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PROACTIVE

Proactive Technology Holdings Limited

寶訊科技控股有限公司*

(incorporated in Bermuda with limited liability)

**PLACING OF SHARES
AND
LISTING ON THE GROWTH ENTERPRISE MARKET
OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

Number of Placing Shares:	46,400,000
Issue Price:	HK\$1.38 per Placing Share
Nominal Value:	HK\$0.10 each
Stock Code:	8089

Sponsor

PACIFIC CHALLENGE

Pacific Challenge Capital Limited

Financial advisers

KIM ENG
CAPITAL

Kim Eng Capital (Hong Kong) Limited

Joint lead managers

PACIFIC CHALLENGE

Pacific Challenge Capital Limited

KIM ENG
SECURITIES

Kim Eng Securities (Hong Kong) Limited

Co-lead manager



TIS Taiwan International Securities (HK) Limited

Summary

- The 46,400,000 Placing Shares placed to individual, professional and institutional investors and employees of the Group were slightly over-subscribed.
- Immediately following the Placing and the Capitalisation Issue, the Company will have a public float of 20 per cent.
- Dealings in shares on GEM are expected to commence at 10:00 a.m. on Thursday, 18th May, 2000.

Unless otherwise defined herein, the terms used in this announcement shall have the same meanings as those defined in the announcement of Proactive Technology Holdings Limited (the “Company”) dated 9th May, 2000 and the prospectus dated 10th May, 2000 (the “Prospectus”) issued by the Company.

Issue Price

The Issue Price has been fixed at HK\$1.38 per Placing Share.

Level of Interest

The 46,400,000 Placing Shares were slightly over-subscribed, and have been conditionally allocated in full to individual, professional and institutional investors and employees of the Group. The placees are independent third parties not connected with the Directors, chief executive, and management shareholders of the Company or any of their respective associates for the purpose of the GEM Listing Rules. 180,000 Placing Shares have been allocated to Kim Eng Holdings (Hong Kong) Limited, an associate of Kim Eng Securities (Hong Kong) Limited and Kim Eng Capital (Hong Kong) Limited.

As stated in the Prospectus, a maximum of 6,960,000 Placing Shares, representing 15 per cent. of the Placing Shares initially available under the Placing, will be placed with full time employees of the Group (other than the Directors, chief executive, and management shareholders of the Company or any of their respective associates) on a preferential basis as to allocation only. A total of 2,018,000 Placing Shares have been placed to a total number of 40 full time employees, representing approximately 4.3 per cent. of the Placing Shares. Each of the 40 employees has been allocated not less than 2,000 Placing Shares and not more than 300,000 Placing Shares. Save as disclosed above, no Placing Shares have been allocated to the persons who fall within note (1) of Rule 10.12(4) of the GEM Listing Rules.

Pursuant to the Placing, 46,400,000 Placing Shares will be held by a total of 113 placees as follows:

Number of placees	Number of Shares
21	2,000
12	4,000
36	6,000 to 10,000
10	12,000 to 50,000
6	52,000 to 100,000
14	102,000 to 500,000
2	502,000 to 1,000,000
8	1,002,000 to 2,000,000
3	2,002,000 to 3,500,000
1	20,735,232

There is a high concentration of Shares held by a small number of shareholders. A total of 20,735,232 Shares, representing approximately 8.9 per cent. of the issued share capital of the Company immediately after the Placing and the Capitalisation Issue, are held by one placee who is not connected with the Directors, chief executive, and management shareholders of the Company or any of their respective associates. In addition, a total of 38,136,000 Shares, representing approximately 82.2 per cent. of the Placing Shares, are held by the top ten placees who are not connected with the Directors, chief executive, and management shareholders of the Company or any of their respective associates.

Investors should be aware that the concentration of shareholders of the Company would affect the liquidity of the Shares. The shareholders of the Company and investors are advised to exercise extreme caution in dealing with the Shares.

Minimum prescribed public float

According to the GEM Listing Rules, the Company is required to maintain a public float of not less than 20 per cent. of its issued share capital. Immediately following the Placing and the Capitalisation Issue, the Company will have a public float of 20 per cent.

Deposit of share certificates into CCASS

The certificates for the Placing Shares are expected to be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to the respective CCASS participants' stock accounts designated by the placees on 16th May, 2000.

Commencement of dealings

Dealings in the Shares on GEM are expected to commence at 10:00 a.m. on Thursday, 18th May, 2000.

By order of the Board
Tsang Chi Hin
Director

Hong Kong, 15th May, 2000

This announcement, for which the directors of the Company 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 of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) 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 and a copy of the listing document referred to above is posted on the GEM website at www.hkgem.com.

* *For identification only*