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Soundwill Holdings Limited

(incorporated in Bermuda with limited liability)

**Despatch of circular relating to
Proposed consolidation of share capital and capital reduction
Proposed renewal of general mandates to issue and repurchase securities
Proposed appointment of new auditors**

The circular relating to (i) the proposed Capital Reorganization; (ii) the renewal of the general mandates granted to the directors of Soundwill Holdings Limited (the “Company”) to issue and repurchase securities; and (iii) the appointment of new auditors of the Company will be despatched to the Shareholders of the Company on 11th March 2003. The expected timetable for the Capital Reorganization is set out below.

References are made to the announcement dated 25th February 2003 issued by the Company relating to (i) the proposed Capital Reorganization (ii) the proposed renewal of general mandates granted to the Directors to issue and repurchase securities; and (iii) the proposed appointment of new auditors to fill the vacancy arising from the resignation of the existing auditors.

Terms used in this announcement shall unless otherwise herein defined have the same meanings prescribed in the announcement dated 25th February 2003.

DESPATCH OF CIRCULAR

The Company will despatch to the Shareholders a circular containing, amongst other things, details relating to the proposed Capital Reorganization, the proposed renewal of general mandates and the proposed appointment of new auditors on 11th March 2003. The circular also contained a notice convening a Special General Meeting of the Shareholders.

EXPECTED TIMETABLE FOR THE PROPOSED CAPITAL REORGANIZATION

Latest time for lodging the form of proxy for the Special General Meeting 9:30 a.m. 1st April 2003

Special General Meeting 9:30 a.m. 3rd April 2003

Effective Date 4th April 2003

Dealings in reorganized ordinary shares of HK\$0.10 each

(“Reorganized Ordinary Shares”) commence 9:30 a.m. 4th April 2003

Temporary counter for trading in Reorganized Ordinary Shares
in board lots of 40 Reorganized Ordinary Shares in the
form of existing certificate(s) for existing
Ordinary Shares opens and original counter for trading
in existing Ordinary Shares in board lots of 2,000
Ordinary Shares closes 9:30 a.m. 4th April 2003

First day for free exchange of certificate(s) for existing
Ordinary Shares for new certificate(s) for Reorganized
Ordinary Shares and Christfund Securities Limited
(“Matching Agent”) to stand in the market to purchase
and sell odd lots of Reorganized Ordinary Shares 4th April 2003

Original counter for trading in Reorganized
Ordinary Shares in board lots of 2,000 Reorganized
Ordinary Shares in the form of new certificate(s)
for Reorganized Ordinary Shares re-opens 9:30 a.m. 22nd April 2003

Parallel trading commences 9:30 a.m. 22nd April 2003

Temporary counter for trading in Reorganized
Ordinary Shares in board lots of 40 Reorganized
Ordinary Shares in the form of existing certificates closes 4:00 p.m. 15th May 2003

Last day for Matching Agent to stand in the market
to purchase and sell odd lots of Reorganized Ordinary Shares 15th May 2003

Parallel trading ends 4:00 p.m. 15th May 2003

Last day for free exchange of certificate(s) for existing
Ordinary Shares for new certificate(s) for Reorganized Ordinary Shares 20th May 2003

By order of the board of
Soundwill Holdings Limited
Kwan Chai Ming
Executive Director

Hong Kong, 10th March 2003

Please also refer to the published version of this announcement in the China Daily.