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## **PACMOS TECHNOLOGIES HOLDINGS LIMITED**

**( 弘茂科技控股有限公司 ) \***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1010)**

### **HIGH CONCENTRATION OF SHAREHOLDING**

Reference is made to the announcement of the Company dated 29 November 2010 regarding “High Concentration of Shareholding” of the Company.

The Company has carried out the Investigation pursuant to section 329 of the SFO to establish the identities of certain shareholders and/or persons whom have interests in the Shares. Based on the information available to the Company (including responses received on the Investigation and the Disclosure of Interest filings made with the Company) the Board believes that, to the best of its knowledge, information and belief, not less than 25% of the issued share capital of the Company is held in public hands and the Company is able to comply with the public float requirements under the Listing Rules.

**In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.**

**If the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, the Stock Exchange may exercise its discretion to suspend trading in the Shares.**

Reference is made to the announcement of PacMOS Technologies Holdings Limited (the “**Company**”) dated 29 November 2010 regarding “High Concentration of Shareholding” of the Company (the “**Announcement**”). Terms in this announcement shall have the same meanings as those defined in the Announcement unless defined otherwise.

\* *For identification purpose only*

The Company has, since the publication of the Announcement, carried out investigation (the “**Investigation**”) pursuant to section 329 of the Securities and Futures Ordinance (the “**SFO**”) to establish the identities of certain shareholders and/or persons whom have interests in the Shares. The Company issued relevant notices (the “**Notices**”) to relevant persons under section 329 of the SFO, comprising (i) Shareholders as appeared on the register of members of the Company as at 31 December 2010 holding at least 50,000 Shares; and (ii) Central Clearing and Settlement System (the “**CCASS**”) participants as appeared on the CCASS participants shareholding reports as at 31 December 2010 holding at least 400,000 Shares (In respect of CCASS participants holding Shares as custodians, they are asked to indicate the persons for whom they hold at least 50,000 Shares), other than Texan and Vision2000 as referred to below. As at the close of business on the date of this announcement, out of the 15 Notices (approximately) sent in respect of 80,225,960 Shares, representing approximately 23.84% of the total issued share capital of the Company, 9 replies (approximately) in respect of 60,751,960 Shares, representing approximately 18.05% of the total issued share capital of the Company were received.

The Company has also conducted enquiries with the directors of the Company and its subsidiaries, and Texan Management Limited (“**Texan**”) and Vision2000 Venture Limited (“**Vision2000**”) (i.e. the substantial shareholders of the Company based on the Disclosure of Interest filings made with the Company). Such directors have confirmed that they and their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”)) do not have any direct or indirect interest in any Shares which are notifiable under the SFO, and such substantial shareholders have confirmed that, other than as disclosed in the Disclosure of Interest filings made with the Company and as set out below, they and their respective associates (as defined in the Listing Rules) do not have any other direct or indirect interest in any Shares which are notifiable under the SFO.

Based on the information available to the Company (including responses received on the Investigation and the Disclosure of Interest filings made with the Company), the following were noted, as of 31 December 2010:

- (1) a group of 12 Shareholders appeared to be interested in 63,858,000 Shares, representing approximately 18.97% of the issued Shares (These 12 Shareholders may not be the same 12 Shareholders referred to in the Announcement);
- (2) among this group of 12 Shareholders:
  - (i) the ultimate beneficial ownership of 36,024,000 Shares (“**Unascertainable Shares**”) (representing approximately 10.70% of the issued Shares) could not be ascertained during the Investigation. Four share certificates were issued by the share registrar in the name of a nominee company who claimed it did not have the record of the identities of the beneficial owners. According to the record available to the Company, these 36,024,000 Unascertainable Shares (representing approximately 10.70% of the issued Shares) have not been traded for over 10 years. The Company has assumed these four share certificates belong to four different Shareholders; and

- (ii) a Shareholder appeared to hold (in personal name and via a brokerage firm) an aggregate of 18,806,000 Shares (representing approximately 5.59% of the issued Shares), but no Disclosure of Interest filings had ever been made. According to the record available to the Company, 8,806,000 of such Shares (“**Inactive Shares**”) which were registered in the personal name of such Shareholder (representing approximately 2.62% of the issued Shares) have not been traded for over 10 years. The Company does not have independently verified information regarding the trading status of the other 10,000,000 Shares.
- (3) the shareholding of such 12 Shareholders, together with 251,653,142 Shares held in aggregate by Texan and Vision2000 as set out below (representing approximately 74.76% of the issued Shares), represented approximately 93.73% of the issued Shares as of 31 December 2010. Thus only approximately 6.27% of the issued Shares were held by other investors. The Company has assumed these 12 Shareholders are not related to/connected with each other. If these four certificates are in fact controlled by one single person, this 10.7% shareholding would not be qualified as public float.

Based on the information available to the Company (including responses received on the Investigation and the Disclosure of Interest filings made with the Company), as at 31 December 2010, the shareholding structure of the Company, to the best knowledge, information and belief of the Board, is set out as follows:

	<i>Number of Shares</i>	<i>% of total number of issued Shares (approx)</i>
Texan ( <i>note 1</i> )	145,610,000	43.26%
Vision2000 ( <i>note 2</i> )	106,043,142	31.50%
A group of 12 Shareholders ( <i>note 3</i> )	63,858,000	18.97%
Other shareholders	21,076,000	6.27%
Total:	<u>336,587,142</u>	<u>100%</u>

*Notes:*

- (1) All Dragon International Limited was deemed to be interested in the 145,610,000 Shares held by Texan, as being the controlling corporation of Texan. The Shares held by Texan are also subject to the legal proceedings as referred to in the 2009 Annual Report and the announcements of the Company dated 21 March 2006, 18 April 2006, 25 January 2008, 20 October 2008, 5 March 2009 and 25 August 2009.

- (2) Mosel Vitelic Inc. was deemed to be interested in the 106,043,142 Shares held by Vision2000, as being the controlling corporation of Vision2000.
- (3) (i) These 12 Shareholders may not be the same 12 Shareholders referred to in the Announcement. The Company has assumed these 12 Shareholders are not related to/connected with each other.
- (ii) Among this group of 12 Shareholders:
- (a) the ultimate beneficial ownership of 36,024,000 Unascertainable Shares (representing approximately 10.70% of the issued Shares) could not be ascertained during the Investigation. Four share certificates were issued by the share registrar in the name of a nominee company who claimed it did not have the record of the identities of the beneficial owners. According to the record available to the Company, these 36,024,000 Unascertainable Shares (representing approximately 10.70% of the issued Shares) have not been traded for over 10 years. The Company has assumed these four share certificates belong to four different Shareholders. If these four certificates are in fact controlled by one single person, this 10.7% shareholding would not be qualified as public float.
- (b) A Shareholder appeared to hold (in personal name and via a brokerage firm) an aggregate of 18,806,000 Shares (representing approximately 5.59% of the issued Shares), but no Disclosure of Interest filings had ever been made. According to the record available to the Company, the 8,806,000 Inactive Shares (representing approximately 2.62% of the issued Shares) have not been traded for over 10 years. The Company does not have independently verified information regarding the trading status of the other 10,000,000 Shares.

## **PUBLIC FLOAT**

Based on the information available to the Company (including responses received on the Investigation and the Disclosure of Interest filings made with the Company) and to the best knowledge, information and belief of the Board, as at 31 December 2010 and as at the date of this announcement, Texan and Vision2000 (being connected persons of the Company) held, in aggregate, 251,653,142 Shares, representing in total approximately 74.76% of the issued share capital of the Company.

The Board believes that, to the best of its knowledge, information and belief based on the information available to it, not less than 25% of the issued share capital of the Company is held in public hands and the Company is able to comply with the public float requirements under the Listing Rules.

The Board wishes to clarify that currently, the Company regards the 36,024,000 Unascertainable Shares (representing approximately 10.70% of the issued Shares) referred to above as “public float”. However, if the 4 certificates regarding the 36,024,000 Unascertainable Shares (representing approximately 10.70% of the issued Shares) are in fact controlled by one single person, such shareholding would not be qualified as “public float” under the Listing Rules. Further, since the information available to the Company suggested that the 36,024,000 Unascertainable Shares

(representing approximately 10.70% of the issued Shares) and the 8,806,000 Inactive Shares (representing approximately 2.62% of the issued Shares) had not been traded for over 10 years, Shareholders and prospective investors should be aware that such Shares might not be readily tradable at any point in time.

**In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could fluctuate substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.**

**If the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, the Stock Exchange may exercise its discretion to suspend trading in the Shares.**

By order of the Board of  
**PacMOS Technologies Holdings Limited**  
**Yip Chi Hung**  
*Chairman*

Hong Kong, 31 January 2011

*As at the date of this announcement, the Board comprises five directors. The executive directors of the Company are Mr. Yip Chi Hung and Mr. Chen Che Yuan and the independent non-executive directors are Mr. Wong Chi Keung, Mr. Cheng Hok Ming, Albert and Mr. Ma Kwai Yuen.*