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ALLTRONICS HOLDINGS LIMITED

華訊股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 833)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



CNI Securities Group Limited

After trading hours on 20 November 2015, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has agreed to place, through the Placing Agent on a best effort basis, 69,172,000 new Shares to the Placée at the Placing Price of HK\$1.88 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the Placing Shares represent (i) approximately 18.2% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 15.4% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The gross proceeds and net proceeds (after deduction of all costs and expenses) from the Placing will be approximately HK\$130.04 million and HK\$127.84 million respectively. The net proceeds from the Placing are intended to be utilised as general working capital of the Group.

The Placing Price of HK\$1.88 per Placing Share was determined after arm's length negotiations between the Company and the Placing Agent and represents: (i) a discount of approximately 11.3% to the closing price of HK\$2.12 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a premium of approximately 8.3% over the average closing price of HK\$1.736 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the Last Trading Day.

The Placing Shares will be allotted and issued under the General Mandate and therefore the allotment and issue of the Placing Shares will not be subject to any Shareholders' approval.

Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date: 20 November 2015 (after trading hours)

Issuer: the Company

Placing Agent: CNI Securities Group Limited

The Placing Agent has conditionally agreed with the Company to place, on a best effort basis, the Placing Shares. The Placing Agent has placed the entire Placing Shares to the Placee after the signing of the Placing Agreement. The Placee is an individual and an Independent Third Party who is principally engaged in the management of investment fund in the PRC.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Placee, the Placing Agent and its ultimate beneficial owners are independent of and not connected with the Company and its connected persons or any of their respective associates (as defined under the Listing Rules).

It is expected that the Placee will become a substantial Shareholder (as defined in the Listing Rules) immediately after the completion of the Placing.

Placing Commission:

The Placing Agent will receive a placing commission of 1.50% of the aggregate principal amount equal to the Placing Price multiplied by the actual number of the Placing Shares being placed. Such placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market conditions.

Placing Shares:

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the Placing Shares represent (i) approximately 18.2% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 15.4% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the Placing Shares under the Placing will be HK\$691,720.

Placing Price:

The Placing Price of HK\$1.88 per Placing Share (exclusive of stamp duty, brokerage, Stock Exchange trading fees and SFC transaction levies) represents:

- (i) a discount of approximately 11.3% to the closing price of HK\$2.12 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a premium of approximately 8.3% over the average closing price of HK\$1.736 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the Last Trading Day.

The Placing Price was determined after arm's length negotiation between the Company and the Placing Agent with reference to, among other matters, the prevailing market prices of the Shares.

The Directors consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Assuming all the Placing Shares are placed under the Placing, the gross proceeds from the Placing will be approximately HK\$130.04 million and the net proceeds (after deduction of all costs and expenses) will be approximately HK\$127.84 million. On such basis, the net issue price will be approximately HK\$1.85 per Placing Share.

Ranking:

The Placing Shares will rank, when issued and fully paid up, pari passu in all respects among themselves and with other Shares in issue as at the date of allotment and issue of the Placing Shares.

Conditions of the Placing:

Completion of the Placing is conditional upon the fulfillment of all of the following conditions:

- (i) the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares on or before 11 December 2015 (the “**Long Stop Date**”); and
- (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained.

If the above conditions are not satisfied on or before the Long Stop Date or such other date as the parties may agree in writing, the obligations of the Placing Agent and of the Company under the Placing Agreement shall cease and terminate and neither the Placing Agent nor the Company shall have any claim against the other in relation to the Placing Agreement save for any antecedent breach.

Completion:

Completion of the Placing shall take place at 4:00 p.m. (Hong Kong time) on the fourteenth (14th) Business Day after the fulfilment of the above conditions or on such other date as the Company and the Placing Agent may agree in writing.

MANDATE TO ALLOT AND ISSUE THE PLACING SHARES

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors at the AGM held on 28 May 2015. Under the General Mandate, the Company is authorised to allot and issue up to 69,172,400 Shares until the revocation, variation or expiration of the General Mandate. The Company has not exercised the power to allot and issue any new Shares pursuant to the General Mandate as at the date of this announcement.

The allotment and issue of the Placing Shares shall not be subject to any Shareholders' approval.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Group principally engages in manufacturing and trading of electronic products, components for electronic products, biodiesel products and provision of energy saving business solutions.

The Directors are of the view that the Placing can strengthen the financial position of the Group and provide funding to the Group to meet any future development and obligations. The Placing also represents good opportunities to broaden the Shareholders' base and the capital base of the Company. The Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

As disclosed above, assuming that the Placing Shares are fully placed under the Placing, the gross proceeds and the net proceeds (after deduction of all costs and expenses) from the Placing are estimated to be approximately HK\$130.04 million and HK\$127.84 million respectively. The net proceeds from the Placing are intended to be utilised as general working capital of the Group.

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The Company had not conducted any other fund raising activities in the past 12 months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquires, the existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon completion of the Placing (assuming all the Placing Shares have been placed and there is no other change in the shareholding structure of the Company before the allotment and issue of the Placing Shares under the Placing) are set out below:

Name of Shareholders	Shareholding as at the date of this announcement		Shareholding immediately after the completion of the Placing	
	<i>Approximate</i>		<i>Approximate</i>	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Mr. Lam Yin Kee and his associates(s) (<i>Note 1</i>)	262,508,290	69.0%	262,508,290	58.4%
Mr. Lam Chee Tai, Eric (<i>Note 2</i>)	1,677,060	0.4%	1,677,060	0.4%
The Placee	–	–	69,172,000	15.4%
Other public Shareholders	116,262,850	30.6%	116,262,850	25.8%
Total	<u>380,448,200</u>	<u>100.0%</u>	<u>449,620,200</u>	<u>100.0%</u>

Notes:

1. Mr. Lam Yin Kee, chairman and executive director of the Company, has personal interests in 8,408,290 Shares. 254,100,000 Shares are owned by Profit International Holdings Limited, a company incorporated in the British Virgin Islands and is owned as to 95% by Mr. Lam Yin Kee and 5% by Ms. Yeung Po Wah. Ms. Yeung Po Wah is an executive director of the Company and the spouse of Mr. Lam Yin Kee.
2. Mr. Lam Chee Tai, Eric is an executive director of the Company and the son of Mr. Lam Yin Kee and Ms. Yeung Po Wah.

GENERAL

Completion of the Placing is subject to the satisfaction of the conditions precedent as set out in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“AGM”	the annual general meeting of the Company held on 28 May 2015 at which the General Mandate was granted to the Directors
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, a Sunday or a public holiday or a day on which a tropical cyclone warning no. 8 or above or a “black rainstorm” warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks are open for general banking business in Hong Kong
“Company”	Alltronics Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors at the AGM to allot, issue or deal with up to 20% of the then issued share capital of the Company as at the date of the AGM, being 69,172,400 Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	third party(ies) independent of, not connected or acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with the Company and any of its connected persons or any of their respective associates (as defined under the Listing Rules)
“Last Trading Day”	20 November 2015, being the last day on which the Shares were traded on the Stock Exchange prior to the issue of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee”	Ms. Liu Jing, an Independent Third Party
“Placing”	the placing of 69,172,000 new Shares pursuant to the Placing Agreement
“Placing Agent”	CNI Securities Group Limited, a licensed corporation to carry out business in type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 20 November 2015 in relation to the Placing under the General Mandate
“Placing Price”	HK\$1.88 per Placing Share
“Placing Share(s)”	69,172,000 new Shares to be placed pursuant to the Placing Agreement
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)” holder(s) of the Share(s)

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“%” per cent.

On behalf of the Board
Alltronics Holdings Limited
Lam Yin Kee
Chairman

Hong Kong, 20 November 2015

As at the date of this announcement, Mr. Lam Yin Kee, Ms. Yeung Po Wah, Mr. So Kin Hung and Mr. Lam Chee Tai, Eric are the executive directors of the Company, Mr. Fan, William Chung Yue is the non-executive director of the Company, and Mr. Pang Kwong Wah, Mr. Leung Kam Wah and Mr. Yau Ming Kim, Robert are the independent non-executive directors of the Company.