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ITE (HOLDINGS) LIMITED

(incorporated in the Cayman Islands with limited liability)

EXERCISE OF OVER-ALLOTMENT OPTION

On 13 March 2001, Vickers Ballas Capital Limited on behalf of the Underwriters exercised in part the Over-allotment Option in respect of 4,068,000 additional new Shares at HK\$0.75 per Share.

Unless otherwise defined herein, terms defined in the prospectus of ITE (Holdings) Limited (the “Company”) dated 15 February 2001 (the “Prospectus”) shall have the same meanings where used in this announcement.

The board of directors of the Company announces that the Over-allotment Option granted by the Company referred to in the Prospectus was exercised in part by Vickers Ballas Capital Limited on behalf of the Underwriters on 13 March 2001, solely to cover over-allocations in the Placing. 4,068,000 new Shares (the “Over-allotment Shares”) were issued and allotted by the Company at HK\$0.75 per Share under the Over-allotment Option, being the Issue Price. The Over-allotment Shares represent approximately 0.9% of the issued share capital of the Company immediately after the allotment of the Over-allotment Shares.

The issued share capital of the Company prior to and after the issue of the Over-allotment Shares is as follows:

Prior to the allotment of the Over-allotment Shares:

Shareholders	Number of Shares	Approximate percentage holding
Rax-Comm	248,495,174	55.8%
Mr. Manho	74,071,127	16.7%
Mr. H.C. Lau	20,001,194	4.5%
Mr. Cheng	8,480,500	1.9%
Public	<u>93,952,005</u>	<u>21.1%</u>
	<u><u>445,000,000</u></u>	<u><u>100%</u></u>

Immediately after the allotment of the Over-allotment Shares:

Shareholders	Number of Shares	Approximate percentage holding
Rax-Comm	248,495,174	55.3%
Mr. Manho	74,071,127	16.5%
Mr. H.C. Lau	20,001,194	4.5%
Mr. Cheng	8,480,500	1.9%
Public	<u>98,020,005</u>	<u>21.8%</u>
	<u><u>449,068,000</u></u>	<u><u>100%</u></u>

As stated in the Prospectus, the net proceeds of approximately HK\$2.9 million from the issue of the Over-allotment Shares will be used to facilitate the implementation of the Business Plan which are set out in the section headed “Future Plans and Prospects” in the Prospectus.

By Order of the Board of
ITE (Holdings) Limited
Lau Hon Kwong, Vincent
Chief Executive Officer

Hong Kong, 13 March 2001

This announcement, for which the directors of the Company collectively and individually accept responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) 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.

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