

Press Release

Hong Kong, October 29, 2003

Investor Capital Partners – Asia Fund Announces latest investment

Investor Capital Partners – Asia Fund (“Investor Asia Fund”), today announced that it has entered into a transaction to acquire 35% in Memorex Holdings Limited (“MHL”) (which, following a reorganization, will represent an attributable interest of approximately 23.5% in Memorex International Inc.) for an aggregate cash consideration of US\$39.9 million (or approximately HK\$311.2 million) from Hanny Holdings Limited (“Hanny”).

Investor Asia Fund has the Call Option to purchase an additional 20% in MHL from Hanny within three years from Completion. In addition, Investor Asia Fund also has the Partial Exit Right whereby it may require Hanny after three years from Completion to purchase 17.5% of MHL, at the same entry price per share paid by Investor Asia Fund in this 35% acquisition.

The acquisition represents the fourth investment of the US\$322 million fund, which engages in buyouts and co-control transactions throughout Asia, with a particular focus on North Asia and industries such as manufacturing, consumer goods and services.

Memorex International Inc. and its subsidiaries (the “Memorex Group”) are principally engaged in the sale and distribution of Memorex branded optical storage and household electronic products. The Memorex Group is headquartered in Hong Kong, sources 100% of its products through its sourcing operations in China and Taiwan with sales and distribution in North America and Europe.

“Memorex is the leader in sales and marketing of optical storage, media accessories and computer peripherals in North America. Since the early 1970s, Memorex is one of the best recognized and respected brands in the storage media and consumer electronics industry. With its experienced product sourcing team in Asia and a state-of-the-art distribution network in the US, Memorex is well positioned to continue its growth in North America, Europe and Asia” commented Winnie Fok, Chief Executive of Investor Asia Limited, adviser to Investor Asia Fund.

Investor Asia Fund was established in May 2000 and has committed capital totaling US\$322 million, including a commitment of US\$200 million from Investor AB, a company listed on the Stockholm Stock Exchange and part of the Wallenberg Group. Prior to the current acquisition, the fund made two investments and one exit in 2002.

For further information:

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