005 — 9:00 a.m. to 5:00 p.m.
Thursday, 23 June, 2005 — 9:00 a.m. to 12:00 noon

Applications by giving electronic application instructions to HKSCC

Investors can apply for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC as follows:

1. CCASS Investor Participants can give **electronic application instructions** to HKSCC through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System (<https://ip.ccass.com>) (using the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). HKSCC can also input **electronic application instructions** for CCASS Investor Participants on their behalf if they go to the Customer Service Centre of HKSCC at Upper Ground Floor, V-Heun Building, 128–140 Queen’s Road Central, Hong Kong and complete an input request form. Prospectuses are also available for collection at the Customer Service Centre of HKSCC; and

2. those who are not CCASS Investor Participants can instruct their brokers or custodians who are CCASS Broker Participants or CCASS Custodian Participants to give **electronic application instructions** to HKSCC via CCASS terminals to apply for Hong Kong Offer Shares on their behalf.

CCASS Broker Participants and CCASS Custodian Participants can input **electronic application instructions** at the following times on the following dates:

Monday, 20 June, 2005 — 9:00 a.m. to 8:30 p.m.⁽¹⁾
Tuesday, 21 June, 2005 — 9:00 a.m. to 8:30 p.m.⁽¹⁾
Wednesday, 22 June, 2005 — 9:00 a.m. to 8:30 p.m.⁽¹⁾
Thursday, 23 June, 2005 — 9:00 a.m.⁽¹⁾ to 12:00 noon

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Monday, 20 June, 2005 until 12:00 noon on Thursday, 23 June, 2005 (24 hours daily, except the last application date).

Subject to the terms and conditions set out in the Prospectus and the Application Forms, completed **WHITE** and **YELLOW** Application Forms or **electronic application instructions** to HKSCC must be received by no later than 12:00 noon on Thursday, 23 June, 2005 (or such later date as may apply in the case of a tropical cyclone warning signal No. 8 or above or a “black” rainstorm warning being in force in Hong Kong as described under “Effect of bad weather on the opening of the application lists” in the section headed “How to Apply for the Hong Kong Offer Shares” in the Prospectus). Announcement of the offer price, indication of the level of interest in the International Offering and the application results and basis of allocation of the Hong Kong Offer Shares (with successful applicants’ identification document numbers) will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on Wednesday, 29 June, 2005.

If you are applying for 1,000,000 Hong Kong Offer Shares or more on a **WHITE** or **YELLOW** Application Form and have indicated your intention on your Application Form to collect your refund cheque(s) (where applicable) and/or (for applicants using **WHITE** Application Forms) share certificate(s) (where applicable) from the Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, and have provided all information required by your Application Form, you may collect the same from Shops 1712–16, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, 29 June, 2005 or any other date notified by the Company in the newspapers as the date of despatch of the same. If you do not collect your refund cheque(s) and share certificate(s), they will be despatched promptly to you by ordinary post to the address as specified in your Application Form at your own risk.

If you apply for Hong Kong Offer Shares using a **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC and your application is wholly or partially successful, your share certificates will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to your CCASS Investor Participant stock account or the stock account of any designated CCASS Participant as instructed by you in your Application Form or **electronic application instructions** at the close of business on Wednesday, 29 June, 2005, or under contingent situation, on any other date as shall be determined by HKSCC or HKSCC Nominees Limited. If you are applying through a designated CCASS Participant (other than a CCASS Investor Participant), you can check the number of Hong Kong Offer Shares allocated to you (and the amount of refund money payable to you if you have instructed a CCASS Broker/Custodian Participant to give **electronic application instructions** on your behalf) with that CCASS Participant. If you are applying as a CCASS Investor Participant, you should check the announcement published by the Company on Wednesday, 29 June, 2005 (for CCASS Investor Participant applying by giving **electronic application instructions** to HKSCC, they can also check the application result via the CCASS Phone System and CCASS Internet System) and report any discrepancies to HKSCC before 5:00 p.m. on Wednesday, 29 June, 2005 or such other date as shall be determined by HKSCC or HKSCC Nominees Limited, Immediately after the credit of the Hong Kong Offer Shares to your account, you can

check your new account balance via the CCASS Phone System and CCASS Internet System (under the procedures contained in “An Operating Guide for Investor Participants” as published by HKSCC in effect from time to time). HKSCC will also make available to you an activity statement showing the number of Hong Kong Offer Shares credited to your CCASS Investor Participant stock account and (if you are applying by giving **electronic application instructions** to HKSCC) the amount of refund money credited to your designated bank account.

If your application is wholly or partially unsuccessful, the Company will refund (in whole or in part, as applicable) your application money, including relevant brokerage fee, the SFC transaction levy, the Stock Exchange trading fee and the investor compensation levy to you **WITHOUT INTEREST**. For applicants using **WHITE** or **YELLOW** Application Forms, all refunds will be made by a cheque crossed “Account Payee Only”, and made out to you or, if you are joint applicants, to the first-named applicant on your Application Form on the terms set out under “Refund of your application money” on the Application Form. The refund cheque will be sent to the address on your Application Form or if you are joint applicants, to the address of the first-named applicant on your Applicant Form by ordinary post and at your own risk on Wednesday, 29 June, 2005. If you have given **electronic application instructions** to HKSCC via CCASS, your refunds (if any) will be credited to your designated bank account or the designated bank account of the designated CCASS Participant through which you are applying on Wednesday, 29 June, 2005.

The Company will not issue any temporary documents of title. No receipt will be issued for any application monies paid. Share certificates will only become valid certificates of title at 8:00 a.m. on Thursday, 30 June, 2005 provided that the Hong Kong Public Offering has become unconditional in all respects and the right of termination described in the section headed “Grounds for terminations — Hong Kong Public Offering — Underwriting Arrangements and Expenses — Underwriting” of the Prospectus has not been exercised.

The information contained herein does not constitute an offer of securities for sale in the United States. Securities may not be offered or sold in the United States unless they are registered under applicable law or exempt from registration. No public offering of securities will be made in the United States.

By Order of the Board
GST Holdings Limited
SONG Jiacheng
Chairman and Chief Executive Officer

Hong Kong, 20 June, 2005

As at the date of this announcement, the executive Directors are Mr Song Jiacheng, Mr Cao Yu, Mr Peng Kaichen and Mr Xu Shaowen, the non-executive Directors are Mr Zeng Jun and Mr Lee Kwan Hung, Eddie and the independent non-executive Directors are Mr Sun Lun, Mr Chang Tso Tung, Stephen and Mr Chan Chi On.

Please also refer to the published version of this announcement in the (South China Morning Post)