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*This announcement is not an offer of securities for sale in the United States. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the US Securities Act, as amended. There is not and is not currently intended to be any public offering of the securities of Kasen International Holdings Limited (the “Company”) in the United States.*

*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.*

*In connection with the Global Offering, the Global Coordinator, on behalf of the Underwriters, may over-allocate or effect any other transactions with a view to stabilizing 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 under the Public Offer. Any market purchases of Shares will be effected in compliance with all applicable laws and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). However there is no obligation on the Global Coordinator to conduct any such stabilizing activity, which if commenced, will be done at the absolute discretion of the Global Coordinator and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end after a limited period.*

*Unless otherwise defined in this announcement, terms defined in the prospectus of the Company dated October 10, 2005 (the “Prospectus”) have the same meanings when used in this announcement.*



**KASEN INTERNATIONAL HOLDINGS LIMITED**

**卡森國際控股有限公司**

*(an exempted company incorporated in the Cayman Islands with limited liability)*

## GLOBAL OFFERING

<b>Number of Shares under the Global Offering</b>	<b>: 304,220,000 Shares comprising 202,809,074 New Shares and 101,410,926 Sale Shares (subject to adjustment and the Over-allotment Option)</b>
<b>Number of Public Offer Shares</b>	<b>: 30,422,000 Shares (subject to adjustment)</b>
<b>Number of International Placing Shares</b>	<b>: 273,798,000 Shares (subject to adjustment)</b>
<b>Issue Price</b>	<b>: Not more than HK\$3.15 per Offer Share payable in full on application in Hong Kong dollars, 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%, subject to refund</b>
<b>Nominal value</b>	<b>: US\$0.00015 each</b>
<b>Stock code</b>	<b>: 496</b>

*Global Coordinator, Bookrunner, Sponsor and Lead Manager*



Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the shares (“Shares”) of the Company in issue and to be issued as described in the Prospectus (including any additional Shares to be issued pursuant to the exercise of the Over-allotment Option) and any Shares to be issued pursuant to the exercise of options which may be granted under the Share Option Scheme. Dealings in the Shares are expected to commence on Thursday, October 20, 2005 (the “Listing Date”). Applications for the Public Offer Shares will only be considered on the basis of the Prospectus and the prescribed **WHITE** or **YELLOW** Application Forms in accordance with the relevant provisions of the Prospectus. It should be noted that multiple applications or suspected multiple applications or any application for more than 15,211,000 Public Offer Shares, being 50% of the Public Offer Shares, will be rejected. Only one application on a **WHITE** or **YELLOW** application form or by giving **electronic application instructions** to HKSCC may be made for the benefit of any person. 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 any Shares under the International Placing. 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 such other date as determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Global Offering comprises (i) the Public Offer of initially 30,422,000 Shares to the public in Hong Kong and (ii) the International Placing of initially 273,798,000 Shares with professional and institutional investors and other investors anticipated to have a sizeable demand for the International Placing Shares in Hong Kong and other jurisdictions outside the United States in offshore transactions in reliance on Regulation S under the US Securities Act (as amended from time to time) and in the United States with qualified institutional buyers in reliance on Rule 144A under the US Securities Act (as amended from time to time). Certain Selling Shareholders granted to the International Underwriters the Over-allotment Option, which is exercisable by the Global Coordinator, on behalf of the International Underwriters, up to 30 days after the last day for lodging applications under the Public Offer, to require these Selling Shareholders to sell an aggregate of up to 45,633,000 additional Shares to cover over-allocations in the International Placing (if any). In the event that the Over-allotment Option is exercised, the Company will issue a separate announcement.

The Global Offering is conditional on the conditions as stated in the paragraph headed “Conditions of the Public Offer” in the section headed “Structure and Conditions of the Global Offering” in the Prospectus. The Offer Price is expected to be fixed by agreement between the Global Coordinator, on behalf of the Underwriters, the Selling Shareholders and the Company on or around Saturday, October 15, 2005 and, in any event, not later than Sunday, October 16, 2005. The Global Coordinator, 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 below that stated in the Prospectus (which is HK\$2.55 to HK\$3.15 per Share) at any time on or prior to the morning of the last day for lodging applications under the Public Offer. In such a case, notices of the reduction in the number of Offer 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) as soon as practicable following the decision to make such reduction, and in any event, not later than the morning of the day which is the last day for lodging applications under the Public Offer. If applications pursuant to the Public Offer have been submitted prior to the day which is the last day for lodging applications under the Public Offer, then even if the Offer Price range is so reduced, such applications cannot be subsequently withdrawn. If, for any reason, the Offer Price is not agreed between the Company, the Selling Shareholders and the Global Coordinator, on behalf of the Underwriters, the Global Offering will not proceed and will lapse.

If the Global Offering does not become unconditional on or before the dates and times specified in the Prospectus, all application monies together with the related brokerage, Stock Exchange trading fee, investor compensation levy and SFC transaction levy received from applicants under the Public Offer will be refunded, without interest, on the terms set out under the section headed “How to Apply for Public Offer Shares” in the Prospectus and on the terms set out under the paragraph headed “Refund of your monies” on the Application Forms. Refund of monies will also be made in respect of wholly or partially successful applications in the event that the Offer Price is less than the initial price per Public Offer Share (excluding brokerage, SFC transaction levy, investor compensation levy and Stock Exchange trading fee thereon) actually paid and in respect of wholly or partially unsuccessful applications.

Applicants under **YELLOW** or **WHITE** application forms for 1,000,000 Public Offer Shares or more and who have elected on their Application Forms that they will collect (where relevant) their refund checks and/or (where relevant) share certificates personally and have provided all information required by the Application Forms may collect refund checks (where applicable) and/or share certificates (where applicable) personally from Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, October 19, 2005 or on any other date notified by the Company in the newspapers as at the date of despatch of share certificates/refund checks. Applicants being individuals who opt for personal collection must not authorise any other person to make collection on their behalf. You must show identification documents to collect your (where relevant) refund check(s) and/or (where relevant) share certificate(s). Applicants being corporations who opt for personal collection must attend by their authorised representatives each bearing a letter of authorisation from their corporation stamped with the corporation's chop. Both individuals and authorised representatives (if applicable) must produce at the time of collection evidence of identity acceptable to Computershare Hong Kong Investor Services Limited. Uncollected share certificates and/or refund checks will be despatched promptly thereafter by ordinary post at the applicants' own risk to the addresses specified in the relevant Application Forms.

In relation to applicants under **YELLOW** or **WHITE** application forms for less than 1,000,000 Public Offer Shares, or applicants under **YELLOW** or **WHITE** application forms for 1,000,000 or more Public Offer Shares who have not elected on their Application Forms that they will collect their (where relevant) refund check(s) and/or (where relevant) share certificate(s), their refund check(s) and/or share certificate(s) will be sent by ordinary post at the applicants' own risk to the addresses specified in the relevant Application Forms on Wednesday, October 19, 2005.

Share certificates for wholly or partially successful applications made on **YELLOW** application forms or by giving **electronic application instructions** to HKSCC will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to your CCASS Investor Participant stock account or your designated CCASS Participant's stock account (as instructed by you) at the close of business on Wednesday, October 19, 2005 (or in the event of a contingency, any other date as shall be determined by HKSCC or HKSCC Nominees Limited). You should check the number of Public Offer Shares allotted to you and (if you have instructed a CCASS Broker/Custodian Participant to give **electronic application instructions** on your behalf) the amount of refund money payable to you with your designated CCASS Participant, if you are applying through a designated CCASS Participant, or in the announcement to be published by the Company on Wednesday, October 19, 2005 or via the CCASS Phone System and the CCASS Internet System if you are applying as a CCASS Investor Participant and report any discrepancies to HKSCC before 5:00 p.m. on Wednesday, October 19, 2005 or such other date as shall be determined by HKSCC or HKSCC Nominees Ltd. For CCASS Investor Participants, HKSCC will also make available to you an activity statement showing the number of Public 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. Applicants who applied by giving **electronic application instructions** to HKSCC can also refer to the section headed “How to apply for Public Offer Shares — Applying by giving electronic application instructions to HKSCC” in the Prospectus for further details.

Share certificates will only become valid certificates of title provided that the Public Offer has become unconditional and neither of the Underwriting Agreements have been terminated in accordance with its terms, which is expected to be at around 8:00 a.m. on Thursday, October 20, 2005.

Applicants who would like to be allotted Public Offer Shares in their own names should complete the **WHITE** Application Forms in English (unless otherwise stated) and sign such form in writing. Applicants who would like to have the allotted Public Offer Shares issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participant should (i) complete the **YELLOW** Application Forms in English (unless otherwise stated) and sign such form in writing, copies of which, together with the Prospectus, may be obtained during normal business hours from 9:00 a.m. on Monday, October 10, 2005 until 12:00 noon on Friday, October 14, 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 business hours in the same period from:

1. **UBS AG, 52/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong; and**
2. **any of the following branches of Bank of China (Hong Kong) Limited:**

<b>Hong Kong Island</b>	<b>Bank of China Tower Branch</b>	3/F, 1 Garden Road
	<b>Central District (Wing On House) Branch</b>	71 Des Voeux Road Central
	<b>409 Hennessy Road Branch</b>	409-415 Hennessy Road, Wan Chai
	<b>Taikoo Shing Branch</b>	Shop G1006-7, Hoi Sing Mansion, Taikoo Shing
	<b>Aberdeen Branch</b>	25 Wu Pak Street, Aberdeen
	<b>North Point (Kiu Fai Mansion) Branch</b>	413-415 King’s Road, North Point

<b>Kowloon</b>	<b>Kwun Tong Branch</b>	20-24 Yue Man Square, Kwun Tong
	<b>Mong Kok (President Commercial Centre) Branch</b>	608 Nathan Road, Mong Kok
	<b>Diamond Hill Branch</b>	G107 Plaza Hollywood, Diamond Hill
	<b>Kowloon Plaza Branch</b>	Unit 1, Kowloon Plaza, 485 Castle Peak Road, Kowloon
	<b>Whampoa Garden Branch</b>	Shop G8B, Site 1, Whampoa Garden, Hung Hom
<b>New Territories</b>	<b>Humphrey's Avenue Branch</b>	4-4A Humphrey's Avenue, Tsim Sha Tsui
	<b>Castle Peak Road (Tsuen Wan) Wealth Management Centre</b>	167 Castle Peak Road, Tsuen Wan
	<b>Lucky Plaza Branch</b>	Lucky Plaza, Wang Pok Street, Shatin
	<b>Tuen Mun Town Plaza Branch</b>	Shop 2, Tuen Mun Town Plaza Phase II

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

**Monday, October 10, 2005 — 9:00 a.m. to 5:00 p.m.**  
**Wednesday, October 12, 2005 — 9:00 a.m. to 5:00 p.m.**  
**Thursday, October 13, 2005 — 9:00 a.m. to 5:00 p.m.**  
**Friday, October 14, 2005 — 9:00 a.m. to 12:00 noon**

#### **Application by giving electronic application instructions to HKSCC**

Investors can apply for Public 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 at <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 them if they go to HKSCC's Customer Service Centre at Upper Ground Floor, V-Heun Building, 128-140 Queen's Road Central, Hong Kong and complete an input request form. Prospectuses are available for collection from the above address.

- 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** via CCASS terminals to apply for Public Offer Shares on their behalf.

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

**Monday, October 10, 2005 — 9:00 a.m. to 8:30 p.m.<sup>(1)</sup>**  
**Wednesday, October 12, 2005 — 9:00 a.m. to 8:30 p.m.<sup>(1)</sup>**  
**Thursday, October 13, 2005 — 9:00 a.m. to 8:30 p.m.<sup>(1)</sup>**  
**Friday, October 14, 2005 — 9:00 a.m. to 12:00 noon**

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

CCASS Investor Participants can input electronic application instructions from 9:00 a.m. on Monday, October 10, 2005 until 12:00 noon on Friday, October 14, 2005 (24 hours daily, except the last application day).

Subject to the terms and conditions set out in the Prospectus and the Application Forms relating thereto, applications must be received no later than 12:00 noon on Friday, October 14, 2005 (or if the application lists are not open on that day, then by 12:00 noon on the next day the lists are open). Please see the section headed “How to apply for Public Offer Shares” in the Prospectus for further details.

**For allocation purposes only, the Public Offer Shares (after taking into account any adjustment in the number of Offer Shares allocated between the Public Offer and the International Placing) will be divided equally into two pools: Pool A and Pool B, both of which are available on an equitable basis to successful applicants. The Public Offer Shares in Pool A will be allocated on an equitable basis to applicants who have applied for Offer Shares with a total subscription amount of HK\$5 million or below (excluding the brokerage, SFC transaction levy, investor compensation levy and Hong Kong Stock Exchange trading fee payable). The Public Offer Shares in Pool B will be allocated on an equitable basis to applicants who have applied for Public Offer Shares with a total subscription amount of HK\$5 million or over (excluding the brokerage, SFC transaction levy, investor compensation levy and Hong Kong Stock Exchange trading fee payable). Applicants should be aware that applications in different pools may receive different allocation ratios. Where one but not both of the pools is undersubscribed, the surplus Offer Shares will be transferred to the other pool to satisfy demand in that pool and be allocated accordingly. Applicants can only receive an allocation of Public Offer Shares from either Pool A or Pool B but not from both pools.**

It is expected that the level of indication of interest in the International Placing, the Offer Price, the results of applications and basis of allotment of Public Offer Shares (with identification document numbers of successful applicants) under the Public Offer will be published on or before Wednesday, October 19, 2005 in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese).

As at the date of this announcement, the executive directors of the Company are ZHU Zhangjin, ZHOU Xiaosong and ZHU Jianqi, the non-executive director of the Company is SUN Qiang Chang and the independent non-executive directors are CHOW Joseph, LU Yungang and SHI Zhengfu.

By order of the Board  
**Kasen International Holdings Limited**  
**Zhu Zhangjin**  
*Chairman*

Hong Kong, October 10, 2005