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**SOLUTECK HOLDINGS LIMITED**

**一創科技集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 8111)

**PLACING AND SUBSCRIPTION AGREEMENT  
AND  
RESUMPTION OF TRADING**

**Placing Agent**



**招商證券(香港)有限公司**

**CHINA MERCHANTS SECURITIES (HK) CO., LTD.**

**PLACING AND SUBSCRIPTION AGREEMENT**

The Board is pleased to announce that on 23 June, 2009, the Company has entered into a Placing and Subscription Agreement with the Placing Agent and the Subscriber. Pursuant to the Placing and Subscription Agreement and the Supplemental Agreement dated 25 June, 2009, the Subscriber agreed to place, through the Placing Agent, 90,630,000 Shares, on a best efforts basis, to not fewer than six Placees who and whose ultimate beneficial owners will be third parties independent of and not acting in concert with the Subscriber or his concert parties, and will not be connected persons (as defined in the GEM Listing Rules) of the Company and its connected persons (as defined in the GEM Listing Rules), at a price of HK\$0.43 per Placing Share. Pursuant to the Placing and Subscription Agreement, the Subscriber conditionally agreed to subscribe for an aggregate of 90,630,000 Subscription Shares at a price of HK\$0.43 per Subscription Share.

\* For identification purpose only

The Placing Price (or the Subscription Price) of HK\$0.43 represents:

- (i) a discount of approximately 15.69% to the closing price of HK\$0.51 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 15.35% to the average closing price of HK\$0.508 per Share as quoted on the Stock Exchange from 16 June, 2009 to 22 June, 2009, both dates inclusive, being the last five trading days immediately prior to the date of the Placing and Subscription Agreement; and
- (iii) a discount of approximately 14.68% to the average closing price of HK\$0.504 per Share as quoted on the Stock Exchange from 9 June, 2009 to 22 June, 2009, both dates inclusive, being the last ten trading days immediately prior to the issuance of this announcement.

The Placing Shares (or the Subscription Shares) represent (i) approximately 20% of the existing issued share capital of the Company of 453,162,072 Shares as at the date of this announcement and (ii) approximately 16.67% of the issued share capital of the Company of 543,792,072 Shares as enlarged by the Subscription.

The Subscription is conditional upon, among other things, (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares; (ii) completion of the Placing; and (iii) the Executive granting a waiver to the Subscriber and parties acting in concert with him from their obligation, as a result of completion of the Subscription, to make a general offer for all of the issued Shares other than those already owned by them under Note 6 to dispensation from Rule 26 of the Hong Kong Code on Takeovers and Mergers.

The Subscriber and parties acting in concert with him together currently hold 199,500,000 Shares representing approximately 44.02% of the issued share capital of the Company. Upon completion of the Placing (but before completion of the Subscription), the aggregate shareholding of the Subscriber and parties acting in concert with him in the Company will be reduced to approximately 24.02% of the issued share capital of the Company. Upon completion of the Subscription, the aggregate shareholding of the Subscriber and parties acting in concert with him in the Company will be restored to approximately 36.69% of the enlarged issued share capital of the Company. An application has been made by the Subscriber to the Executive for a waiver from the obligation to make a general offer to the shareholders of the Company under Rule 26 of the Hong Kong Codes on Takeovers and Mergers.

Reference is made to the Stock Exchange announcement of the Company dated 23 June, 2009, in relation to the entering into of the MOU by the Company and the related Possible Acquisition and Deposit. The gross proceeds from the Subscription will be approximately HK\$39 million. Out of the net proceeds of approximately HK\$37 million from the Subscription, the HK\$ equivalent of US\$2,000,000 is intended to be used to finance the payment of the Deposit. The balance of the net proceeds is intended to be used to finance either part of the Possible Acquisition or other future business opportunities.

**Completion of the Subscription is subject to the satisfaction of the conditions precedent in the Placing and Subscription Agreement.**

**As the Placing and Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

### **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 10:21 a.m. on Tuesday, 23 June, 2009 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on Friday, 26 June, 2009.

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules of the Stock Exchange.

### **THE PLACING AND SUBSCRIPTION AGREEMENT**

#### **Date**

23 June, 2009

as amended by the Supplemental Agreement dated 25 June, 2009

#### **Parties involved**

The Subscriber, the Company and the Placing Agent

### **THE PLACING**

#### **Parties involved**

The Subscriber and the Placing Agent

#### **Placing Agent**

The Placing Agent has agreed to place 90,630,000 Shares, on a best efforts basis, to the Placees and will receive a placing commission of 4% of the aggregate amount equal to the Placing Price multiplied by the Placing Shares successfully placed by the Placing Agent, which was arrived at after arm's length negotiations between the Company and the Placing Agent. The Placing Agent and its ultimate beneficial owners are not connected persons (as defined in the GEM Listing Rules) of the Company and its connected persons (as defined in the GEM Listing Rules).

## **Placees**

The Placing Agent will place the Placing Shares, on a best efforts basis, to not fewer than six Placees who and whose ultimate beneficial owners will be third parties independent of and not acting in concert with the Subscriber or his concert parties, and will not be connected persons (as defined in the GEM Listing Rules) of the Company and its connected persons (as defined in the GEM Listing Rules). None of the Placees will become a substantial shareholder (as defined under the GEM Listing Rules) of the Company immediately after the Placing.

## **Placing Price**

The Placing Price (or the Subscription Price) of HK\$0.43 represents:

- (i) a discount of approximately 15.69% to the closing price of HK\$0.51 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 15.35% to the average closing price of HK\$0.508 per Share as quoted on the Stock Exchange from 16 June, 2009 to 22 June, 2009, both dates inclusive, being the last five trading days immediately prior to the date of the Placing and Subscription Agreement;
- (iii) a discount of approximately 14.68% to the average closing price of HK\$0.504 per Share as quoted on the Stock Exchange from 9 June, 2009 to 22 June, 2009, both dates inclusive, being the last ten trading days immediately prior to the issuance of this announcement.

The Placing Price (and Subscription Price) was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company, the Subscriber and the Placing Agent on the date of the Placing and Subscription Agreement. The Directors consider that the terms of the Placing (including the placing commission) and Subscription are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

## **Number of Placing Shares**

The 90,630,000 Placing Shares (or Subscription Shares) represent (i) approximately 20% of the existing issued share capital of the Company of 453,162,072 Shares as at the date of this announcement and (ii) approximately 16.67% of the issued share capital of the Company of 543,792,072 Shares as enlarged by the Subscription.

## **Ranking of Placing Shares**

The Placing Shares rank *pari passu* among themselves and with Shares in issue as at the date of this announcement.

## **Conditions of the Placing**

The Placing is unconditional.

## **Completion**

The Placing is expected to be completed on or before the second Business Day after the date of this announcement or such other date as the Subscriber and the Placing Agent shall agree in writing.

## **THE SUBSCRIPTION**

### **Parties involved**

The Company and the Subscriber

### **The Subscription Price**

The Subscription Price is HK\$0.43 per Subscription Share. The Subscription Price is the same as the Placing Price and was determined after arm's length negotiation between the Company and the Subscriber with reference to the Placing Price of the Placing Shares.

The gross proceeds and net proceeds from the Subscription will be approximately HK\$39 million. and HK\$37 million, respectively.

### **The Subscription Shares**

The Subscription Shares will be issued under the General Mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the AGM subject to the limit up to 20% of the then issued share capital of the Company as at the date of the AGM. Under the General Mandate, the Company is authorized to issue up to 90,632,414 Shares. Up to the date of this announcement, no Share has been issued under the General Mandate. Following the completion of the Subscription, a total number of 90,630,000 Shares will be allotted and issued, representing approximately all of the 90,632,414 Shares granted under the General Mandate.

### **Number of Subscription Shares**

The number of Subscription Shares is equivalent to the number of Placing Shares.

### **Ranking of Subscription Shares**

The Subscription Shares, when issued and fully paid, will rank *pari passu* among themselves and with Shares in issue at the time of issue and allotment of the Subscription Shares.

## **Conditions of the Subscription**

The Subscription is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Subscription Shares;
- (ii) the successful completion of the Placing;
- (iii) the Company obtaining all consents and approvals from the relevant authorities in respect of the transactions contemplated under the Placing and Subscription Agreement; and
- (iv) the Executive granting a waiver to the Subscriber and parties acting in concert with him from their obligation, as a result of completion of the Subscription, to make a general offer for all of the issued Shares other than those already owned by them under Note 6 to dispensation from Rule 26 of the Hong Kong Code on Takeovers and Mergers.

Completion of the Subscription will not take place if any of the above conditions are not fulfilled.

## **Completion**

Under the GEM Listing Rules, the Subscription must be completed within 14 days from the date of the Placing and Subscription Agreement, that is, on or before 7 July, 2009.

In the event that the conditions of the Placing and Subscription Agreement are not fulfilled by 7 July, 2009, or such later date as may be agreed between the Company, the Subscriber and the Placing Agent, all rights, obligations and liabilities of the Company, the Subscriber and the Placing Agent in relation to the Subscription shall cease and determine.

## **REASONS FOR THE PLACING AND SUBSCRIPTION**

Reference is made to the Stock Exchange announcement of the Company dated 23 June, 2009, in relation to the entering into of the MOU by the Company and the related Possible Acquisition and Deposit.

The gross proceeds from the Subscription will be approximately HK\$39 million. Out of the net proceeds of approximately HK\$37 million from the Subscription, the HK\$ equivalent of US\$2,000,000 is intended to be used to finance the payment of the Deposit by the Company. The balance of the net proceeds is intended to be used to finance either part of the Possible Acquisition or other future business opportunities.

The Directors had considered various ways of raising funds and consider that the Placing and Subscription represents an opportunity to raise capital for the Company while broadening the Shareholder base and capital base of the Company. Accordingly, the Directors consider the Placing and Subscription are in the interests of the Company and the Shareholders as a whole.

**Completion of the Subscription is subject to the satisfaction of the conditions precedent in the Placing and Subscription Agreement.**

**As the Placing and Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

The Company has not conducted any fund raising activities in the past twelve months before the date of this announcement.

## **EFFECTS ON SHAREHOLDING STRUCTURE**

	As at the date of this announcement		Immediately after the Placing but before the Subscription		Immediately after the completion of the Placing and Subscription	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
The Subscriber	131,150,000	28.94	40,520,000	8.94	131,150,000	24.12
Subscriber's concert parties	<u>68,350,000</u>	<u>15.08</u>	<u>68,350,000</u>	<u>15.08</u>	<u>68,350,000</u>	<u>12.57</u>
<i>Subtotal</i>	199,500,000	44.02	108,870,000	24.02	199,500,000	36.69
Placees ( <i>Note 1</i> )	0	0	90,630,000	20.00	90,630,000	16.67
Other public Shareholders	<u>253,662,072</u>	<u>55.98</u>	<u>253,662,072</u>	<u>55.98</u>	<u>253,662,072</u>	<u>46.64</u>
Total	<u><u>453,162,072</u></u>	<u><u>100.00</u></u>	<u><u>453,162,072</u></u>	<u><u>100.00</u></u>	<u><u>543,792,072</u></u>	<u><u>100.00</u></u>

The Subscriber and parties acting in concert with him together currently hold 199,500,000 Shares representing approximately 44.02% of the issued share capital of the Company. Upon completion of the Placing (but before completion of the Subscription), the aggregate shareholding of the Subscriber and parties acting in concert with him in the Company will be reduced to approximately 24.02% of the issued share capital of the Company. Upon completion of the Subscription, the aggregate shareholding of the Subscriber and parties acting in concert with him in the Company will be restored to approximately 36.69% of the enlarged issued share capital of the Company. An application has been made by the Subscriber to the Executive for a waiver from the obligation to make a general offer to the shareholders of the Company under Rule 26 of the Hong Kong Codes on Takeovers and Mergers. Completion of the Subscription will not take place if the waiver cannot be obtained.

*Note:*

- 1) It is expected that the Placees will be third parties independent of and not acting in concert with the Subscriber or his concert parties, and will not be connected persons (as defined in the GEM Listing Rules) of the Company and its connected persons (as defined in the GEM Listing Rules). It is also expected that none of the Placees will become a substantial shareholder (as defined under the GEM Listing Rules) of the Company immediately after the Placing.



## **GENERAL**

The Group is principally engaged in the business of providing implementation and upgrading services to self-service automatic teller machine systems and other systems, related application hardware and software, technical support and consultancy services to commercial banks and postal bureaus in the PRC.

As at the date of this announcement, the existing authorised share capital of the Company consists of 1,000,000,000 Shares out of which 453,162,072 Shares are issued and fully paid up.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Subscription Shares.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 10:21 a.m. on Tuesday, 23 June 2009 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange from 9:30 a.m. on Friday, 26 June 2009.

## **TERMS AND DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“AGM”	the annual general meeting of the Company held on 31 July, 2008
“associates”	has the meaning given to that term in the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	means any day (excluding Saturday) on which banks are generally open for business in Hong Kong other than (i) a Saturday or (ii) a “general holiday” as defined in Section 2 of the General Holidays Ordinance (Chapter 149 of the Laws of Hong Kong), or one of the days specified from time to time in the Schedule to that Ordinance as being “general holidays” under Section 3 thereof or (iii) a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon
“Company”	Soluteck Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Growth Enterprise Market board of the Stock Exchange



“connected person(s)”	has the meaning given to that term in the Listing Rules
“Deposit”	Refundable deposit of US\$2,000,000 payable by the Company to the Vendors pursuant to the MOU
“Director(s)”	director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“GEM Listing Rules”	Rules Governing the Listing of the Securities on the Growth Enterprise Market of the Stock Exchange
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the AGM, among other things, to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	22 June, 2009, being the last full trading day for the Shares before the date of this announcement
“MOU”	non-legally binding Memorandum of Understanding dated 22 June, 2009 entered into by the Company with (i) Max Success Group Limited, a company incorporated in the British Virgin Islands, (ii) Rus Energy Investment Group Ltd., a company incorporated in Hong Kong, and (iii) Mr. Yun Qin, a PRC national (together, the “ <b>Vendors</b> ”), pursuant to which the Company wishes to acquire, and the Vendors wish to sell, all of the equity interests in China-Rus Energy Investment Limited, a company incorporated in the British Virgin Islands
“Placee(s)”	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to acquire any of the Placing Shares pursuant to the Placing Agent’s obligations under the Placing and Subscription Agreement

“Placing”	the placing of 90,630,000 existing Shares beneficially owned by the Subscriber pursuant to the terms of the Placing and Subscription Agreement
“Placing Agent”	China Merchants Securities (HK) Co., Limited, a licensed corporation to carry on type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 6 (advising on corporate futures) and type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing and Subscription Agreement”	the conditional placing and subscription agreement dated 23 June, 2009 entered into between the Company, the Subscriber and the Placing Agent in relation to the Placing and the Subscription
“Placing Price”	HK\$0.43 per Placing Share, exclusive of Hong Kong stamp duty, Stock Exchange trading fees and SFC transaction levy
“Placing Shares”	90,630,000 existing Shares beneficially owned by the Subscriber and to be placed pursuant to the Placing and Subscription Agreement
“Possible Acquisition”	Possible acquisition of all of the equity interests in China-Rus Energy Investment Limited, a company incorporated in the British Virgin Islands pursuant to the MOU
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
“SFC”	Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.10 in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Hou Hsiao Bing, being the beneficial owner of approximately 28.94% of the issued share capital of the Company
“Subscription”	The subscription of 90,630,000 Subscription Shares by the Subscriber pursuant to the Placing and Subscription Agreement

“Subscription Price”	HK\$0.43 per Subscription Price
“Subscription Shares”	90,630,000 new Shares to be subscribed for by the Subscriber pursuant to the Placing and Subscription Agreement
“%”	per cent

By Order of the Board  
**Soluteck Holdings Limited**  
**Hou Hsiao Bing**  
*Chairman*

Hong Kong, 25 June, 2009

*As of the date hereof, the executive directors are Mr. Hou Hsiao Bing and Mr. Hou Hsiao Wen. The independent non-executive directors are Ms. Lui, Ming Rosita, Mr. Ho Wai Wing, Raymond and Mr. Tam Kam Biu, William.*

*This announcement, for which the directors of Soluteck Holdings Limited collectively and individually accept full 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 Soluteck Holdings Limited, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this announcement is accurate and complete in all material respects and not misleading, (ii) there are no other matters the omission of which would make any statement in this announcement misleading, and (iii) 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.*

*This announcement will remain on the Company’s website and on the GEM website with the domain name of [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting.*