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力勁科技集團有限公司
L.K. Technology Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 558)

ANNOUNCEMENT

**(1) CLOSING OF THE INVESTMENT AGREEMENT; AND
(2) APPOINTMENT OF NON-EXECUTIVE DIRECTOR, AND
MEMBER OF AUDIT COMMITTEE, NOMINATION COMMITTEE,
REMUNERATION COMMITTEE AND STRATEGY COMMITTEE**

CLOSING OF THE INVESTMENT AGREEMENT

The Board is pleased to announce that all conditions precedent under the Investment Agreement have been fulfilled and the issue of the New Subscription Shares, the Perpetual Convertible Securities and the Warrants was completed on 25 February 2011.

**APPOINTMENT OF NON-EXECUTIVE DIRECTOR, AND MEMBER OF AUDIT
COMMITTEE, NOMINATION COMMITTEE, REMUNERATION COMMITTEE AND
STRATEGY COMMITTEE**

The Board is also pleased to announce that Mr. Hu Yongmin has been appointed as a non-executive Director, and a member of the audit committee, nomination committee, remuneration committee and strategy committee of the Company with effect from 25 February 2011.

Reference is made to the announcement of the Company dated 26 January 2011 (the “**Announcement**”) in relation to the issue of the New Subscription Shares, the Perpetual Convertible Securities and the Warrants pursuant to the Investment Agreement. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise stated.

CLOSING OF THE INVESTMENT AGREEMENT

The Board is pleased to announce that all conditions precedent under the Investment Agreement have been fulfilled and the issue of the New Subscription Shares, the Perpetual Convertible Securities and Warrants was completed on 25 February 2011.

Pursuant to the Investment Agreement, the Company issued to China Machinery (i) the New Subscription Shares at HK\$2.50 per New Subscription Share with a total subscription price of HK\$255,000,000; (ii) the Perpetual Convertible Securities in the principal amount of HK\$145,000,000; and (iii) the Warrants in the maximum amount of HK\$80,000,000. The Company also granted China Machinery the Call Option to acquire the then Existing Subsidiary Equity Interests from the Company for an investment amount up to HK\$240,000,000 and the Subscription Option to acquire the New Subsidiary Equity Interests for an investment amount up to HK\$240,000,000, provided that the maximum aggregate sum that may be invested by China Machinery (or its affiliates) through the exercise of the Call Option and the Subscription Option shall be HK\$240,000,000.

The approval of the listing of, and permission to deal in, the New Subscription Shares, the Conversion Shares and the Warrant Shares was granted by the Stock Exchange on 2 February 2011.

APPOINTMENT OF NON-EXECUTIVE DIRECTOR, AND MEMBER OF AUDIT COMMITTEE, NOMINATION COMMITTEE, REMUNERATION COMMITTEE AND STRATEGY COMMITTEE

The Board is also pleased to announce that Mr. Hu Yongmin (“**Mr. Hu**”) has been appointed as a non-executive Director, and a member of the audit committee, nomination committee, remuneration committee, and strategy committee of the Company with effect from 25 February 2011.

Mr. Hu, aged 40, graduated from Fudan University. He is a co-founder of FountainVest. Prior to the founding of FountainVest, Mr. Hu was a managing director of Temasek Holdings Pte Ltd (“**Temasek**”). Mr. Hu was also a member of Temasek’s global investment committee, and head of its real estate investment. Previously an investment banker, Mr. Hu was a director and head of China telecom, media and technology investment banking for Credit Suisse First Boston (Hong Kong) Limited and Shanghai Chief Representative for Bear Stearns Asia Limited. From November 2005 to November 2006, Mr. Hu was a non-executive director of Hopson Development Holdings Limited (stock code: 754), a company listed on the Stock Exchange. Mr. Hu is currently a non-executive director of Central China Real Estate Limited (stock code: 832), a company listed on the Stock Exchange, and an independent director of Home Inns & Hotels Management Inc., a company listed on National Association of Securities Dealers Automated Quotations system (NASDAQ).

Save as disclosed above, Mr. Hu has not held any directorship in other public companies, the securities of which are listed on the Stock Exchange or other stock exchanges, in the past three years and does not hold any other position with the Company or other members of the Group.

Mr. Hu has not entered into any service contract with the Company. The term of office of Mr. Hu will be from 25 February 2011 till the conclusion of the next annual general meeting of the Company and is subject to the requirements of rotation, retirement and re-election under the articles of association of the Company. Mr. Hu is entitled to a directors' remuneration of HK\$200,000 per annum, which is determined with reference to the market conditions and his experience and qualification.

Save as disclosed above, Mr. Hu has no relationship with any other Directors, senior management of the Company, substantial Shareholders or controlling Shareholders. He does not have, and is not deemed to have any other interest or short positions in the Shares within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed above, there are no other matters relating to the appointment of Mr. Hu that need to be brought to the attention of the Shareholders and no other information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

The Board would like to express its warm welcome to Mr. Hu in joining the Board.

By Order of the Board
L.K. Technology Holdings Limited
Wong Kin Ming
Company Secretary

Hong Kong, 25 February 2011

As at the date of this announcement, the executive Directors are Ms. Chong Siw Yin, Mr. Cao Yang and Mr. Chung Yuk Ming, the non-executive Director is Mr. Hu Yongmin and the independent non-executive Directors are Dr. Low Seow Chay, Dr. Lui Ming Wah, SBS, JP, Mr. Tsang Yiu Keung, Paul and Mr. Chan Wah Tip, Michael.