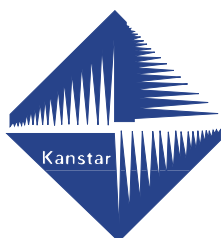


This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.

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.

Unless defined herein, terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus dated 5th July, 2002 and issued by Kanstar Environmental Technology Holdings Limited (the “Prospectus”).



Kanstar Environmental Technology Holdings Limited

建星環保科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

**NOTICE OF LISTING ON
THE GROWTH ENTERPRISE MARKET OF
THE STOCK EXCHANGE OF HONG KONG LIMITED
BY WAY OF PLACING**

Number of Placing Shares	:	200,000,000 Shares comprising 160,000,000 New Shares and 40,000,000 Sale Shares, (subject to Over-allotment Option)
Placing Price	:	HK\$0.20 per Share
Nominal value	:	HK\$0.01 each
Board lot	:	10,000 Shares
GEM Stock Code	:	8011

Sponsor



South China Capital Limited

Financial Adviser and Lead Manager

Watterson Asia Limited

Co-Lead Manager



KINGSTON SECURITIES LIMITED

Co-Managers

South China Securities Limited

**Hung Sing Securities Limited
Sanfull Securities Limited**

**Luen Fat Securities Company Limited
Sun Growth Securities Limited**

**Mayfair Securities Limited
Partners Capital International Limited**

Application for the Placing Shares will only be considered on the basis of the Prospectus.

Application has been made to the GEM Listing Committee of the Stock Exchange for the listing of and permission to deal in the Shares in issue and to be issued as described in the Prospectus, including any additional Shares which may be issued pursuant to the exercise of the Over-allotment Option as described in the Prospectus. Dealings in the Shares on GEM are expected to commence on 12th July, 2002.

Subject to the granting of the listing of and permission to deal in the Shares on GEM as well as the compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Shares on GEM or on any other date HKSCC chooses. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the Shares to be admitted into CCASS.

The Placing is conditional on the fulfillment of the conditions as stated in the paragraph headed “Conditions of the Placing” in the section headed “Structure and conditions of the Placing” in the Prospectus.

Pursuant to the Underwriting Agreement, the Company has granted to Watterson Asia Limited the Over-allotment Option, exercisable by it at any time on or before 4:00 p.m. on 2nd August, 2002, to require the Company to issue and allot at the Placing Price up to an aggregate of 30,000,000 additional Shares, representing 15% of the Shares initially available under the Placing, to cover overallocations in the Placing, if any. Watterson Asia Limited may also cover any such over-allocations by, among other means, purchasing Shares in the secondary market or by a combination of purchase in the secondary market and the exercise of the Overallotment Option either in part or in full. Any such secondary market purchases will be made in compliance with all applicable laws, rules and regulations. An announcement will be made by the Company if the Over-allotment Option is exercised.

Copies of the Prospectus are available, for information purposes only, from the Sponsor, South China Capital Limited, at 28th Floor, Bank of China Tower, 1 Garden Road, Central, Hong Kong, and the Lead Manager, Watterson Asia Limited, at 5th Floor, 8 Queen’s Road Central, Hong Kong for a period of 14 days only after 5:00 p.m. on 5th July, 2002 and thereafter during normal office hours from 9:00 a.m. to 6:00 p.m. up to and including 18th July, 2002.

By order of the board
Kanstar Environmental Technology Holdings Limited
Chim Kim Kiu, Jacky
Chairman

Hong Kong, 5th July, 2002

This announcement and a copy of the Prospectus referred to above will appear on the GEM website at “<http://www.hkgem.com>” for seven days from the date of posting.