

The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited 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.

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

Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus (the "Prospectus") dated 18th December, 2001 issued by Inworld Group Limited (the "Company").



Inworld Group Limited

活力世界控股有限公司*

(incorporated in the Cayman Islands with limited liability)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

NEW ISSUE AND OFFER FOR SALE BY WAY OF PLACING AND PUBLIC OFFER

Number of Offer Shares:	96,000,000 New Shares and 48,000,000 Sale Shares
Number of Placing Shares:	129,600,000 Offer Shares
Number of Public Offer Shares:	14,400,000 Offer Shares
Offer Price:	HK\$0.32 per Offer Share
Nominal Value:	HK\$0.01 each
Stock Code:	8100

Sponsor and Manager



SUN HUNG KAI INTERNATIONAL LIMITED

Financial adviser



International Capital Network Limited

Joint lead managers



KINGSTON SECURITIES LIMITED



LUEN FAT SECURITIES CO. LTD.



EVER-LONG SECURITIES CO. LTD.

Co-lead managers

Liu Chong Hing Bank Limited

International Capital Network Limited

Underwriters

**Sun Hung Kai International Limited
Emperor Securities Limited
Trustful Securities Limited
Taiwan Securities (Hong Kong)
Company Limited
First Securities (HK) Limited**

**AMS Corporate Finance Limited
Paul Securities Limited
Thing On Securities Limited
Peace Town Securities Limited

Golden Fountain Securities Limited
Ever-Long Asset Management Limited**

**Vermont Securities Company Limited
Ong Asia Securities (HK) Limited
Sino Grade Securities Limited
TradingGURU.com Securities Limited**

TIS Securities (HK) Limited

SUMMARY

- The Offer Price was determined on Friday, 21st December, 2001 amongst the Company (for itself and on behalf of the Vendors) and Sun Hung Kai (on behalf of the Underwriters) at HK\$0.32 per Offer Share.
- At the close of the application lists of the Public Offer at 12:00 noon on Friday, 21st December, 2001, a total of 338 valid applications were received under the Public Offer on WHITE and YELLOW application forms for a total of 731,864,000 Public Offer Shares, representing approximately 50.8 times the total number of the Public Offer Shares initially available for subscription and for sale under the Public Offer, being 14,400,000 Public Offer Shares.
- 129,600,000 Placing Shares initially available to professional, institutional and private investors in Hong Kong for subscription and for sale under the Placing were approximately 10.3 times subscribed and have been conditionally allocated in full. There was no reallocation of the Offer Shares between the Placing and the Public Offer.
- Share certificates of the Public Offer Shares allocated to applicants using WHITE application forms who have applied for less than 1,000,000 Public Offer Shares or those who have applied for 1,000,000 Public Offer Shares or more and have not indicated on the application forms that they wish to collect their Share certificates in person will be posted to those entitled by ordinary post at their own risk on Friday, 28th December, 2001.
- Share certificates of the Public Offer Shares allocated to applicants using WHITE application forms who have applied for 1,000,000 Public Offer Shares or more and have indicated on the application forms that they wish to collect their Share certificates in person will be available for collection from 9:00 a.m. to 1:00 p.m. on Friday, 28th December, 2001 from the Company's Hong Kong branch share registrar and transfer office, Tengis Limited at 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong. Any Share certificates not collected within such time will be despatched shortly after 1:00 p.m. on Friday, 28th December, 2001 by ordinary post at the own risk of the successful applicants.

- Share certificates of the Public Offer Shares allocated to applicants using YELLOW application forms will be issued in the name of HKSCC Nominees Limited and are expected to be deposited directly into CCASS for credit to the applicants' CCASS investor participant stock accounts or their designated CCASS participants' stock accounts (as instructed by the applicants in the relevant application forms) at the close of business on Friday, 28th December, 2001.
- Refund cheques to applicants using WHITE or YELLOW application forms who have applied for less than 1,000,000 Public Offer Shares or those who have applied for 1,000,000 Public Offer Shares or more but have not indicated on the application forms that they wish to collect their refund cheques in person will be sent to those entitled by ordinary post at their own risk on Friday, 28th December, 2001.
- Refund cheques to applicants using WHITE or YELLOW application forms who have applied for 1,000,000 Public Offer Shares or more and have indicated on the application forms that they wish to collect their refund cheques in person will be available for collection from 9:00 a.m. to 1:00 p.m. on Friday, 28th December, 2001 from the Company's Hong Kong branch share registrar and transfer office, Tengis Limited at 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong. Any refund cheques not collected within such time will be despatched shortly after 1:00 p.m. on Friday, 28th December, 2001 by ordinary post at the own risk of the applicants.
- Sun Hung Kai and Ever-Long Securities have confirmed to the Company that they, on behalf of the Placing Underwriters, will not exercise any of the Over-allotment Option prior to its expiry at 5:00 p.m. on 17th January, 2002.
- Dealings in the Shares on GEM will commence at 10:00 a.m. on Monday, 31st December, 2001.

OFFER PRICE

The Offer Price was determined on Friday, 21st December, 2001 amongst the Company (for itself and on behalf of the Vendors) and Sun Hung Kai (on behalf of the Underwriters) at HK\$0.32 per Offer Share (excluding 1% brokerage fee, 0.007% transaction levy imposed by the SFC and 0.005% Stock Exchange trading fee).

RESULTS OF APPLICATIONS

The Directors are pleased to announce that at the close of the application lists of the Public Offer at 12:00 noon on Friday, 21st December, 2001, a total of 338 valid applications were received under the Public Offer on WHITE and YELLOW application forms for a total of 731,864,000 Public Offer Shares, representing approximately 50.8 times the total number of the Public Offer Shares initially available for subscription and for sale under the Public Offer.

All multiple applications or applications not made in accordance with the WHITE and YELLOW application forms have been rejected.

129,600,000 Placing Shares initially available to professional, institutional and private investors in Hong Kong for subscription and for sale under the Placing were approximately 10.3 times subscribed and have been conditionally allocated in full. There was no reallocation of the Offer Shares between the Placing and the Public Offer.

In connection with the Placing, the Company has granted to the Placing Underwriters the Over-allotment Option which is exercisable for 30 days from the date of the Prospectus, being 18th December, 2001, by Sun Hung Kai and Ever-Long Securities jointly (on behalf of the Placing Underwriters). Sun Hung Kai and Ever-Long Securities have confirmed to the Company that they, on behalf of the Placing Underwriters, will not exercise any of the Over-allotment Option prior to its expiry at 5:00 p.m. on 17th January, 2002.

ALLOCATION OF SHARES UNDER THE PLACING

The following sets forth the concentration of the 129,600,000 Placing Shares:-

	Aggregate number of Placing Shares held	Approximate percentage of the Placing Shares	Approximate percentage of shareholding immediately after completion of the Share Offer
Top placee	25,920,000	20.00%	4.5%
Top 5 placees	58,816,000	45.38%	10.2%
Top 10 placees	79,600,000	61.42%	13.8%
Top 25 placees	114,256,000	88.16%	19.8%

The 129,600,000 Placing Shares have been conditionally allocated to a total of 93 placees as follows:—

Number of Placing Shares	Number of placees
8,000 — 40,000	9
40,001 — 80,000	13
80,001 — 200,000	27
200,001 — 400,000	7
400,001 — 600,000	7
600,001 — 1,000,000	6
1,000,001 — 2,000,000	7
2,000,001 — 6,000,000	13
6,000,001 or above	<u>4</u>
Total	<u><u>93</u></u>

Investors should be aware that the concentration of shareholders might affect the liquidity of the Shares in the secondary market. Consequently, the shareholders and potential investors are advised to exercise extreme caution in dealing with the Shares.

So far as the Company is aware, save and except that (i) Ever-Long Asset Management Limited, one of the Public Offer Underwriters, has been allocated 480,000 Placing Shares, representing approximately 0.37% of the total Placing Shares and approximately 0.083% of the total issued share capital of the Company immediately after completion of the Share Offer, (ii) International Capital Network Limited, one of the Placing Underwriters and the financial

adviser to the Company, has been allocated 1,000,000 Placing Shares, representing approximately 0.77% of the total Placing Shares and approximately 0.17% of the total issued share capital of the Company after completion of the Share Offer, (iii) Ever-Long Securities Co. Ltd., one of the joint lead managers of the Share Offer and one of the Placing Underwriters, and Ong Asia Securities (HK) Limited, one of the sub-underwriters of the Placing and one of Public Offer Underwriters, have placed 1,600,000 Placing Shares and 3,200,000 Placing Shares, respectively, representing approximately 1.23% and 2.47% Placing Shares, respectively, of the total Placing Shares and approximately 0.28% and 0.56%, respectively, of the total issued share capital of the Company after completion of the Share Offer, to an initial management shareholder, (as defined in the GEM Listing Rules) of International Capital Network Holdings Limited, the ultimate holding company of International Capital Network Limited, which is in turn the financial adviser to the Company in relation to the Share Offer and one of the Placing Underwriters, and (iv) South China Securities Ltd., one of the sub-underwriters of the Placing, has placed 9,896,000 Placing Shares, representing approximately 7.6% of the total Placing Shares and approximately 1.72% of the total issued share capital of the Company after completion of the Share Offer to Cyber World Technology Limited, a customer of the Group, none of the Placing Shares have been placed with the Directors, chief executive, management shareholders and substantial shareholders of the Company or their respective associates or parties as stated in Rule 10.12(4) of the GEM Listing Rules, or any nominee of any of the foregoing. As Ever-Long Asset Management Limited, a wholly-owned subsidiary of Styland Holdings Limited, which is in turn the ultimate beneficial owner of the entire issued share capital of City Lion Worldwide Limited, an Initial Management Shareholder, has been allotted 480,000 Placing Shares, such Shares would constitute 0.083% of the enlarged issue share capital of the Company immediately after the completion of the Share Offer. Styland Holdings Limited would be attributed with holding a total of approximately 32.55% of the enlarged issued share capital of the Company immediately after the completion of the Share Offer.

BASIS OF ALLOCATION OF THE PUBLIC OFFER SHARES

A total of 14,400,000 Public Offer Shares have been conditionally allocated to 338 applicants. Subject to fulfilment of the conditions of the Share Offer set forth under “Conditions of the Share Offer” in the section headed “Structure of the Share Offer” in the Prospectus, valid applications made by the public on WHITE and YELLOW application forms have been conditionally allocated on the following basis:—

Number of Public Offer Shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage of the Public Offer Shares to be allocated under the Public Offer based on the total number of the Public Offer Shares applied for
8,000	131	8,000 Public Offer Shares	100.00
16,000	17	8,000 Public Offer Shares	50.00
24,000	22	8,000 Public Offer Shares	33.33
32,000	10	8,000 Public Offer Shares	25.00
40,000	10	8,000 Public Offer Shares	20.00
48,000	6	8,000 Public Offer Shares plus 1 out of 6 to receive additional 8,000 Public Offer Shares	19.44
56,000	5	8,000 Public Offer Shares plus 1 out of 5 to receive additional 8,000 Public Offer Shares	17.14
64,000	5	8,000 Public Offer Shares plus 1 out of 5 to receive additional 8,000 Public Offer Shares	15.00
72,000	4	8,000 Public Offer Shares plus 1 out of 4 to receive additional 8,000 Public Offer Shares	13.89
80,000	21	8,000 Public Offer Shares plus 6 out of 21 to receive additional 8,000 Public Offer Shares	12.86

Number of Public Offer Shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage of the Public Offer Shares to be allocated under the Public Offer based on the total number of the Public Offer Shares applied for
160,000	12	8,000 Public Offer Shares plus 10 out of 12 to receive additional 8,000 Public Offer Shares	9.17
240,000	5	16,000 Public Offer Shares	6.67
320,000	3	16,000 Public Offer Shares	5.00
400,000	2	16,000 Public Offer Shares plus 1 out of 2 to receive additional 8,000 Public Offer Shares	5.00
480,000	2	16,000 Public Offer Shares plus 1 out of 2 to receive additional 8,000 Public Offer Shares	4.17
560,000	1	24,000 Public Offer Shares	4.29
640,000	1	24,000 Public Offer Shares	3.75
800,000	3	24,000 Public Offer Shares plus 1 out of 3 to receive additional 8,000 Public Offer Shares	3.33

Number of Public Offer Shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage of the Public Offer Shares to be allocated under the Public Offer based on the total number of the Public Offer Shares applied for
1,200,000	7	24,000 Public Offer Shares plus 5 out of 7 to receive additional 8,000 Public Offer Shares	2.48
2,000,000	1	40,000 Public Offer Shares	2.00
2,400,000	1	48,000 Public Offer Shares	2.00
2,800,000	2	56,000 Public Offer Shares	2.00
3,200,000	1	64,000 Public Offer Shares	2.00
4,000,000	1	80,000 Public Offer Shares	2.00
5,000,000	1	96,000 Public Offer Shares	1.92
7,000,000	14	128,000 Public Offer Shares	1.83
8,000,000	10	144,000 Public Offer Shares	1.80
9,000,000	10	152,000 Public Offer Shares	1.69
10,000,000	1	168,000 Public Offer Shares	1.68

Number of Public Offer Shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage of the Public Offer Shares to be allocated under the Public Offer based on the total number of the Public Offer Shares applied for
14,000,000	23	216,000 Public Offer Shares plus 10 out of 23 to receive additional 8,000 Public Offer Shares	1.57
14,400,000	6	224,000 Public Offer Shares	1.56

So far as the Company is aware, First Securities (HK) Limited, a Public Offer Underwriter, has applied for 2,800,000 Public Offer Shares under the Public Offer on its own account, and will be allocated 56,000 Public Offer Shares.

RESULTS OF APPLICATIONS MADE ON WHITE APPLICATION FORMS

The followings are the identification document numbers (where supplied) of successful applicants using **WHITE** application forms and the corresponding number of the Public Offer Shares conditionally allocated to them:—

Identification document number	Number of Public Offer Shares to be allocated	Identification document number	Number of Public Offer Shares to be allocated
A140699(2)	8,000	A749071(5)	8,000
A228879(9)	8,000	A903729(5)	8,000
A297033(6)	8,000	A948363(5)	8,000
A353457(2)	8,000	A970186(1)	8,000
A359640(3)	8,000	B352866(4)	8,000
A688794(8)	8,000	B723327(8)	8,000

Identification document number	Number of Public Offer Shares to be allocated	Identification document number	Number of Public Offer Shares to be allocated
B894055(5)	8,000	E713992(A)	16,000
C352666(4)	8,000	E834340(7)	8,000
C384250(7)	16,000	E838574(6)	8,000
C389369(1)	8,000	E973974(6)	8,000
C455853(5)	32,000	E994737(3)	8,000
C579517(4)	8,000	G087123(A)	8,000
C604249(8)	8,000	G139315(3)	16,000
C613145(8)	8,000	G171957(1)	8,000
C620160(A)	8,000	G183850(3)	8,000
C657386(8)	8,000	G201953(0)	8,000
D016740(2)	8,000	G212217(A)	8,000
D051168(5)	8,000	G225543(9)	8,000
D111754(9)	8,000	G300219(4)	8,000
D112572(A)	8,000	G367707(8)	8,000
D123264(A)	8,000	G396069(1)	8,000
D167741(2)	8,000	G415241(6)	8,000
D243847(0)	8,000	G463285(A)	8,000
D261827(4)	8,000	G475988(4)	8,000
D268312(2)	8,000	G477658(4)	16,000
D273201(8)	8,000	G543523(3)	8,000
D323774(6)	8,000	G556387(8)	8,000
D336972(3)	8,000	G631349(2)	8,000
D344116(5)	8,000	G636438(0)	8,000
D390990(6)	8,000	G678405(3)	16,000
D413420(7)	8,000	G683632(0)	8,000
D515557(7)	8,000	G687313(7)	8,000
D566827(2)	8,000	G700568(6)	8,000
D707120(6)	8,000	G702492(3)	8,000
D752019(1)	8,000	G709218(A)	8,000
D844105(8)	8,000	G711310(1)	8,000
E037172(A)	8,000	G812808(0)	8,000
E195555(5)	24,000	H317006(5)	8,000
E259778(4)	8,000	H359022(6)	16,000
E304776(1)	8,000	H363529(7)	8,000
E414465(5)	8,000	H404998(7)	8,000
E529831(1)	8,000	H434039(8)	8,000
E540034(5)	8,000	H458737(7)	8,000
E608659(8)	8,000	K022894(A)	8,000
E613107(0)	16,000	K083918(3)	8,000
E640268(6)	8,000	K110370(9)	8,000

Identification document number	Number of Public Offer Shares to be allocated	Identification document number	Number of Public Offer Shares to be allocated
K120301(0)	8,000	K720553(8)	8,000
K125850(8)	8,000	K727373(8)	8,000
K154003(3)	8,000	K749017(8)	8,000
K172933(0)	8,000	K757205(0)	8,000
K176046(7)	8,000	K772684(8)	8,000
K184068(1)	8,000	K818747(9)	8,000
K191479(0)	8,000	K840141(1)	8,000
K196867(A)	8,000	K873523(9)	8,000
K223040(2)	16,000	K896756(3)	8,000
K260590(2)	8,000	K916442(1)	8,000
K261347(6)	8,000	P062050(9)	8,000
K340346(7)	16,000	P280125(A)	8,000
K350707(6)	8,000	P482847(0)	8,000
K362770(5)	16,000	P676103(1)	8,000
K381667(2)	8,000	V015589(6)	16,000
K399360(4)	8,000	V028722(9)	8,000
K422620(8)	8,000	V028723(7)	8,000
K464500(6)	8,000	V046605(0)	8,000
K479655(1)	8,000	Z013126(2)	8,000
K488715(8)	8,000	Z019129(A)	8,000
K525289(A)	8,000	Z073149(9)	8,000
K546601(6)	8,000	Z076165(7)	8,000
K559608(4)	8,000	Z179821(A)	8,000
K569521(A)	8,000	Z460984(1)	8,000
K585981(6)	8,000	Z485031(A)	8,000
K591185(0)	8,000	Z542872(7)	8,000
K624893(4)	8,000	Z548844(4)	8,000
K715281(7)	8,000	19521449	8,000
K719168(5)	8,000		

A total of 1,328,000 Public Offer Shares have been conditionally allocated to 150 applicants using **WHITE** application forms.

RESULTS OF APPLICATIONS USING YELLOW APPLICATION FORMS

A total of 8,000 Public Offer Shares have been conditionally allocated to 1 applicant as a CCASS investor participant using **YELLOW** application form.

Identification document number	Number of Public Offer Shares to be allocated
D572408(3)	8,000

A total of 13,064,000 Public Offer Shares have been conditionally allocated to 187 applicants using **YELLOW** application forms through designated CCASS participants (other than CCASS investor participants).

DESPATCH/COLLECTION OF SHARE CERTIFICATES AND/OR REFUND CHEQUES

For those applicants who have applied on **WHITE** application forms for less than 1,000,000 Public Offer Shares or for 1,000,000 Public Offer Shares or more but have not elected to collect Share certificates (where applicable) and refund cheques in person, the Share certificates (where applicable) and refund cheques are expected to be despatched by ordinary post to those entitled at their own risk on Friday, 28th December, 2001. In addition, for those applicants who have applied on **YELLOW** application forms for less than 1,000,000 Public Offer Shares or for 1,000,000 Public Offer Shares or more but have not elected to collect their refund cheques in person, refund cheques are expected to be despatched by ordinary post to those entitled at their own risk on Friday, 28th December, 2001.

Applicants who have applied on **WHITE** application forms for 1,000,000 Public Offer Shares or more and have indicated on their application forms their wish to collect their Share certificates (where applicable) and refund cheques in person may collect their Share certificates (where applicable) and refund cheques from the Company's Hong Kong branch share registrar and transfer office, Tengis Limited at 4th Floor, Hutchison House, 10 Harcourt Road, Central, Hong Kong. Applicants who have applied on **YELLOW** application forms for 1,000,000 Public Offer Shares or more and have indicated in their application forms their wish to collect refund cheques in person may collect their refund cheques from the Company's Hong Kong branch share registrar and transfer office, Tengis Limited at the above address. The time and date for collection of Share certificates and/or refund cheques are between 9:00 a.m. to 1:00 p.m. on Friday, 28th December, 2001.

Applicants being individuals who opt for collection in person must not authorise any other person to make collection on their behalf. Applicants being corporations who opt for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations' chops. Both individuals and authorised representatives (if applicable) must produce at the time of collection evidence of identity and/or authorisation letters acceptable to Tengis Limited. Any Share certificates and refund cheques not collected within the above time and date will be despatched by ordinary post at the applicants' own risk to the address shown on the relevant application forms shortly after 1:00 p.m. on Friday, 28th December, 2001.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

For wholly or partially successful applicants using the **YELLOW** application forms who are allocated with the Public Offer Shares in the name of HKSCC Nominees Limited, the allocated Public Offer Shares will be deposited directly into CCASS for credit to their CCASS investor participant stock accounts or their designated CCASS participants' stock accounts (as instructed by the applicants in the relevant application forms) at the close of business on Friday, 28th December, 2001 or, in the event of unexpected contingencies, on any other date as shall be determined by Hongkong Clearing or HKSCC Nominees Limited. Such applicants can check the number of Public Offer Shares allocated to them with their designated CCASS participants if they are applying through designated CCASS participants. Applicants applying as CCASS investor participants should check the result published herein and report any discrepancies to Hongkong Clearing before 5:00 p.m. on Friday, 28th December, 2001. They can also check the result of their applications via the CCASS Phone System or the CCASS Internet System (under the procedures contained in Hongkong Clearing's "An Operating Guide for Investor Participants" in effect from time to time). Hongkong Clearing will also mail to applicants applying as CCASS investor participants activity statements showing the number of the Public Offer Shares credited to their CCASS investor participant stock accounts.

MINIMUM PUBLIC FLOAT REQUIREMENT

According to the GEM Listing Rules, the Company is required to maintain a public float of not less than 25.0% of its issued share capital from time to time. Immediately after completion of the Share Offer (taking no account of any Shares that may be issued pursuant to the exercise of any options which have been conditionally granted under the Pre-IPO Share Option Scheme and

any options that may be granted under the Share Option Scheme), the 480,000 Placing Shares, representing approximately 0.083% of the total issued share capital of the Company immediately after the completion of the Share Offer, taken up by Ever-Long Asset Management Limited would not be regarded as in public hands, and the Company has a public float of 26.75% of its enlarged issued share capital.

COMMENCEMENT OF DEALINGS ON GEM

Dealings in the Shares on GEM will commence at 10:00 a.m. on Monday, 31st December, 2001.

By Order of the Board
Inworld Group Limited
WANG, Chin Mong
Company Secretary

Hong Kong, 28th December, 2001

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, the information contained in this announcement is accurate and complete in all material respects and is not misleading; there are no other matters the omission of which would make any statement in this announcement misleading; and 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 appear on the GEM website with the domain name of www.hkgem.com for 7 days from the day of its posting.

** For identification purpose only*