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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)

**MEMORANDUM OF UNDERSTANDING  
IN RELATION TO  
A PROPOSED ACQUISITION**

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

**THE MEMORANDUM**

On 15 October 2010, the Purchaser (a wholly-owned subsidiary of the Company), the Vendor and the Guarantor entered into a non-legally binding Memorandum in relation to the Proposed Acquisition of the entire issued share capital of the Target Company. Pursuant to the Memorandum, the parties thereto will proceed to the negotiation for the Formal Agreement on or before 14 January 2011 (or such later date as parties to the Memorandum may agree in writing).

**GENERAL**

The Proposed Acquisition, if materializes, may constitute a notifiable transaction of the Company under the GEM Listing Rules. Further announcement(s) in relation to the Proposed Acquisition will be made by the Company as and when appropriate in accordance with the GEM Listing Rules.

**No binding agreement in relation to the Proposed Acquisition or the Memorandum has been entered into as at the date of this announcement. As the Proposed Acquisition may or may not materialize, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

## **THE MEMORANDUM**

Date: 15 October 2010

Parties: (1) Vendor

Good Million Investments Limited, a company incorporated in the BVI with limited liability.

(2) Purchaser

City Max International Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company.

(3) Guarantor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Vendor and its ultimate beneficial owners, including the Guarantor, is an Independent Third Party.

## **PRINCIPAL TERMS OF THE MEMORANDUM**

### **Assets to be acquired**

Pursuant to the Memorandum, it is proposed that the Purchaser will acquire and the Vendor will sell the Sale Shares, representing the entire issued share capital of the Target Company.

### **Consideration**

The Consideration shall be not more than HK\$570,000,000 and shall be determined upon further negotiation between the Vendor and the Purchaser.

The Consideration may be settled by way of cash and/or by the Purchaser procuring the Company to allot and issue new Shares, to issue convertible bond(s) and/or to issue promissory note(s) of the Company, or by a combination of one or more of the aforesaid method(s). If the Consideration is to be settled, among other methods, by way of allotment and issue of Shares and/or issue of convertible bond(s), the issue price and/or initial conversion price of the respective convertible bond(s) shall be HK\$0.50.

## **Formal Agreement**

The Purchaser, the Vendor and the Guarantor will proceed to the negotiation for the Formal Agreement within 3 months from the date of the Memorandum, i.e. on or before 14 January 2011 (or such later date as parties to the Memorandum may agree in writing).

## **Conditions precedent**

The Purchaser shall have the right to commence due diligence review on the Target Group from the date of the Memorandum (“**Due Diligence Review**”).

Completion of the Proposed Acquisition is conditional in all respects upon, among others:

- (1) the Purchaser being satisfied with the results of the Due Diligence Review;
- (2) the Company having obtained all necessary approvals, authorizations and consents as required under the GEM Listing Rules, including but not limited to, the approvals from the Shareholders, and the Listing Division of the Stock Exchange having granted the listing of and permission to deal in the Shares to be issued as consideration, or to be issued upon exercise of the conversion rights attached to the respective convertible bond(s) to be issued as consideration, if applicable;
- (3) the obtaining of all requisite approvals, authorizations and consents required under all applicable laws and regulations from all governmental or regulatory authorities for completion of the Formal Agreement and the transactions contemplated thereunder;
- (4) the obtaining of a valuation report of the Target Company, issued by a qualified valuer appointed by the Purchaser, in form and substance satisfactory to the Purchaser;
- (5) all declarations, statements and warranties given by the Vendor and the Guarantor remaining true, accurate, complete and not misleading at all times between the date of the Formal Agreement and the completion date of the Proposed Acquisition; and
- (6) all other terms and conditions to be agreed by the Purchaser, the Vendor and the Guarantor pursuant to the Formal Agreement.

## **Exclusivity**

Each of the Vendor and the Guarantor has undertaken to the Purchaser that within a period of 3 months from the date of the Memorandum, the Vendor and the Guarantor shall not, and shall procure the Target Group, their respective shareholders, directors, senior management, employees, representatives, advisers and agents not to, among others, directly or indirectly, dispose of or deal with the Sale Shares.

The Purchaser has undertaken to the Vendor and the Guarantor that within a period of 3 months from the date of the Memorandum, except with the written consent of the Vendor or the Guarantor, the Purchaser shall not, and shall procure the Company and their respective subsidiaries, directors, senior management, employees, representatives, advisers and agents, not to, among others, directly or indirectly, conduct any acquisition with an aggregate consideration exceeding HK\$100,000,000.

### **Guarantee**

The Guarantor has guaranteed to the Purchaser the due and punctual performance of the Vendor of its obligations set out in the Memorandum, subject to the terms and conditions of the Memorandum.

### **Non-legally binding nature of the Memorandum**

The Memorandum is non-legally binding in nature save for, among others, the provisions related to the Due Diligence Review, the exclusivity and the guarantee.

### **INFORMATION OF THE TARGET GROUP**

The Target Company was incorporated in the BVI in January 2009 with limited liability. The Target Company is an investment holding company and is beneficially and wholly-owned by the Vendor. The PRC Subsidiary is wholly-owned by the Target Company and was incorporated in the PRC in July 2009 with limited liability. The PRC Subsidiary is principally engaged in design, construction and operation of photovoltaic plant and biomass power plant; processing, manufacturing and sale of electrical equipment, mechanical equipment and metal components; testing or examination of battery components, inverter and other ancillary electrical equipment; research, development, experiment of photovoltaic product and biomass product; promotion, training and consulting service of photovoltaic and biomass technology with an operation period until July 2039.

### **REASONS FOR THE PROPOSED ACQUISITION**

The Group specializes in the provision of implementation and upgrading of self-service automatic teller machine systems, banking and other related equipment, application hardware and software, technical support and consultancy services to commercial banks and postal bureaus in the PRC.

The Directors consider the Target Group is positioned to benefit from the growing demand in energy in the PRC as well as the growing emphasis and awareness on renewable energy by the PRC government and the Proposed Acquisition is an opportunity for the Company to diversify its scope of business to enhance profitability to maximize the Shareholders' value.

## GENERAL

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## DEFINITIONS

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

“BVI”	the British Virgin Islands
“Company”	Soluteck Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“connected person(s)”	having the same meaning ascribed thereto in the GEM Listing Rules
“Consideration”	the aggregate consideration for the sale and purchase of the Sale Shares
“Director(s)”	director(s) of the Company
“Formal Agreement”	the legally-binding formal sale and purchase agreement to be entered into between the Purchaser, the Vendor and the Guarantor to proceed with the Proposed Acquisition
“Guarantor”	the guarantor to the Vendor of the Vendor’s obligation under the Memorandum, and an Independent Third Party
“GEM”	the Growth Enterprise Market operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries

“HK\$” and “cents”	Hong Kong dollars and cents, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	independent third party who is independent of and not connected with the Company and the connected person(s) of the Company
“Memorandum”	the non-legally binding memorandum of understanding dated 15 October 2010 entered into among the Purchaser, the Vendor and the Guarantor in relation to the Proposed Acquisition
“PRC”	the People’s Republic of China, for the purposes of this announcement and for geographical reference only, excludes Taiwan, the Macao Special Administrative Region and Hong Kong (unless otherwise indicated)
“PRC Subsidiary”	Qinghai Baike Solar Power Co., Ltd.* (青海百科光電有限公司), a company incorporated in the PRC with limited liability
“Proposed Acquisition”	the proposed acquisition of the Sale Shares by the Purchaser
“Purchaser”	City Max International Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“Sale Shares”	2 ordinary shares in the Target Company, representing the entire issued share capital of the Target Company
“Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	China Technology Solar Power Holdings Limited, a company incorporated in the BVI with limited liability and is wholly and beneficially owned by the Vendor before completion of the Proposed Acquisition
“Target Group”	Target Company and the PRC Subsidiary

“Vendor” Good Million Investments Limited, a company incorporated in the BVI with limited liability

“%” per cent

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

Hong Kong, 15 October 2010

*As at the date of this announcement, the Board comprises the following Directors:*

Executive Directors: Hou Hsiao Bing (*Chairman*)  
Hou Hsiao Wen  
Zeng Xiangyi  
Wang Daling  
Ho Chi Fai, Thomas

Independent non-executive Directors: Tam Kam Biu, William  
Wong Chung Wai, Eric  
Lai Chun Hung

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

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

\* *for identification purpose only*