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## **GOLDIGIT ATOM-TECH HOLDINGS LIMITED**

**金澤超分子科技控股有限公司\***

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

### **ANNOUNCEMENT**

**PROPOSED VOLUNTARY WITHDRAWAL OF LISTING ON  
THE GROWTH ENTERPRISE MARKET OF  
THE STOCK EXCHANGE OF HONG KONG LIMITED,  
WAIVER OF MINIMUM NOTICE PERIOD IN RESPECT  
OF THE PROPOSED WITHDRAWAL,  
PROPOSED TERMINATION OF THE SHARE OPTION SCHEME,  
PROPOSED ADOPTION OF THE PROPOSED SHARE OPTION SCHEME  
AND GENERAL MANDATES TO ISSUE SECURITIES  
AND REPURCHASE SHARES**

**Joint financial advisers to Goldigit Atom-tech Holdings Limited**



**China Everbright Capital Limited**



**MasterLink Securities (Hong Kong) Corporation Limited**

The Company is proposing to list the Shares on the Main Board by way of introduction. Immediately prior to the listing of the Shares on the Main Board, the listing of the Shares on GEM will be withdrawn. In connection with the Introduction, the Company proposes to terminate the Share Option Scheme and adopt the Proposed Share Option Scheme and to grant to the Directors the general mandates to issue securities and repurchase Shares. A circular containing, among other things, a notice of the Extraordinary General Meeting will be despatched to the Shareholders on 29th September, 2003. A listing document in connection with the Introduction will be despatched to the Shareholders for information purposes only on 29th September, 2003.

\* For identification purpose only

**Warning:**

**There is no assurance that permission will be obtained from the Stock Exchange for the Introduction. Shareholders and potential investors should be aware that the implementation of the Proposed Withdrawal and the Introduction are subject to the conditions set out below being fulfilled and thus may or may not become effective. Accordingly, the Proposed Withdrawal and the Introduction may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

On 8th April, 2003, the Directors announced that the Company had submitted an advance booking form to the Stock Exchange for the proposed listing of the Shares on the Main Board by way of introduction and informed the Stock Exchange of its intention to voluntarily withdraw the listing of the Shares on GEM subject to the conditions set out below.

In connection with the Proposed Withdrawal and the Introduction, the Board proposes to seek the approval of the Shareholders of the relevant resolutions relating to the Proposed Withdrawal, the proposed reduction of the notice period for the Proposed Withdrawal, the proposed termination of the Share Option Scheme, the proposed adoption of the Proposed Share Option Scheme and the general mandates to issue securities and repurchase Shares. A circular containing, among other things, a notice of the Extraordinary General Meeting will be despatched to the Shareholders on 29th September, 2003. A listing document in connection with the Introduction will be despatched to the Shareholders for information purposes only on 29th September, 2003.

**THE PROPOSED WITHDRAWAL AND THE INTRODUCTION**

On 8th April, 2003, the Directors announced that the Company had submitted an advance booking form to the Stock Exchange for the listing on the Main Board of, and permission to deal on the Main Board in, the Shares in issue and any Shares which may fall to be allotted and issued pursuant to the exercise of any options which may, prior to its termination, be granted under the Share Option Scheme, or which may be granted under the Proposed Share Option Scheme. Immediately prior to the listing of the Shares on the Main Board, the listing of the Shares on GEM will be withdrawn.

The Proposed Withdrawal and the Introduction will be conditional upon, amongst other things:

- (i) the Listing Committee granting approval for the listing on the Main Board of, and permission to deal on the Main Board in, the Shares in issue and any Shares which may fall to be allotted and issued pursuant to the exercise of any options which may, prior to its termination, be granted under the Share Option Scheme, or which may be granted under the Proposed Share Option Scheme;
- (ii) the passing of an ordinary resolution by the Shareholders at the Extraordinary General Meeting to approve the Proposed Withdrawal and the reduction of the notice period for the Proposed Withdrawal; and
- (iii) the publication of a notice of the Proposed Withdrawal after the approval of the Shareholders for the Proposed Withdrawal shall have been obtained at the Extraordinary General Meeting which notice period shall not be less than five clear Business Days before the Effective Date.

Under the GEM Listing Rules, an issuer that has an alternative listing on another stock exchange or securities market recognised for this purpose by the Stock Exchange may not voluntarily withdraw its listing on GEM unless:

- (i) prior approval of the shareholders of the issuer has been obtained by way of an ordinary resolution passed at a duly convened meeting of the shareholders of the issuer; and
- (ii) the issuer has given its shareholders at least three month's notice of the proposed withdrawal of listing.

In connection with the Proposed Withdrawal, the Company has applied to the GEM Listing Committee of the Stock Exchange for, and the GEM Listing Committee of the Stock Exchange on 15 September 2003 granted, a waiver for the minimum three month's notice required under the GEM Listing Rules, subject to the fulfillment of the following conditions:

- (i) the notice period for the Proposed Withdrawal shall be a minimum period of five clear Business Days after the approval of the Shareholders for the Proposed Withdrawal;
- (ii) the prior approval of the Shareholders for the reduction of the notice period for the Proposed Withdrawal to a minimum period of five clear Business Days shall have been obtained;
- (iii) in respect of the Shares, there is no change in the board lot size, share certificates, the share registrars and the trading currency in connection with the proposal to transfer its listing status; and
- (iv) there is no other fact that leads the Stock Exchange to believe that the reduced notice period is not feasible.

Accordingly, the Extraordinary General Meeting is convened to seek the approval of the Shareholders for, amongst other things, the Proposed Withdrawal, and the proposed reduction of notice period for the Proposed Withdrawal. After such approval has been obtained, a notice of the Proposed Withdrawal will be published.

The Directors consider that it is in the best interest of the Shareholders as a whole and the Company that such notice period be reduced so that the Proposed Withdrawal and the Introduction can be carried out as soon as practicable after obtaining relevant approvals from the Shareholders to minimise market uncertainties (if any).

### **Effects of the Proposed Withdrawal**

It is expected that dealings in the Shares on GEM will cease at 9:30 a.m. on the Effective Date and dealings in the Shares on the Main Board will commence at 9:30 a.m. on the Effective Date. The Company will make a further announcement after the Extraordinary General Meeting to publish the results of the Extraordinary General Meeting and the information relating to the Proposed Withdrawal and the trading arrangement of the Shares in respect of the Proposed Withdrawal and the Introduction.

The Proposed Withdrawal and the Introduction will not have any effect on the existing share certificates and such share certificates will continue to be evidence of the legal title of the Shares. In addition, the Proposed Withdrawal and the Introduction will not involve any exchange of the existing share certificates. No change is proposed to be made to the board lot size, trading currency of the Shares and the share registrars of the Company in connection with the Proposed Withdrawal and the Introduction. Shares will continue to be traded in board lot of 4,000 Shares each following the Introduction. If and when the Shares are listed on the Main Board, you may be required to sign a new client agreement with your stockbrokers.

The continuing obligations of listed issuers under the Listing Rules and the GEM Listing Rules are not the same. For example, the principal means of information dissemination by listed issuers on GEM is via the publication on the internet website operated by the Stock Exchange whereas the principal means of information dissemination for Main Board's listed issuers is through newspapers. In addition, companies listed on the Main Board are not required to publish quarterly results. However, it is the Directors' current intention to continue to issue quarterly results following the Introduction.

### **Reasons for the Proposed Withdrawal and the Introduction**

The Group is principally engaged in the sales and marketing of two kinds of paddy pesticides, namely Jin Ze Ling No. 1 (金澤靈 1號) and Dao Ying Wen Jing (稻癭蚊淨), both of which apply Propulsive Agent technology, in the PRC. These new paddy pesticides are more user friendly than traditional pesticides, as they eliminate the use of heavy and bulky spraying equipment and can be applied to water surface by direct droplets.

The Introduction will not affect the current business objectives and strategies of the Group. The Company will continue its present business operations and will continue to pursue its business objectives as stated in the prospectus of the Company dated 29th June, 2001.

Since the listing of the Shares on GEM on 9th July, 2001, the Company has improved its public profile. The Directors consider that listing of the Shares on the Main Board will further enhance its public profile and recognition from larger institutional investors, which will be beneficial and complementary to the future growth and development of the Group and also raise the image and recognition of the Group's products which would in turn be beneficial to the Group when it conducts its business and promotes its products.

## **Expected Timetable**

The expected timetable for the Proposed Withdrawal and the Introduction is set out below:

Despatch of circular, notice of the Extraordinary General Meeting and the related form of proxy to the Shareholders .....	Monday, 29th September, 2003
Despatch of the listing document in relation to the Introduction .....	Monday, 29th September, 2003
Latest time for lodgement of forms of proxy for the Extraordinary General Meeting .....	10:00 a.m. on Monday, 13th October, 2003
Extraordinary General Meeting .....	10:00 a.m. on Wednesday, 15th October, 2003
Notice of the Proposed Withdrawal and the announcement of results of the Extraordinary General Meeting to be published in The Standard (in English), in Hong Kong Economic Times (in Chinese) and on the GEM website .....	Thursday, 16th October, 2003
Last day of dealings in Shares on GEM .....	Friday, 24th October, 2003
Withdrawal of listing on GEM effective from .....	9:30 a.m. on Monday, 27th October, 2003
Dealings in Shares on the Main Board to commence from .....	9:30 a.m. on Monday, 27th October, 2003

## **FINANCIAL INFORMATION OF THE GROUP**

### **Indebtedness**

#### *Borrowings*

As at the close of business on 31st July, 2003, being the latest practicable date for the purpose of this indebtedness statement prior to publication of this announcement, the Group did not have any outstanding borrowing.

#### *Commitments and contingent liabilities*

As at 31st July, 2003, the Group had operating lease commitments of approximately HK\$0.3 million. As at the same date, the Group had contracted for approximately HK\$2.4 million in capital commitment for the purchase of property, plant and equipment which has not been provided for in the consolidated financial statements. The contracted party is independent and not related to the Group. As at 31st July, 2003, the Group had no contingent liabilities.

## *Disclaimer*

Apart from normal trade payables and the balance payable of approximately RMB0.8 million for acquisition of property, the Group did not have, at the close of business on 31st July, 2003 any outstanding loan capital, bank overdrafts and liabilities under acceptances or other similar indebtedness, debentures, mortgages, charges or loans or acceptable credits or hire purchase commitments, guarantees or other material contingent liabilities.

The Directors confirm that there have not been any material changes in the indebtedness and contingent liability of the Group since 31st July, 2003.

## **Liquidity, financial resources and capital structure**

### *Net current assets*

As at 31st July, 2003, the Group's total current assets were approximately HK\$179.50 million, comprising inventories of approximately HK\$2.2 million, trade receivables of approximately HK\$6.1 million, other receivables of approximately HK\$0.2 million, prepayments and deposits of approximately HK\$2.2 million and cash and bank balances of approximately HK\$168.8 million. As at 31st July, 2003 the Group's total current liabilities were approximately HK\$12.8 million, comprising trade and other payables of approximately HK\$7.2 million, accruals of approximately HK\$4.9 million, and tax payables of approximately HK\$0.7 million.

### *Financial resources*

The Group financed its operations by means of equity funding and funds generated from its business operations. As at 31st July, 2003, apart from normal trade payables and land premium payable for the acquisition of property, the Group did not have any other borrowings which would require cash outflow for settlement.

The Directors intend to finance the Group's future operations and capital expenditure principally through internally generated cashflows supplemented by bank financing, whichever the Directors may consider appropriate in the circumstances.

### *Working capital*

As at 31st July, 2003, the Group had working capital of HK\$166.7 million. Taking into account the Group's net operating cash inflows, the Directors are of the opinion that the Group has sufficient working capital for its present requirements.

## Adjusted net tangible assets

The following pro forma statement of adjusted net tangible assets of the Group is based on the audited consolidated net assets of the Group as at 30th June, 2003 and adjusted as described below:

	<i>HK\$'000</i>
Audited consolidated net assets of the Group as at 30th June, 2003	243,959
Consolidated profit after taxation of the Group for the one month ended 31st July, 2003 based on its unaudited management accounts	3,700
<i>Less:</i> Intangible assets as at 30th June, 2003	(6,110)
Deferred tax assets as at 30th June, 2003	(206)
Adjusted net tangible assets ( <i>Note 1</i> )	<u>241,343</u>
Adjusted net tangible asset value per Share ( <i>Note 2</i> )	<u>HK\$0.142</u>

### *Notes:*

1. It is the Group's policy to account for its properties for production at cost. Pursuant to the revaluation of the Group's interest in properties (see appendix II to the listing document to be despatched by the Company in connection with the Introduction), revaluation surplus of approximately HK\$1,351,000 arises. Such revaluation surplus has not been incorporated in the above statement. Should the revaluation surplus be incorporated in the future accounts, the annual depreciation of the Group would increase by approximately HK\$75,000.
2. The adjusted net tangible asset value per Share is arrived at after the adjustments referred to in this section and on the basis of 1,699,860,000 Shares in issue but taking no account of any Shares which may be allotted and issued pursuant to the exercise of any options granted under the Share Option Scheme or the Proposed Share Option Scheme or upon the exercise by the Directors of the general mandates granted to them to allot and issue Shares, or repurchase Shares.

## Disclosure under Rules 17.15 to 17.21 of the GEM Listing Rules

The Directors confirm that as at the Latest Practicable Date, they were not aware of any circumstances which would give rise to a disclosure requirement under Rules 17.15 to 17.21 of the GEM Listing Rules.

## SHARE OPTION SCHEMES

The Company has adopted the Share Option Scheme since 22nd June, 2001. In connection with the Introduction and in order to comply with the provisions of the Listing Rules, the Company proposes to terminate the Share Option Scheme and, in substitution therefor, conditionally adopt the Proposed Share Option Scheme, which will enable the Directors to grant options to certain selected participants as incentives or rewards for their contribution to the Group. The rules of the Proposed Share Option Scheme will contain provisions which comply with the requirements of Chapter 17 of the Listing Rules.

Application has been made to the Listing Committee of the Stock Exchange for the listing on the Main Board of, and permission to deal on the Main Board in, the Shares which may fall to be allotted and issued pursuant to the exercise of any options which may, prior to its termination, be granted under the Share Option Scheme, or which may be granted under the Proposed Share Option Scheme.

If approved by the Shareholders at the Extraordinary General Meeting, the Share Option Scheme will be terminated and replaced by the Proposed Share Option Scheme once the Proposed Share Option Scheme becomes unconditional.

Since the period in which the Shares are traded on GEM, which commenced in July 2001, is not long enough to derive any meaningful financial estimates upon which the value of options would be determined, the Directors consider that currently it is not feasible to state the value of all the options in the Proposed Share Option Scheme.

### **Conditions of the Proposed Share Option Scheme**

The Proposed Share Option Scheme to be considered and, if though fit, to be approved by the Shareholders at the Extraordinary General Meeting will be conditional upon:

- (i) the Listing Committee of the Stock Exchange granting approval for the listing on the Main Board of, and permission to deal on the Main Board in, the Shares in issue and any Shares which may fall to be allotted and issued pursuant to the exercise of any options which may, prior to its termination, be granted under the Share Option Scheme, or which may be granted under the Proposed Share Option Scheme, and
- (ii) commencement of dealings in the Shares on the Main Board.

The Directors confirm that the Company has not granted any options under the Share Option Scheme. The Directors further confirm that the Company has no present intention to grant any options under the Share Option Scheme prior to its proposed termination.

### **GENERAL MANDATES TO ISSUE SECURITIES AND REPURCHASE SHARES**

The Directors are of the view that the general mandates to issue securities and repurchase Shares granted to them at the annual general meeting of the Company held on 29th April, 2003 were catered for the situation that the Shares are listed on GEM. The Directors proposed to have new general mandates to issue securities and repurchase Shares to cater for the situation that the Shares are listed on GEM or the Main Board. The Directors confirm that they have not exercised the general mandates to issue securities and repurchase Shares after they have been granted to the Directors since 29th April, 2003, and that they have no present intention to exercise such general mandates prior to the proposed listing of the Shares on the Main Board.

Ordinary resolutions will be proposed at the Extraordinary General Meeting to grant new general mandates to the Directors to exercise the powers of the Company (i) to allot and issue securities of the Company up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution; and (ii) to repurchase shares of the Company up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution. Both general mandates will expire on the earliest of (i) the date of conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by law or the articles of association of the



Company; and (iii) the time at which the general mandate in question is revoked or varied by an ordinary resolution by the Shareholders in general meeting.

A separate resolution will also be proposed at the Extraordinary General Meeting to approve that the aggregate nominal amounts of any shares repurchased by the Company following the granting of the general mandate to repurchase Shares be added to the aggregate nominal amounts of Shares which may be issued under the general mandate to issue Shares.

## **EXTRAORDINARY GENERAL MEETING**

The Board recommends the Shareholders to vote in favour of the ordinary resolutions to be proposed at the Extraordinary General Meeting to approve, amongst other things, the Proposed Withdrawal, the proposed reduction of the notice period for the Proposed Withdrawal, the proposed termination of the Share Option Scheme, the proposed adoption of the Proposed Share Option Scheme, the general mandates to issue securities and repurchase Shares and the extension of general mandate to issue securities by the aggregate nominal amounts of Shares repurchased. As at the date of this announcement, Best Today Investments Limited, being the controlling shareholder of the Company (having the meaning ascribed to it under the GEM Listing Rules) holding approximately 68.80% of the existing issued share capital of the Company, has undertaken to the Company that it will vote in favour of all the ordinary resolutions to be proposed at the Extraordinary General Meeting.

## **DEFINITIONS**

In this announcement, the following expressions have the following meanings unless the context requires otherwise:

“Board”	the board of Directors
“Business Day(s)”	any day(s) on which the Stock Exchange is open for the business of dealings in securities
“Company”	Goldigit Atom-tech Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability on 9th February, 2001 under the Companies Law, whose Shares are listed on GEM on 9th July, 2001
“Dao Ying Wen Jing (稻癭蚊淨)”	the common brand name of one of the Group’s pesticides, 30% chlorpyrifos-buprofezin (30%毒嗪酮•展膜油劑)
“Director(s)”	the director(s) of the Company
“Effective Date”	the day on which the Proposed Withdrawal becomes effective, which is expected to be on or about Monday, 27th October, 2003
“Extraordinary General Meeting”	an extraordinary general meeting of the Company to be held on Wednesday, 15th October, 2003 at 10:00 a.m.

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange responsible for GEM
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Introduction”	the proposed listing of the Shares on the Main Board by way of introduction pursuant to the Listing Rules
“Jin Ze Ling No. 1 (金澤靈1號)”	Jin Ze Ling No. 1 (金澤靈1號), previously known as Sha Shi Ba (殺虱霸), the common brand name of one of the Group’s pesticides, 8% buprofezin (8%噻嗪酮•展膜油劑)
“Latest Practicable Date”	23rd September, 2003, being the latest practicable date for ascertaining certain information contained in this announcement prior to its publication
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange responsible for Main Board listing matters
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the stock market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) and which stock market continues to be operated by the Stock Exchange in parallel with GEM
“PRC”	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Share Option Scheme”	the share option scheme of the Company proposed to be adopted at the Extraordinary General Meeting
“Proposed Withdrawal”	the proposed voluntary withdrawal of listing of the Shares on GEM
“Propulsive Agent”	chemical solvent agent produced by the Group and applied to paddy pesticides which possess automatic diffusion and propulsion on water surface
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of HK\$0.05 each in the share capital of the Company

“Shareholder(s)”	registered holder(s) of Shares
“Share Option Scheme”	the share option scheme conditionally adopted by the Company on 22nd June, 2001
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$” or “cents”	Hong Kong dollars or cents, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Goldigit Atom-tech Holdings Limited**  
**LAO Seng Peng**  
*Chairman*

Hong Kong, 29th September, 2003

*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 the GEM website at “www.hkgem.com” on the “Latest Company Announcements” page for at least seven days from the day of its posting and on the website of the Company at “www.goldigit.com”.*