
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in Solartech International Holdings Limited (the “Company”), you should at once hand the Prospectus Documents (as defined herein) to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee. The Prospectus Documents should not, however, be distributed, forwarded to or transmitted to, into or from any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed “Documents delivered to the Registrar of Companies” in Appendix III to this Prospectus has been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of any of the Prospectus Documents. Dealings in the securities of the Company and the Offer Shares may be settled through CCASS and you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers for details of the settlement arrangements and how such arrangements may affect your rights and interests. Subject to the granting of the listing of, and the permission to deal in, the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Offer 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 Offer Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, Hong Kong Securities Clearing Company Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this Prospectus, 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 Prospectus.



SOLARTECH INTERNATIONAL HOLDINGS LIMITED

蒙古礦業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1166)

OPEN OFFER OF 944,926,950 OFFER SHARES ON THE BASIS OF FIVE (5) OFFER SHARES FOR EVERY ONE (1) ADJUSTED SHARE HELD ON THE RECORD DATE

Financial Adviser to the Company



KINGSTON CORPORATE FINANCE LTD.

Underwriter to the Open Offer



KINGSTON SECURITIES LTD.

Capitalised terms used in this cover page shall have the same meanings as those defined in this Prospectus.

Shareholders and potential investors should note that the Open Offer is subject to the satisfaction of certain conditions as described under the section headed “Conditions of the Open Offer” in this Prospectus. In particular, it is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed.

Shareholders and potential investors should exercise extreme caution when dealing in the Adjusted Shares up to the date when the conditions of the Open Offer are fulfilled, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that, based on the expected timetable of the Open Offer, the Shares have been dealt in on an ex-entitlement basis commencing from Wednesday, 8 April 2015 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be on Wednesday, 6 May 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

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EXPECTED TIMETABLE

Set out below is the expected timetable for the Open Offer and the associated trading arrangements:

2015

Despatch of the Prospectus Documents (in case of the Non-Qualifying Shareholders, the Prospectus only)	Thursday, 16 April
Original counter for trading in Adjusted Shares in board lots of 20,000 Adjusted Shares (in the form of new share certificates) re-opens	9:00 a.m. on Tuesday, 21 April
Parallel trading in Adjusted Shares (in the form of new and existing share certificates) commences	9:00 a.m. on Tuesday, 21 April
Designated broker starts to stand in the market to provide matching services for odd lots of Adjusted Shares	Tuesday, 21 April
First day of operation of odd lot trading facility	Tuesday, 21 April
Latest time for acceptance of and payment for the Offer Shares	4:00 p.m. on Thursday, 30 April
Latest time for the Open Offer to become unconditional	4:00 p.m. on Wednesday, 6 May
Announcement of the results of the Open Offer	Thursday, 7 May
Despatch of share certificates and refund cheques for Offer Shares	Friday, 8 May
Dealings in Offer Shares commence	9:00 a.m. on Monday, 11 May
Temporary counter for trading the Adjusted Shares in board lots of 500 Adjusted Shares (in the form of existing share certificates) closes	4:00 p.m. on Tuesday, 12 May
Parallel trading in Adjusted Shares (in the form of new and existing share certificates) ends	4:00 p.m. on Tuesday, 12 May
Last day of operation of odd lot trading facility	Tuesday, 12 May
Latest time for free exchange of share certificates	4:00 p.m. on Thursday, 14 May

EXPECTED TIMETABLE

All times stated in this Prospectus refer to Hong Kong times. Dates stated in this Prospectus for events in the timetable are indicative only and may be extended or varied. If the Latest Time for Acceptance does not take place on Thursday, 30 April 2015 (“**Last Acceptance Date**”), the above dates may be affected. The Company will notify Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

The latest time for acceptance of and payment for Offer Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or a ‘black’ rainstorm warning:

- i. in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Last Acceptance Date. Instead the latest time for acceptance of and payment for the Offer Shares will be extended to 5:00 p.m. on the same business day;
- ii. in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Last Acceptance Date. Instead the latest time of acceptance of and payment for the Offer Shares will be rescheduled to 4:00 p.m. on the following business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Offer Shares does not take place on Last Acceptance Date, the dates mentioned in this section may be affected. The Company will notify the Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

DEFINITIONS

Unless the context requires otherwise, capitalized terms in this Prospectus shall have the following meanings:

“Adjusted Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company immediately upon the Capital Reorganisation becoming effective
“Announcement”	the announcement of the Company dated 6 February 2015 in relation to, among other matters, the Capital Reorganisation, proposed change of board lot size and the Open Offer
“Application Form”	the application form in respect of the Offer Shares issued by the Company in relation to the Open Offer
“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Bye-Laws”	the bye-laws of the Company from time to time
“Capital Reduction”	the reduction in the issued share capital of the Company by the cancellation of (i) the paid-up capital of the Company to the extent of HK\$0.09 on each Consolidated Share such that the nominal value of each issued Consolidated Share will be reduced from HK\$0.10 to HK\$0.01 and (ii) any fractional Consolidated Share in the issued capital of the Company arising from the Share Consolidation
“Capital Reorganisation”	the Share Consolidation, the Capital Reduction, the Share Sub-division and the credit to contributed surplus account which were approved at the SGM and became effective on 2 April 2015 and details of which have been set out in the Circular
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular of the Company dated 9 March 2015 in relation to, among others, the Capital Reorganisation and the Open Offer

DEFINITIONS

“Companies Act”	the Companies Act 1981 of Bermuda, as amended from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)
“Company”	Solartech International Holdings Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange (Stock code: 1166)
“connected person(s)”	has the meaning ascribed to this term under the Listing Rules
“Consolidated Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company immediately after the Share Consolidation becoming effective but before the Capital Reduction becoming effective
“Director(s)”	director(s) of the Company for the time being
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Shareholder(s)”	Shareholders other than those who are required to abstain from voting at the SGM under the Listing Rules and other applicable laws and regulations
“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons within the meanings of the Listing Rules
“Last Trading Day”	6 February 2015, being the last trading day for the Shares before the date of publication of the Announcement

DEFINITIONS

“Latest Lodging Date”	4:30 p.m. on Thursday, 9 April 2015 or such other date and/or time as the Company and the Underwriter may agree as the latest time for lodging transfer of Shares in order to qualify for the Open Offer
“Latest Practicable Date”	10 April 2015, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information herein
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 30 April 2015 (or such later time or date as may be agreed between the Underwriter and the Company in writing as the latest time for acceptance of, and payment for, the Offer Shares)
“Latest Time for Termination”	4:00 p.m. on Wednesday, 6 May 2015 (or such later time or date as may be agreed between the Underwriter and the Company in writing as the latest time to terminate the Underwriting Agreement)
“Listing Committee”	has the meaning ascribed to this term under the Listing Rules
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholders”	those Overseas Shareholder(s) to whom the Board, after making enquires, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to them
“Offer Price”	the issue price of HK\$0.20 per Offer Share at which the Offer Share will be offered for subscription under the Open Offer
“Offer Share(s)”	944,926,950 Adjusted Shares to be offered to the Qualifying Shareholders under the Open Offer for subscription on the basis of five (5) Offer Shares for every one (1) Adjusted Share held on the Record Date and payable in full on acceptance pursuant to the terms and subject to the conditions set out in the Underwriting Agreement and set out in this Prospectus

DEFINITIONS

“Old Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company prior to the Capital Reorganisation
“Open Offer”	the offer for subscription by the Qualifying Shareholders for the Offer Shares at the Offer Price on the terms and subject to the conditions set out in the Underwriting Agreement and set out in this Prospectus
“Overseas Shareholders”	the Shareholders with registered addresses (as shown in the register of members of the Company on the Record Date) which are outside Hong Kong
“PRC”	the People’s Republic of China which for the purpose of this Prospectus, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	this prospectus issued by the Company in relation to the Open Offer
“Prospectus Documents”	the Prospectus and the Application Form in respect of the Offer Shares issued by the Company in relation to the Open Offer
“Prospectus Posting Date”	Thursday, 16 April 2015 (or such later date as may be agreed between the Underwriter and the Company in writing as to the date of despatch of the Prospectus Documents to Qualifying Shareholders or the Prospectus to the Non-Qualifying Shareholders (as the case may be))
“Qualifying Shareholders”	the Shareholders, other than the Non-Qualifying Shareholders, whose names appear on the register of members of the Company on the Record Date
“Record Date”	Wednesday, 15 April 2015, being the date for the determination of the entitlements under the Open Offer
“Registrar”	Tricor Secretaries Limited, the branch share registrar and transfer office of the Company in Hong Kong
“Settlement Date”	Thursday, 7 May 2015, being the forth Business Day following (but excluding) the Latest Time of Acceptance or such later date as the Company and the Underwriter may agree

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company held on 1 April 2015 for the Shareholders to consider and approve, among other things, the Capital Reorganisation, the Open Offer and the transactions contemplated thereunder
“Share(s)”	Old Share(s) of HK\$0.01 each in the share capital of the Company prior to the Capital Reorganisation or Adjusted Share(s) of HK\$0.01 each, as the case may be
“Share Consolidation”	the consolidation of every ten (10) Old Shares in issue into one (1) Consolidated Share
“Shareholder(s)”	holder(s) of the Share(s)
“Share Sub-division”	the sub-division of every one (1) authorised but unissued Consolidated Share of HK\$0.10 each into ten (10) Adjusted Shares of HK\$0.01 each
“Specified Event”	an event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before such date would have rendered any of the warranties contained in the Underwriting Agreement untrue or incorrect in any material respect
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Underwriter”	Kingston Securities Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities) under the SFO
“Underwriting Agreement”	the underwriting agreement dated 6 February 2015 and entered into between the Company and the Underwriter in relation to the Open Offers
“%”	per cent.

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter shall be entitled by a notice in writing to the Company, served prior to the Latest Time for Termination if:

- (i) in the absolute opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date thereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (iii) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (vi) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of any of the Underwriter, a material omission in the context of the Open Offer; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the Announcement, the Circular or the Prospectus Documents or other announcements or circulars in connection with the Open Offer,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to 4:00 p.m. on the Settlement Date:

- (i) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (ii) any Specified Event comes to the knowledge of the Underwriter.

Any such notice shall be served by the Underwriter prior to 4:00 p.m. on the Settlement Date.

LETTER FROM THE BOARD



SOLARTECH INTERNATIONAL HOLDINGS LIMITED

蒙古礦業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1166)

Executive Directors:

CHAU Lai Him *(Chairman and Managing Director)*

ZHOU Jin Hua *(Deputy Chairman)*

LIU Dong Yang

BUYAN-OTGON Narmandakh

CHAU Chi Ho

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Independent non-executive Directors:

CHUNG Kam Kwong

LO Wai Ming

LO Chao Ming

Head office and principal

place of business:

No. 7, 2nd Floor

Kingsford Industrial Centre

13 Wang Hoi Road

Kowloon Bay

Kowloon

Hong Kong

16 April 2015

*To the Qualifying Shareholders and, for information only,
the Non-Qualifying Shareholders*

Dear Sir or Madam,

**OPEN OFFER OF 944,926,950 OFFER SHARES ON
THE BASIS OF FIVE (5) OFFER SHARES FOR EVERY ONE (1)
ADJUSTED SHARE HELD ON THE RECORD DATE**

INTRODUCTION

Reference is made to the Announcement, the announcement of the Company dated 1 April 2015 and the Circular in relation to, among other things, the Capital Reorganisation, the proposed change in board lot size and the Open Offer.

* For identification purposes only

LETTER FROM THE BOARD

On 6 February 2015, the Company announced that the Board proposed to raise approximately HK\$189 million before expenses, by way of Open Offer of 944,926,950 Offer Shares at the Offer Price of HK\$0.20 per Offer Share on the basis of five (5) Offer Shares for every one (1) Adjusted Share held on the Record Date. In addition to the Open Offer, the Board also proposed to effect the Capital Reorganisation and change the board lot size for trading on the Stock Exchange.

At the SGM held on 1 April 2015, the relevant resolutions approving, among other things, the Capital Reorganisation and the Open Offer, were duly passed by the Shareholders or the Independent Shareholders by way of poll. The Capital Reorganisation became effective on 2 April 2015.

The purpose of this Prospectus is to provide you with, among other things, further information regarding the details of the Open Offer.

THE OPEN OFFER

The details of the Open Offer are set out as follows:

Issue Statistics

Basis of the Open Offer:	Five (5) Offer Shares for every one (1) Adjusted Share held on the Record Date
Offer Price:	HK\$0.20
Number of Adjusted Shares in issue immediately after the Capital Reorganisation becoming effective and as at the Latest Practicable Date:	188,985,390
Number of Offer Shares:	944,926,950
Number of Offer Shares underwritten by the Underwriter:	944,926,950
Number of Shares in issue upon completion of the Open Offer:	1,133,912,340

As at the Latest Practicable Date, the Company does not have any outstanding convertible note, warrant, option, derivative or other securities convertible into or exchangeable for any Share. The Company has no intention to issue or grant any warrants, options and/or convertible securities on or before the Record Date.

LETTER FROM THE BOARD

Based on the above, a total of 944,926,950 Offer Shares will be issued upon the completion of the Open Offer, which represents 500% of the Company's issued share capital as at the Latest Practicable Date and approximately 83.33% of the Company's issued share capital as enlarged by the issue of the Offer Shares.

Offer Price

The Offer Price is HK\$0.20 per Offer Share, payable in full upon application. The Offer Price represents:

- (i) a discount of approximately 69.70% to the closing price of HK\$0.66 per Adjusted Share as quoted on Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 69.70% to the average of the closing prices of approximately HK\$0.66 per Adjusted Share for the last five consecutive trading days including and up to the Last Trading Day;
- (iii) a discount of approximately 27.8% to the theoretical ex-entitlement price of approximately HK\$0.277 per Adjusted Share after the Open Offer, based on the closing price of HK\$0.66 per Adjusted Share as quoted on the Stock Exchange on the Last Trading Day and having adjusted for the Capital Reorganisation;
- (iv) a discount of approximately 97.7% to the consolidated net assets value per Share of approximately HK\$8.84 as at 30 June 2014 based on the consolidated net assets attributable to owners of the Company as at 30 June 2014 of HK\$1,671,278,000 and the number of Adjusted Shares in issue immediately after the Capital Reorganisation becoming effective; and
- (v) a discount of approximately 66.67% to the closing price of HK\$0.60 per Adjusted Share as quoted on Stock Exchange on the Latest Practicable Date.

The Offer Price was determined after arm's length negotiation between the Company and the Underwriter with reference to, among other things, (i) the market price of the Shares was on a declining trend in the past six months; (ii) the current financial position of the Group; (iii) the discount of offer price per offer share for the open offer conducted by the Group in April 2014; and (iv) the future business development of the Group as detailed under the section headed "Reasons for the Open Offer and use of proceeds" in this Prospectus. Taking into consideration of the theoretical ex-entitlement price per Share and to reflect the absence of the excess application arrangement to Qualifying Shareholders, the Offer Price is set at a relatively deep discount with an objective to lower the further investment cost of Shareholders to encourage them to take up their entitlements and to participate in the potential growth of the Company. In order to increase the attractiveness of the Open Offer to the Qualifying Shareholders, the Directors (including the independent non-executive Directors) consider that the discount of the Offer Price to the market price is appropriate. Given that each Qualifying Shareholder is entitled to subscribe for the Offer Shares at the same price in proportion to his/her/its existing shareholding in the Company and the Open Offer is subject to the

LETTER FROM THE BOARD

approval by the Independent Shareholders, the Directors (including the independent non-executive Directors) consider that the terms of the Open Offer and the Offer Price is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

As the estimated net proceeds from the Open Offer will be approximately HK\$182 million, assuming no further issue of new Shares on or before the Record Date, the net price per Offer Share will be approximately HK\$0.193.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders. To qualify for the Open Offer, the Shareholders must at the close of business on the Record Date:

- (i) be registered on the register of members of the Company; and
- (ii) not be the Non-Qualifying Shareholders.

Rights of the Overseas Shareholders

If, at the close of business on the Record Date, a Shareholder's address on the register of members of the Company is in a place outside Hong Kong, that Shareholder may not be eligible to take part in the Open Offer as the Prospectus Documents will not be registered and/or filed under the applicable securities legislation of any jurisdictions other than Hong Kong. Based on the register of members of the Company as at the Latest Practicable Date and the Record Date, there are no Overseas Shareholders.

Closure of register of members

The register of members of the Company has been closed from Friday, 10 April 2015 to Wednesday, 15 April 2015, both dates inclusive, to determine the eligibility of the Open Offer.

Status of the Offer Shares

The Offer Shares (when allotted, fully paid and issued) will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Offer Shares. Holders of the Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Offer Shares.

LETTER FROM THE BOARD

Fractions of Offer Shares

Fractional entitlements to the Offer Shares, if any, will not be issued but will be aggregated and sold in the open market, if a premium, net of expenses can be obtained and the net proceeds, after deduction of related expenses arising from such sale, will be retained for the benefit of the Company. The Company will not allot any fractions of the offer Shares.

Certificates of the Offer Shares and refund cheques

Subject to fulfillment of the conditions of the Open Offer, certificates for the fully-paid Offer Shares are expected to be despatched on or before Friday, 8 May 2015 to those entitled thereto by ordinary post at their own risk. If the Open Offer is terminated, refund cheques are expected to be despatched on or before Friday, 8 May 2015 by ordinary post at the respective Shareholders' own risk.

No application for excess Offer Shares

The Board has decided that the Qualifying Shareholders will not be entitled to subscribe for any Offer Shares in excess of their respective assured entitlements. Given that (i) each Qualifying Shareholder will be given an equal and fair opportunity to participate in the Open Offer and maintain their respective interests in the Company by accepting the Offer Shares under the Open Offer; (ii) additional effort and cost (estimated to be HK\$200,000 to HK\$500,000) will be needed to administer the excess application procedures; and (iii) the Open Offer will be subject to the approval by the Independent Shareholders at the SGM for the Open Offer to proceed, the Board considers that the arrangement for excess application is therefore not cost effective. As disclosed in the section headed "Reasons for the Open Offer and use of proceeds" below, the estimated net proceeds for the Open Offer has been earmarked for specific uses with concrete plans and approximately HK\$42 million of the net proceeds from the Open Offer are intended to be used as the working capital of the Group. With the estimated usage of the general working capital of the Group of approximately HK\$5 million per month, such part of the net proceeds can only fulfill the needs of the Group for about 8 months and therefore, the Board considers that it is important for the Group to minimise all costs which may be incurred during the fund raising. Notwithstanding excess application arrangement will not be made available to Qualifying Shareholders, the Board considers that with a deeper discount to the Offer Price offered to Qualifying Shareholders would encourage them to participate the Open Offer and to participate in the potential growth of the Company. In light of the above, the Board considers that the Open Offer in the absence of excess application arrangement is in the interests of the Shareholders. Any Offer Shares not taken up by the Qualifying Shareholders will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

Pursuant to the Underwriting Agreement, the Underwriter has conditionally agreed to subscribe or procure subscription for the Offer Shares which have not been taken up by the Qualifying Shareholders.

LETTER FROM THE BOARD

Application for Listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Offer Shares. The trading board lot size of the Offer Shares is 20,000 Shares.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange. Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Offer 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 Offer Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any settlement day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements will be made to enable the Offer Shares to be admitted into CCASS.

UNDERWRITING ARRANGEMENT

Underwriting Agreement

Date:	6 February 2015 (after trading hours)
Underwriter:	Kingston Securities Limited
Total number of Offer Shares:	944,926,950 Offer Shares
Total number of Offer Shares underwritten by the Underwriter:	all the Offer Shares, being 944,926,950 Offer Shares
Underwriting commission:	2.5%

The Open Offer is fully underwritten by the Underwriter. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Underwriter and its associates are Independent Third Parties. As at the Latest Practicable Date, the Underwriter is interested in 3 Adjusted Shares.

The Board has not approached any other underwriters to consider underwriting the Open Offer for the following reasons:

- (a) the Company has a long business relationship with the Underwriter and believes the Underwriter is a reputable securities firm and is willing to engage with the Company and has a track record of completing market deals successfully with the Company;

LETTER FROM THE BOARD

- (b) there is only a limited number of underwriters who is willing to work with companies of small capitalisation; and
- (c) the Company does not intended to approach multiple underwriters that has no prior business relationship with the aim of keeping inside information confidential before publication of an announcement and not putting any person in a privileged dealing position as the Open Offer is a highly material and price sensitive information.

The Company will pay the Underwriter an underwriting commission of 2.5% of the aggregate Offer Price in respect of the maximum number of Offer Shares underwritten by the Underwriter. The Company will also pay the Underwriter all reasonable legal fees and other reasonable out-of-pocket expenses of the Underwriter in respect of the Open Offer. The Directors (including the independent non-executive Directors) are of the view that the commission rate is fair and reasonable.

Pursuant to the Underwriting Agreement, the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to hold 10% or more of the voting rights of the Company upon the completion of the Open Offer. The Underwriter shall also use its best endeavours to ensure that each of the subscribers of the Untaken Shares procured by it (i) shall be an Independent Third Party and not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Company, any of the Directors or chief executive of the Company or substantial shareholder(s) of the Company or their respective associates (as defined in the Listing Rules); and (ii) shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold 10.0% or more of the voting rights of the Company upon completion of the Open Offer.

The Company will take all reasonable steps to ensure that sufficient public float be maintained upon the completion of the Open Offer in compliance with Rule 8.08(1)(a) of the Listing Rules.

Undertaking

As at the Latest Practicable Date, the Company has not received any information or undertaking provided by any substantial Shareholders of their intention to take up the Offer Shares to be offered to them.

Conditions of the Open Offer

The Open Offer is conditional upon:

- (i) the passing of necessary resolution(s) at the SGM to approve the Capital Reorganisation by the Shareholders and the Open Offer by the Independent Shareholders;

LETTER FROM THE BOARD

- (ii) the Capital Reorganisation becoming effective;
- (iii) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provision) Ordinance not later than the Prospectus Posting Date;
- (iv) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the Prospectus Posting Date;
- (v) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Offer Shares by no later than the first day of their dealings;
- (vi) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms; and
- (vii) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement and the representations and warranties given by the Company under the Underwriting Agreement remaining true, correct and not misleading in all material respects.

The Conditions Precedent, save and except item (vii) above which can only be waived by the Underwriter, are incapable of being waived. If the Conditions Precedent are not satisfied and/or waived (as the case may be) in whole or in part by the Company or by the Underwriter by the Latest Time for Termination (or such other time and date as stipulated in the Underwriting Agreement) or such other date as the Company and the Underwriter may agree, the Underwriting Agreement shall terminate and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

As at the Latest Practicable Date, conditions (i) and (ii) above have been fulfilled.

BUSINESS REVIEW, FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Group is principally engaged in the manufacturing and trading of cables and wires for use in household electrical appliances and electronic products, copper products and mining business.

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As disclosed in the annual report (the “**Annual Report 2014**”) of the Company for the year ended 30 June 2014, the total turnover of Group was approximately HK\$804,284,000, representing an increase of 33.7% as compared to approximately HK\$601,611,000 recorded for the year ended 30 June 2013. During the year ended 30 June 2014, the loss attributable to owners of the Company was approximately HK\$37,709,000, as compared to the loss attributable to owners of the Company of approximately HK\$415,071,000 for the year ended 30 June 2013.

As stated in the Annual Report 2014, the Group will continue to implement its operation plans according to market demand, apart from the Mainland Chinese customers, the Group will be more proactive to foster close cooperation with principal and major customers from Europe and Americas, in order to maintain the Group’s leading positions in the cables and wires and copper rod business markets.

The Group’s Santai Industrial Zone located at Changping Town, Dongguan City has been held for leasing purpose, generating steady rental income for the Group. Also, two existing factories owned by the Group in Changping Town, Dongguan City, which were engaged in the manufacturing of cables and wires and copper products and are located at only 5 to 10 minutes by car from each other, were under renovation. To promote the Group’s future developments, the Group has placed these two manufacturing facilities in the same location and intends to renovate the other factory property for leasing purpose. In the opinion of the Board, the renovation of two existing factories would increase the return of the Group’s land resources, enhance the potential value of the Group’s factory space and increase the production efficiency of the Group.

As disclosed in the interim results announcement of the Company for the six months ended 31 December 2014, the new trading business of metallurgical grade bauxite has provided satisfactory performance and the turnover was approximately HK\$75,789,000, which accounted for approximately 18.4% of the Group’s total turnover. The Directors are optimistic and full of confidence towards the new trading business of metallurgical grade bauxite of 河南盛祥實業有限公司 (Henan Shengxiang Industry Co., Ltd.*) (“**Henan Shengxiang**”). During the operation of the new business, the Group has gradually built up network in the trading market and also identified a number of potential new customers. The Group is of the view that sufficient capital is required for the Company to procure additional and/or larger orders and to procure more customers. Therefore, the Group is contemplating to establish a new wholly-owned subsidiary or make an additional investment of approximately HK\$50,000,000 to Dongguan Hua Yi Brass Products Co., Ltd (“**Dongguan Hua Yi**”), which is an indirect wholly-owned subsidiary of the Company and holder of 51% of the registered capital of Henan Shengxiang, to expand the trading volume for such new business. The Directors believe that by having an enlarged capital base, the Company will be able to procure additional and/or larger orders and to seize any potential opportunities to further develop the trading business of metallurgical grade bauxite in a more timely manner. If the trading volume of the metallurgical grade metal oxide increases, it is expected that the sales to other alumina enterprises will increase and generate profits for the Group. As disclosed in the section headed “Reasons for the Open Offer and use of proceeds” herein, approximately HK\$50 million of the net proceeds from the Open Offer will be used for facilitating the development and expansion of this new trading business.

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The Group expects to increase asset utilisation efficiency effectively and optimise the utilisation of domestic land and fixed asset resources through consolidation, and generates more diversified sources of income for the Group.

The Group would also actively identify and explore other investment and business opportunities to broaden its assets and revenue base. The Group will cautiously search for investment opportunities so as to produce a steady growth in the Group's long term performance.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in the manufacturing and trading of cables and wires for use in household electrical appliances and electronic products, copper products and mining business.

As disclosed in the Annual Report 2014, the bank balances and cash for the year ended 30 June 2014 was approximately HK\$268.5 million and the short term borrowings of the Group for the same period was approximately HK\$158.2 million. During the second half of 2014, the Company has repaid borrowings of approximately HK\$93 million. As at 31 December 2014, the bank balances and cash was approximately HK\$125.7 million and the outstanding amount of the short term borrowings of the Group is approximately HK\$135 million being the aggregate of bank loans in the sum of approximately HK\$87 million and trust receipt in the sum of approximately HK\$48 million.

The price and demand of commodity goods, such as copper, started to decline in the PRC starting from January 2014 and the banks had adopted tighter credit and investment controls for providing facilities to companies with copper business recently. With the continuous decrease in oil price and copper price in late 2014, the effect of tighten up credit and investment controls of banks have become more significant and some of the banks of the Group have already lowered the loan or facility amount granted to the Company. In light of this, it is expected that it will become more difficult for the Group to obtain additional banking facilities or renew the bank facilities after repayment of the loans. As such, after considering the above, the Directors are of the view that additional funding is necessary to facilitate the operation of the existing business of the Group and at the same time to maintain a reasonable cash and bank balance for the healthy operation of the Company.

The Directors are also of the view that it would be vital for the Group to diversify its business exposure with a view to broaden its revenue base and achieve better Shareholders' return. The Open Offer would enable the Group to raise sufficient fund to maintain the financial flexibility necessary for the Group's business development. Reference is made to the announcement of the Company dated 13 August 2014 in relation to, among other things, the acquisition of 51% of the enlarged registered capital of Henan Shengxiang by way of capital injection by Dongguan Hua Yi, an indirect wholly-owned subsidiary of the Company. As disclosed in the said announcement, Henan Shengxiang is engaged in import of metallurgical grade bauxite and selling to a sizeable state-owned enterprise in Henan for production of aluminum oxide. As disclosed in the interim results announcement of the Company for the six months ended 31 December 2014, the new trading business of metallurgical grade bauxite has provided satisfactory performance

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and the turnover was approximately HK\$75,789,000, which accounted for approximately 18.4% of the Group's total turnover. The Directors are optimistic about the future prospects of and gained confidence in the new trading business of metallurgical grade bauxite.

During the operation of the new business, the Group has gradually built up network in the trading market and also identified a number of potential new customers. The Group is of the view that sufficient capital is required for the Company to procure additional and/or larger orders and to procure more customers. Therefore, the Group is considering the expansion of the trading volume for this new business by either setting up a new wholly-owned subsidiary or further investing on Dongguan Hua Yi for an amount of approximately HK\$50 million. The Directors believe that by having an enlarged capital base, the Company will be able to procure additional and/or larger orders and to seize any potential opportunities to further develop the trading business of metallurgical grade bauxite in a more timely manner. It is expected that the sales to other alumina enterprises will provide further contributions to the profit of the Group if the trading volume of metallurgical grade oxide is increased. Hence the Board would like to raise fund to facilitate the development and expansion of the new trading business by way of the Open Offer. Should other attractive and appropriate investment opportunities become available to the Group, the fund raised will also allow the Board to respond to the market in a timely manner.

It is expected that the gross proceeds from the Open Offer will be approximately HK\$189 million. It is expected that the estimated net proceeds, after deducting all the expenses in connection with the Open Offer, are approximately HK\$182 million which are intended to be used as to: (i) approximately HK\$90 million for repayment of short term loans, (ii) approximately HK\$50 million for financing new trading business of metallurgical grade bauxite of the Group; and (iii) approximately HK\$42 million as the working capital of the Group. The estimated usage of the general working capital for Hong Kong office and the PRC operations of the Group (including the administrative and operation expenses, such as salaries and professional fees, and other office expenses, etc.) is approximately HK\$5 million per month.

Having considered other fund raising alternatives for the Group, such as bank borrowings and placing of new Shares, and taking into account the benefits and cost of each of the alternatives, the Open Offer allows the Group to strengthen its balance sheet without facing the increasing interest rates.

The Board has also considered rights issue as an alternative means of fund raising before resolving to the Open Offer which a rights issue is similar to an open offer except that it enabled the Shareholders to trade in nil-paid rights. If the Company is to carry out a rights issue instead of the Open Offer, additional administrative work would be involved by the Company for arranging the trading of nil-paid rights and liaising with other parties such as the Registrar of the Company, the Underwriter, financial printer and other professional advisers. It is estimated that the additional costs and expenses of around HK\$300,000 would be incurred for such administrative work and the arrangement of trading the nil-paid rights. As disclosed above, the estimated net proceeds for the Open Offer has been earmarked for specific uses with concrete plans. With the estimated usage of the general working capital of the Group of approximately HK\$5 million per month, the

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portion of approximately HK\$42 million of the net proceeds intended to be used as the general working capital of the Group can only fulfill the needs of the Group for about 8 months. Therefore, the Board considers that it is important for the Group to minimise all costs which may be incurred during the fund raising. In addition, in view of the downward trend of the historical trading price of the Shares, there is uncertainty of existence of a market to trade in the nil-paid rights. The Board considers that the Open Offer is in the interest of the Company and the Shareholders as a whole as it offers all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company and enables the Qualifying Shareholders to maintain their proportionate interests in the Company and continue to participate in the future development of the Company should they wish to do so. Having considered and balanced against the extra administrative work and additional cost which will be involved for the trading arrangement of nil-paid rights, and given that all Qualifying Shareholders can have an equal opportunity to maintain their interests in the Company, the Directors are of the view that raising funds by way of the Open Offer is a better option and the Open Offer is in the interests of the Company and the Shareholders as a whole. **However, those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholdings in the Company will be diluted.**

The Directors (including the independent non-executive Directors) consider that the Open Offer is fair and reasonable and in the interests of the Company and the Shareholders as a whole having taken into account the terms of the Open Offer.

WARNING OF THE RISK OF DEALINGS IN THE SHARES

Shareholders and potential investors should note that the Open Offer is subject to the satisfaction of certain conditions as described under the section headed "Conditions of the Open Offer" in this Prospectus. In particular, it is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed.

Shareholders and potential investors should exercise extreme caution when dealing in the Shares or Adjusted Shares up to the date when the conditions of the Open Offer are fulfilled, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that, based on the expected timetable of the Open Offer, the Shares have been dealt in on an ex-entitlement basis commencing from Wednesday, 8 April 2015 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be on Wednesday, 6 May 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

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PROCEDURES FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES

Qualifying Shareholders will find enclosed with this Prospectus, an Application Form which entitles them to subscribe for the number of Offer Shares shown therein. If a Qualifying Shareholder wishes to exercise his/her/its rights to accept all the Offer Shares as specified in the Application Form, the Qualifying Shareholder must lodge the Application Form in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar by no later than 4:00 p.m. on Thursday, 30 April 2015. All remittances must be made by cheques or cashier's orders in Hong Kong dollars. Cheques must be drawn on an account with, and cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "Solartech International Holdings Limited — Open Offer Account" and crossed "Account Payee Only".

It should be noted that unless the duly completed Application Form, together with the appropriate remittance, has been lodged with the Registrar, by 4:00 p.m. on Thursday, 30 April 2015, by the original allottee, the relevant assured allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled.

The Application Form contains further information regarding the procedures to be followed if Qualifying Shareholders wish to accept the whole or part of their assured allotment. All cheques and cashier's orders accompanying duly completed Application Forms will be presented for payment immediately upon receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of an Application Form with a cheque and/or a cashier's order, will constitute a warranty by the relevant Qualifying Shareholder that the cheque and/or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any Application Form in respect of which the accompanying cheque and/or cashier's order is dishonoured on first presentation, and, in such event, the relevant assured allotment and all rights and entitlement given pursuant to which will be deemed to have been declined and will be cancelled.

The Application Form is for use only by the person(s) named therein and is not transferable. No receipt will be issued in respect of any monies received under the Open Offer. If the conditions of the Open Offer are not fulfilled before 4:00 p.m. on Wednesday, 6 May 2015, the monies received in respect of acceptance of the Offer Shares will be returned to the Qualifying Shareholders or, in case of joint holders, to the first-named person without interest by means of cheques despatched by ordinary post to the respective addresses specified in the register of members of the Company at their own risk as soon as practicable thereafter on or before Friday, 8 May 2015.

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EFFECTS ON SHAREHOLDING STRUCTURE

The existing and enlarged shareholding structures of the Company immediately before and after the completion of the Open Offer are set out below:

Shareholders	Prior to the Open Offer		Upon Completion of the Open Offer			
	As at the Latest Practicable Date		Assuming no Qualifying Shareholders take up their respective entitlements under the Open Offer		Assuming full subscription by the Qualifying Shareholders as to their respective entitlements under the Open Offer	
	<i>No. of Shares</i>	<i>Approximately %</i>	<i>No. of Adjusted Shares</i>	<i>Approximately %</i>	<i>No. of Adjusted Shares</i>	<i>Approximately %</i>
Mr. Luo Shandong	19,000,000	10.05	19,000,000	1.68	114,000,000	10.05
The Underwriter and its sub-underwriter(s) and subscriber(s) procured by the Underwriter (if any)	3	0.00	944,926,953	83.33	18	0.00
Other public Shareholders	169,985,387	89.95	169,985,387	14.99	1,019,912,322	89.95
Total	188,985,390	100.00	1,133,912,340	100.00	1,133,912,340	100.00

The Company will take all appropriate steps to ensure that sufficient public float be maintained upon the completion of the Open Offer in compliance with Rule 8.08(1)(a) of the Listing Rules.

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CORPORATE ACTIONS OF THE COMPANY IN THE PAST 12 MONTHS

The followings are the corporate actions of the Company and the related dilution effect on the share price and shares in issue after the corporate action during the past 12 months (up to the Latest Practicable Date):

Date of announcement	Event	Dilution effect on the share price after the corporate action	Total number of Shares in issue after relevant corporate action	Dilution effect on the Company's Shares in issue after the relevant corporate action <i>(approximately)</i>
21 January 2014	Open offer on the basis of five offer shares for every one Share (the "2014 Open Offer")	Adjusted downwards by approximately 55% <i>(Note 1)</i>	1,889,853,900	83.33% <i>(Note 2)</i>
6 February 2015 (The Announcement)	Capital Reorganisation	Adjusted upwards by 10 times	188,985,390	No effect <i>(Note 3)</i>
	Open Offer on the basis of five Offer Shares for every one Adjusted Share	Adjusted downward by approximately 58% <i>(Note 4)</i>	1,133,912,340	83.33% <i>(Note 2)</i>
	Accumulated dilution effect with reference to the number of Shares in issue as at 21 January 2014 of 314,975,650 Shares and adjusted for the Capital Reorganisation <i>(Note 4)</i>			97.22%

Notes:

1. The dilution effect on the share price is calculated based on the theoretical ex-entitlement price of approximately HK\$0.160 per Share of the 2014 Open Offer and the theoretical closing price of HK\$0.360 per Share based on the then closing share price as quoted on the Stock Exchange on 21 January 2014, being the last trading day for the Shares before the date of release of the announcement of the 2014 Open Offer.
2. The dilution effect on the Shares only applies to those Shareholders who do not apply for the open offer.
3. The corporate action was on a pro rata basis and the shareholding of all Shareholders would remain unchanged.

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4. The dilution effect on the share price is calculated based on the theoretical ex-entitlement price of approximately HK\$0.277 per Adjusted Share and the theoretical closing price of HK\$0.66 per Adjusted Share based on the closing price per share as quoted on the Stock Exchange on 6 February 2015, being the Last Trading Day.
5. For illustrative purpose only, the accumulated dilution effect shows the effect on shareholdings of the Company after the corporate actions involving issuance of new shares of the Company since 21 January 2014, being the date of the 2014 Open Offer announcement and up to the completion of the Open Offer (assuming nil acceptance by the Qualifying Shareholders and the Capital Reorganisation having become effective).

FUND RAISING ACTIVITY IN THE PAST 12 MONTHS

Apart from the fund raising activity mentioned below, the Company has not carried out other equity fund raising activities in the past 12 months immediately preceding the date of the Announcement.

Date of initial announcement	Fund raising activity	Intended use of net proceeds	Actual use of proceeds
21 January 2014 <i>(Note)</i>	2014 Open offer of 1,574,878,250 offer shares on the basis of five (5) offer shares for every one (1) existing share	– Approximately HK\$40 million for developing a parcel of land situated on the Santai Industrial Zone	– Approximately HK\$9 million utilized as intended and the remaining was deposited at the banks
		– Approximately HK\$30 million for renovation of two factories owned by the Group in Changping Town, Dongguan	– Fully utilized as intended
		– Approximately HK\$60 million for the repayment of short term loans	– Fully utilized as intended
		– Approximately HK\$53 million for general working capital of the Group	– Fully utilized as intended

Note: The 2014 Open Offer was completed on 17 April 2014.

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LISTING RULES IMPLICATIONS

As the Open Offer will increase the issued share capital or the market capitalization of the Company by more than 50% within the 12-month period immediately preceding the date of the Announcement, the Open Offer is subject to the approval of the Independent Shareholders. Pursuant to Rule 7.24 of the Listing Rules, any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates should abstain from voting in favour of the resolution(s) relating to the Open Offer. The Open Offer has been duly approved by the Independent Shareholders at the SGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

By order of the Board
Solartech International Holdings Limited
CHAU Lai Him
Chairman and Managing Director

A. FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group (i) for the six months ended 31 December 2014 has been disclosed on pages 2 to 26 of the 2014/15 interim report of the Company published on 17 March 2015 (<http://www.hkexnews.hk/listedco/listconews/SEHK/2015/0317/LTN20150317328.pdf>); (ii) for the year ended 30 June 2014 has been disclosed on pages 27 to 95 of the Annual Report 2014 published on 16 October 2014 (<http://www.hkexnews.hk/listedco/listconews/SEHK/2014/1016/LTN20141016408.pdf>); (iii) for the year ended 30 June 2013 has been disclosed on pages 32 to 101 of the annual report 2013 of the Company published on 22 October 2013 (<http://www.hkexnews.hk/listedco/listconews/SEHK/2013/1022/LTN20131022232.pdf>); and (iv) for the year ended 30 June 2012 has been disclosed on pages 28 to 99 of the annual report 2012 of the Company published on 22 October 2012 (<http://www.hkexnews.hk/listedco/listconews/SEHK/2012/1022/LTN20121022256.pdf>). All the above reports of the Company have been published on the website of the Stock Exchange (<http://hkexnews.hk>) and the website of the Company (<http://www.1166hk.com>).

B. STATEMENT OF INDEBTEDNESS

As at the close of business on 28 February 2015, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Prospectus, the Group had total outstanding borrowings of approximately HK\$129,891,000, comprising secured bank loans and secured trust receipt loans of approximately HK\$87,445,000 and HK\$42,430,000 respectively, and obligations under finance leases of approximately HK\$16,000.

The Group's certain items of property, plant and equipment, investment properties, prepaid lease payments for land and deposits and bank balances with an aggregate carrying value of approximately HK\$224,380,000 as at 28 February 2015 are pledged to banks to secure general banking facilities granted to the Group. The Group's obligations under finance leases are secured by the lessor's charge over the leased assets.

Save as aforesaid above and apart from intra-group liabilities and normal trade bills payables arising in the ordinary course of business, at the close of business on 28 February 2015, the Group did not have any other outstanding indebtedness, loan capital, bank overdrafts and liabilities under acceptance (other than normal trade bills) or other similar indebtedness, debentures, mortgages, charges or loans or acceptance credits or hire purchase or finance lease commitment, guarantees or contingent liabilities.

Save as disclosed, the Directors confirmed that there has been no material change in the indebtedness, contingent liabilities and commitments of the Group from 28 February 2015 up to the Latest Practicable Date.

C. WORKING CAPITAL

The Directors, after due and careful enquiry, are of the opinion that taking into account the financial resources presently available to the Group including the Group's internally generated funds, the currently available facilities, the estimated net proceeds from the Open Offer, and in the absence of unforeseen circumstances, the Group will have sufficient working capital for its normal business, in the next twelve months from the date of this Prospectus.

D. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 30 June 2014, the date on which the latest published audited consolidated financial statements of the Company were made up.

(A) UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets (the “**Unaudited Pro Forma Financial Information**”) of the Group prepared on the basis of the notes set out below for the purpose of illustrating the effect of the Capital Reorganisation and the Open Offer on the unaudited consolidated net tangible assets of the Group as if the Capital Reorganisation and the Open Offer had taken place on 31 December 2014.

The Unaudited Pro Forma Financial Information of the Group has been prepared for illustrative purpose only, based on the judgments, estimates and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Capital Reorganisation and the Open Offer actually taken place on 31 December 2014 or any future date.

The Unaudited Pro Forma Financial Information of the Group is prepared based on the unaudited consolidated net tangible assets of the Group derived from the unaudited condensed consolidated statement of financial position of the Group as at 31 December 2014, as extracted from the published unaudited interim report of the Company for the six months ended 31 December 2014 and is adjusted for the effects of the Capital Reorganisation and the Open Offer.

Unaudited consolidated net tangible assets attributable to owners of the Company as at 31 December 2014 <i>(Note (1))</i> HK\$'000	Estimated net proceeds from the Capital Reorganisation and the Open Offer <i>(Note (2))</i> HK\$'000	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company after the Capital Reorganisation and the Open Offer HK\$'000	Unaudited consolidated net tangible assets attributable to owners of the Company per share as at 31 December 2014 <i>(Note (3))</i> HK\$	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per share as at 31 December 2014 <i>(Note (4))</i> HK\$
Based on the Offer Price of HK\$0.20 per Offer Share	785,253	182,426	0.42	0.85

Notes:

- (1) The unaudited consolidated net tangible assets attributable to owners of the Company as at 31 December 2014 is based on the unaudited consolidated net assets attributable to owners of the Company of approximately HK\$1,659,138,000 as at 31 December 2014 after deducting mining right and exploration and evaluation assets of approximately HK\$856,017,000 and HK\$17,868,000 respectively.
- (2) The estimated net proceeds from the Open Offer are approximately HK\$182,426,000 calculated based on 944,926,950 Offer Shares to be issued at the Offer Price of HK\$0.20 per Offer Share, and after the deduction of the estimated direct legal and professional costs of approximately HK\$6,559,000. There will be no proceeds from the Capital Reorganisation.
- (3) The calculation of unaudited consolidated net tangible assets attributable to owners of the Company per share as at 31 December 2014 is based on the unaudited consolidated net tangible assets attributable to owners of the Company of approximately HK\$785,253,000 and 1,889,854,000 Shares in issue as at 31 December 2014.
- (4) The calculation of unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per share as at 31 December 2014 is based on (i) the unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company after the Capital Reorganisation and the Open Offer of approximately HK\$967,679,000; and (ii) approximately 1,133,911,950 shares in issue immediately following the completion of the Capital Reorganisation and the Open Offer which comprise (a) 1,889,854,000 Shares in issue as at 31 December 2014, as adjusted for the effect of the Capital Reorganisation pursuant to which every ten existing issued Shares in issue will be consolidated into one Consolidated Share, resulting in approximately 188,985,000 Adjusted Shares immediately before the Open Offer and (b) the 944,926,950 Offer Shares to be issued to the Qualifying Shareholders on the basis of five Offer Shares for one Adjusted Share of the Company held on the Record Date.
- (5) Save as disclosed above, no adjustment has been made to reflect any trading results or other transaction of the Group entered into subsequent to 31 December 2014.

The following is the text of an accountants' report, prepared for the sole purpose of inclusion in this Prospectus, received from the independent reporting accountants, BDO Limited, Certified Public Accountants, Hong Kong, in respect of the Unaudited Pro Forma Financial Information of the Group.

**(B) ASSURANCE REPORT ON UNAUDITED PRO FORMA STATEMENT OF
ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP**



16 April 2015

The Board of Directors
Solartech International Holdings Limited
No. 7, 2nd Floor
Kingsford Industrial Centre
13 Wang Hoi Road
Kowloon Bay, Hong Kong

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Solartech International Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purpose only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2014 and related notes as set out on Section A of Appendix II to the prospectus issued by the Company dated 16 April 2015 (the "Prospectus") (the "Unaudited Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are set out in Section A of Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed capital reorganisation (the "Capital Reorganisation") and the proposed open offer (the "Open Offer") on the Group's unaudited consolidated net tangible assets attributable to the owners of the Company as at 31 December 2014 as if the Capital Reorganisation and the Open Offer had taken place as at 31 December 2014. As part of this process, information about the Group's financial position as at 31 December 2014 has been extracted by the Directors from the Group's unaudited condensed consolidated financial statements for the six months ended 31 December 2014, on which an unaudited interim report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(1) of Chapter 4 of the Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus", issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or a review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the Capital Reorganisation and the Open Offer on unadjusted financial information of the Group as if transactions had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transactions would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transactions, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and

- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the transactions in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,

BDO Limited

Certified Public Accountants

Hong Kong

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 Prospectus 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 Prospectus misleading.

2. SHARE CAPITAL

The authorized and issued share capital of the Company (i) as at the Latest Practicable Date; and (ii) immediately after completion of the Open Offer are set out as follows:

(i) As at the Latest Practicable Date

		<i>HK\$</i>
Authorized:		
<u>50,000,000,000</u>	Adjusted Shares	<u>500,000,000.00</u>
Issued and fully paid:		
<u>188,985,390</u>	Adjusted Shares	<u>1,889,853.90</u>

(ii) Immediately after completion of the Open Offer

		<i>HK\$</i>
Authorized:		
<u>50,000,000,000</u>	Adjusted Shares	<u>500,000,000.00</u>
Issued and fully paid:		
188,985,390	Adjusted Shares	1,889,853.90
<u>944,926,950</u>	Offer Shares	<u>9,449,269.50</u>
<u>1,133,912,340</u>	Shares in total	<u>11,339,123.40</u>

All the existing Shares in issue are fully-paid and rank *pari passu* in all respects including all rights as to dividends, voting and return of capital. The Offer Shares (when allotted, fully paid or credited as fully paid) will rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Offer Shares. Holders of the Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Offer Shares.

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Offer Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, the Company did not have any outstanding warrants, options or securities convertible into Shares.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

Director's and chief executive's interests in the Company

As at the Latest Practicable Date, none of the Directors or chief executives of the Company or their respective associates had or was deemed to have any interests or short positions in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules to be notified to the Company and the Stock Exchange.

Interests and short positions of substantial Shareholders

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO, the following persons (other than the Directors and the chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, details of which are set out as follows:

Long positions in the Shares

Name of Shareholder	Nature of interests	Number of Shares interested	Approximate percentage of the issued share capital of the Company as enlarged by the issue of the Offer Shares
The Underwriter	Beneficial owner	994,926,953	83.33%
Galaxy Sky Investments Limited	Interest in controlled corporation	994,926,953	83.33%
Kingston Capital Asia Limited	Interest in controlled corporation	994,926,953	83.33%
Kingston Financial Group Limited	Interest in controlled corporation	994,926,953	83.33%
Active Dynamic Limited	Interest in controlled corporation	994,926,953	83.33%
Ms. Chu Yuet Wah	Interest in controlled corporation	994,926,953	83.33%

Name of Shareholder	Nature of interests	Number of Shares interested	Approximate percentage of the issued share capital as at the Latest Practicable Date
Mr. Luo Shandong	Beneficial owner	19,000,000	10.05%

Note: The total of 994,926,953 Shares include (i) 3 ordinary Shares; and (ii) 944,926,950 Shares are the Offer Shares which the Underwriter is interested under the Underwriting Agreement on the assumption of no acceptance by the Qualifying Shareholders under the Open Offer. The Underwriter is a wholly-owned subsidiary of Galaxy Sky Investments Limited, which is wholly owned by Kingston Capital Asia Limited. Kingston Capital Asia Limited is wholly owned by Kingston Financial Group Limited. Active Dynamic Limited owns 42.90% interest in Kingston Financial Group Limited. Ms. Chu Yuet Wah owns 100% interest in Active Dynamic Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, any interests or short positions in the shares, debentures or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO and section 336 of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Company or had any options in respect of such Shares.

4. DIRECTORS' INTERESTS IN CONTRACT AND ASSETS

As at the Latest Practicable Date, none of the Directors, directly or indirectly, had any interest in any assets which had since 30 June 2014 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, none of the Directors was materially interested in any subsisting contract or arrangement which is significant in relation to the business of the Group.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had a service contract with the Company which was not determinable by the Company within one year without payment of compensation, other than statutory compensation.

6. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) are contracts which have been entered into by members of the Group within the two years immediately preceding the Latest Practicable Date which are or may be material:

- (a) the Underwriting Agreement;
- (b) the underwriting agreement (the "**2014 Underwriting Agreement**") dated 21 January 2014 and entered into between the Company and the Underwriter in relation to the offer for subscription for 1,574,878,250 offer shares on the basis of five (5) offer shares for every one (1) then existing share at the subscription price of HK\$0.12 per offer share (the "**2014 Open Offer**"). Dealings in the offer shares commenced on the Stock Exchange at 9:00 a.m. on 17 April 2014. Details of the 2014 Open Offer were set out in the circular of the Company dated 25 February 2014 and the 2014 Open Offer prospectus of the Company dated 26 March 2014;
- (c) the side letter supplemental to the 2014 Underwriting Agreement dated 11 February 2014 and entered into between the Company and the Underwriter to reflect the revised timetable of the 2014 Open Offer;
- (d) the placing agreement entered into between the Company and the Underwriter as Placing Agent (the "**Placing Agent**") on 9 December 2013 pursuant to which the Placing Agent agreed to place, on a best effort basis, up to 52,490,000 Shares at a price of HK\$0.32 per Share. The placing was completed on 17 December 2013 and a total of 52,490,000 Shares were placed. Details of the placing were set out in the announcement of the Company dated 9 December 2013;

- (e) the placing agreement entered into between the Company and the Placing Agent on 27 May 2013 pursuant to which the Placing Agent agreed to place, on a best effort basis, a maximum of 75,000,000 Shares at a price of HK\$0.30 per Share. The placing was completed on 9 August 2013 and a total of 75,000,000 Shares were placed. Details of the placing were set out in the circular of the Company dated 10 June 2013; and
- (f) the placing agreement entered into between the Company and the Placing Agent on 7 March 2013 pursuant to which the Placing Agent agreed to place, on a best effort basis, up to 31,240,000 Shares at a price of HK\$0.40 per Share. The placing was completed on 20 March 2013 and a total of 31,240,000 Shares were placed. Details of the placing were set out in the announcement of the Company dated 7 March 2013.

7. LITIGATION

No member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against any member of the Group as at the Latest Practicable Date.

8. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors, proposed directors or any of their respective associates had any interest in business which competes with or may compete with the business of the Group.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this Prospectus or has given opinions, letter or advice contained in this Prospectus:

Name	Qualification
BDO Limited	Certified Public Accountants

As at the Latest Practicable Date, none of the above expert had any shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, none of the above expert had any interest, direct or indirect, in any assets which since 30 June 2014, the date to which the latest published audited financial statements of the Group were made up, have been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

The above expert has given and has not withdrawn its written consent to the issue of this Prospectus, with the inclusion of the references to its name and/or its opinion or report in the form and context in which they are included.

10. MISCELLANEOUS

- (a) Ms. Chan Kam Yee, Shirley, the company secretary of the Company, is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a certified public accountant of the Hong Kong Institute of Certified Public Accountants.
- (b) The English text of this Prospectus shall prevail over the Chinese text in the event of inconsistency.

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE OPEN OFFER

Registered office	Clarendon House 2 Church Street Hamilton HM 11 Bermuda
Head office and principal place of business in Hong Kong	No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong
Authorised representatives	Mr. Chau Lai Him and Ms. Chan Kam Yee, Shirley No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong
Company secretary	Ms. Chan Kam Yee, Shirley
Underwriter	<i>Kingston Securities Limited</i> Suite 2801, One International Finance Centre 1 Harbour View Street, Central Hong Kong

Legal advisers to the Company in respect of the Open Offer	As to Bermuda law: <i>Conyers Dill & Pearman</i> 2901 One Exchange Square 8 Connaught Place Central, Hong Kong As to Hong Kong law: <i>Michael Li & Co</i> 19th Floor, Prosperity Tower No. 39 Queen's Road Central Central, Hong Kong
Auditor and Reporting accountants	<i>BDO Limited</i> 25th Floor, Wing On Centre 111 Connaught Road Central Hong Kong
Principal share registrar and transfer office in Bermuda	<i>MUFG Fund Services (Bermuda) Limited</i> The Belvedere Building 69 Pitts Bay Road Pembroke HM08 Bermuda
Branch share registrar and transfer office in Hong Kong	<i>Tricor Secretaries Limited</i> Level 22, Hopewell Centre 183 Queen's Road East Hong Kong
Principal banker	<i>Bank of China Limited</i> No. 72, Guantai Road Dongguan Guangdong China <i>China CITIC Bank Corporation Limited</i> 1st Floor, Nan Feng Center Hongfu Road Nan Cheng District Dongguan Guangdong China <i>DBS Bank (Hong Kong) Limited</i> 16th Floor, The Center 99 Queen's Road Central Central Hong Kong
Stock code	1166
Website	http://www.1166hk.com

12. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$7 million, which are payable by the Company.

13. PARTICULARS OF DIRECTORS AND SENIOR MANAGEMENT**(a) Name and address of Directors**

Name	Address
<i>Executive Directors</i>	
Mr. Chau Lai Him	No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong
Mr. Zhou Jin Hua	No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong
Mr. Liu Dong Yang	No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong
Mr. Buyan-Otgon Narmandakh	No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong

Name	Address
Mr. Chau Chi Ho	No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong
<i>Independent non-executive Directors</i>	
Mr. Chung Kam Kwong	No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong
Mr. Lo Wai Ming	No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong
Mr. Lo Chao Ming	No. 7, 2nd Floor Kingsford Industrial Centre 13 Wang Hoi Road Kowloon Bay Kowloon Hong Kong

(b) Profiles of Directors

Executive Directors

Mr. CHAU Lai Him, aged 63, is the chairman and managing Director of the Group and the founder of the Group. Mr. Chau has been appointed as an executive Director since November 1996. He is responsible for the overall management, strategic planning and business development of the Group. He has more than 30 years' experience in the cable and wire industry and extensive experience in the mining industry.

Mr. ZHOU Jin Hua, aged 57, joined the Group in 1986 and is the deputy chairman of the Company and the general manager of the Group's Dongguan manufacturing facilities. Mr. Zhou has been appointed as an executive Director since November 1996. He is responsible for the day-to-day operations of the Group's Dongguan manufacturing facilities including production, sales and marketing and business development. He has more than 25 years' experience in the manufacturing of cable and wire products.

Mr. LIU Dong Yang, aged 40, joined the Group in September 1995 and has been appointed as an executive Director since January 2010. Mr. Liu is the deputy general manager of Shanghai Chau's Electrical Company Limited and is responsible for the financial matters for the trading and manufacturing operations in PRC. He holds a college diploma in international finance from Hunan Finance and Economics College, and a bachelor degree in business administration from the distance education college of Renmin University of China. He has more than 15 years' experience in finance and accounting.

Mr. BUYAN-OTGON Narmandakh, aged 40, has been appointed as an executive Director since July 2010 and has focused on resources and investments and finance in Mongolia. He holds a diploma in accounting from the Mongolian State University of Agriculture, a graduate diploma in public administration from the Government of Mongolia Academy of Management and a degree of M.B.A. in accounting from the National University of Mongolia. He has extensive experience in banking and finance in Mongolia.

Mr. CHAU Chi Ho, aged 33, rejoined the Group in August 2010 and has been appointed as an executive Director since 2 April 2015. He is the finance manager of Chau's Electrical Company Limited ("**Chau's**") and is a director of Santai Electronics Limited ("**Santai**"). Chau's and Santai are the indirect wholly-owned subsidiaries of the Group. He is responsible for accounting and financial management of Chau's and Santai and their subsidiaries in Dongguan. He holds a bachelor degree in Business Administration from the California State Polytechnic University Pomona, United States and has extensive experience in auditing, finance and accounting experience. He is the son of Mr. Chau Lai Him, the Chairman and Managing Director of the Company.

Independent Non-executive Directors

Mr. CHUNG Kam Kwong, aged 57, has been appointed as an independent non-executive Director since March 2003. Mr. Chung is a practising Certified Public Accountant in Hong Kong, a fellow certified public accountant of the Hong Kong Institute of Certified Public Accountants, a member of CPA Australia and a supervisory council member of the Macau Society of Certified Practising Accountants. He holds a bachelor degree in economics from the University of Hull, United Kingdom and a post graduate diploma of financial management from the University of New England, Australia. Mr. Chung has extensive experience in accounting and financial management and is an independent non-executive director of Truly International Holdings Limited (stock code: 732) which is listed on the main board of the Stock Exchange.

Mr. LO Wai Ming, aged 63, has been appointed as an independent non-executive Director since January 2000. Mr. Lo is the president of Greater China Asset Management Limited. He is also the director and general manager of SW China Strategic Holdings Limited. He has over 30 years' extensive experience in capital investment, consumer marketing, infrastructure investment and management, business development and corporate finance. He holds a bachelor degree in Social Sciences (Hons) and a master degree in business administration from the Chinese University of Hong Kong. He is a fellow of the Chartered Management Institute of the United Kingdom.

Mr. LO Chao Ming, aged 50, has been appointed as an independent non-executive Director since November 2006. He is the general manager of Sunf Pu Technology Co., Ltd., a company incorporated in Taiwan, Republic of China. He has more than 25 years' experience in the cable and wire industry.

(c) Profiles of senior management

Ms. LAM Sui Lan, Miranda, aged 45, rejoined the Group in March 2004 and is the assistant to the managing director of Chau's. She holds a bachelor degree of arts, major in business administration from the University of Northumbria at Newcastle, the United Kingdom and a higher diploma in business studies from the City University of Hong Kong. She has more than 15 years' experience in sales and marketing in the field of cable and wire products.

Mr. SHIU Sin Hang, aged 29, joined the Group in January 2014 and is the accounting manager of Chau's and is responsible for accounting and financial management. He holds a bachelor degree of Commerce (Honors) in Accounting from the Hong Kong Shue Yan University. He is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and has more than 6 years' experience in auditing, finance and accounting experience.

Mr. ZHOU Qi Qin, aged 51, joined the Group in November 1988 and is the operations manager of Dongguan Qiaozi Chau's Electrical Co., Ltd ("**Dongguan Qiaozi**"). He is responsible for the production operations of the Dongguan Qiaozi manufacturing facilities. He has more than 25 years' experience in manufacturing management.

Mr. YUEN Hoi Cheung, aged 47, joined the Group in March 1985 and is the operations manager of Dongguan Hua Yi Brass Products Co., Ltd ("**Dongguan Hua Yi**"). He is responsible for materials control, production planning, purchasing, warehouse management and customer services of the Dongguan Hua Yi manufacturing facilities. He has more than 25 years' experience in operations management.

14. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of this Prospectus, together with copies of the Application Form and the written consent referred to in the paragraphs headed “Expert and Consent” in this appendix have been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of Companies (Winding Up and Miscellaneous Provisions) Ordinance.

15. LEGAL EFFECT

The Prospectus Documents and all acceptance of any offer or application contained in such documents are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all person concerned bound by the provisions (other than the penal provisions) of Sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

16. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours on any weekday (other than Saturdays, Sundays and public holidays) at the office of the Company at No. 7, 2nd Floor, Kingsford Industrial Centre, 13 Wang Hoi Road, Kowloon Bay, Kowloon, Hong Kong from the date of this Prospectus up to and including 11 May 2015:

- (a) the memorandum of association of the Company and the Bye-Laws;
- (b) the 2014 interim report of the Company for the six months ended 31 December 2014 and the annual reports of the Company for the years ended 30 June 2012, 2013 and 2014;
- (c) the letter issued by the reporting accountants regarding the unaudited pro forma financial information as set out in appendix II of this Prospectus;
- (d) the written consent referred to in the paragraph headed “Expert and Consent” in this appendix;
- (e) the material contracts referred to in the paragraph headed “Material Contracts” in this appendix; and
- (f) this Prospectus.