

Integration of Sing Tao Media into Global China

[4 July 2002 – HONG KONG] Global China Technology Group Limited (“Global China” or the “Group”; stock code: 1105) today announced its plan to integrate the media business (“Sing Tao Media”), currently a wholly-owned subsidiary of Sing Tao Holdings Limited (“Sing Tao Holdings”; stock code: 233), into the Group to further strengthen its core business of media and information services. As a result of the integration, Sing Tao Holdings will be engaged in property trading and investment, and will be renamed to distinguish the change. In addition, Global China has entered into a conditional agreement with an independent third party to dispose its entire shareholding in Sing Tao Holdings.

Sing Tao Media mainly consists of print media business of Sing Tao Holdings, which comprises two newspapers (Sing Tao Daily and The Standard), three magazines (East Touch, Teens, PC Market) and multimedia businesses.

Global China is principally engaged in four core businesses, namely, media and information services, broadband technology and services, human capital management as well as trading. Upon completion of the integration plan, Sing Tao Media will become one of the key platforms of Global China in its endeavor to become a leading multimedia content provider and aggregator serving the global Chinese communities. To reflect the business nature of the Group in future, the Group proposes to change the company’s name from “Global China Technology Group Limited” to “Global China Holdings Limited”.

Explaining the rationale behind the integration, Mr. Charles Ho Tsu Kwok, Chairman of the Group, said it was a major step forward to the Group in accomplishing its goal. “It is the most significant step of Global China since its acquisition of majority shareholding in Sing Tao Holdings in 2001. Over the past two years, a series of internal restructuring measures have been implemented by Global China and Sing Tao Holdings to proactively maximize resources sharing and improve operation efficiency. The proposed integration will further create synergies and provide us with a clear strategic focus.”

Currently, Global China holds 74.5% equity interests in Sing Tao Holdings. Under the integration plan, Sing Tao Holdings will distribute Sing Tao Media shares to its shareholders

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by way of a special interim dividend in the proportion of one Sing Tao Media share for each Sing Tao Holdings share held. In addition, Global China will make a possible voluntary conditional securities exchange offer to acquire all the issued shares of Sing Tao Media, other than those shares which may be held by Global China as a result of the dividend distribution by offering 1.75 new Global China shares for every Sing Tao Media share. If all Sing Tao Media shareholders accept the offer, Global China will own 100% of Sing Tao Media and its media businesses.

The Group has also entered into a Sales and Purchase Agreement with an independent third party to dispose its entire shareholdings of 312,624,443 shares in Sing Tao Holdings at a consideration of HK\$163,800,000.

Further to the above transactions, Global China entered into subscription agreements with independent third parties, to place 124,500,000 new shares at HK\$0.6388 per share, representing a 38.9% premium over the closing price of HK\$0.46 prior to its suspension in trading. From the above placements, proceeds of approximately HK\$79,500,000 million will be raised. In addition, Luckman Trading Limited, the majority shareholder of Global China will convert part of the preference shares held amounts to approximately HK\$20,000,000. The total proceed of about HK\$100 million will be used to finance the Group's future development.

Mr. Ho emphasized, "The proposed plan will benefit both shareholders of Global China and Sing Tao Holdings. The Group will take full advantage of the combined strengths to accelerate our development. The financial position of the Group will also be strengthened upon the disposal of Sing Tao Holdings and placement of new shares. The proceeds raised will enable the Group to be well-poised in developing its core businesses. On the other hand, shareholders of Sing Tao Holdings are able to realize their investment value through the offer of Global China shares which have a higher liquidity, and also enjoy the growth potential in all the businesses of Global China."

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About Global China Technology Group Ltd

Global China Technology Group (stock code: 1105) is principally engaged in information technology and Internet-related businesses. Core businesses include media & information service, human capital management, broadband technology and services as well as trading.

*Issued by OCCASIONS Corporate & Financial Communications Limited for and on behalf of **Global China Technology Group Limited**. For further information, please contact:*

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