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**TRADE**easy

易 貿 通

**TRADEEASY HOLDINGS LIMITED**

(易貿通集團有限公司\*)

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

**(Stock Code: 8163)**

**TOP-UP PLACING OF EXISTING SHARES  
AND SUBSCRIPTION OF NEW SHARES  
UNDER GENERAL MANDATE  
AND  
RESUMPTION OF TRADING**

**Placing Agent**

**OSK Asia Securities Limited**

**Placing and Subscription**

On 13 November 2007, the Placing and Subscription Agreement was entered into between the Vendors, the Warrantor, the Company and the Placing Agent, pursuant to which the Placing Agent has agreed to place, on a best-effort basis, an aggregate of up to 150,000,000 Placing Shares on behalf of the Vendors, to independent purchasers. The placing price is HK\$0.285 per Placing Share, exclusive of brokerage, trading fees and transaction levies.

Under the Placing and Subscription Agreement, each of the Vendors has conditionally agreed to subscribe for the number of the Subscription Shares (the number of which is equal to the number of Placing Shares sold by each of the Vendors in the Placing) at HK\$0.285 per Subscription Share. The Subscription is subject to various conditions set out below under the heading “Conditions of the Subscription”.

\* For identification purposes only

The price per Placing Share represents (i) a discount of approximately 8.06% to the closing price of HK\$0.31 per Share as quoted on the Stock Exchange on 13 November 2007 (being the Last Trading Day); (ii) a discount of approximately 18.80% to the average closing price of HK\$0.351 per Share as quoted on the Stock Exchange for the last five trading days prior to the date of the Placing and Subscription Agreement; and (iii) a discount of approximately 16.42% over the average closing price of HK\$0.341 per Share as quoted on the Stock Exchange for the last ten trading days prior to the date of the Placing and Subscription Agreement.

The total maximum number of the Placing Shares represents (i) approximately 14.58% of the existing issued share capital of the Company and (ii) approximately 12.72% of the issued share capital of the Company as enlarged by the allotment and issued of the Subscription Shares. If all the Placing Shares are to be placed under the Placing, the Placing will reduce the aggregate shareholding of Manistar from approximately 62.52% to approximately 50.08% and the shareholding of Mr. Wong from approximately 1.58% to approximately 0.03%, the shareholding of Mr. Lee from approximately 0.49% to approximately 0% and the shareholding of Mr. Chan from approximately 0.18% to approximately 0.08% of the existing issued share capital of the Company.

Assuming the Subscription Shares are 150,000,000 Shares, the Subscription will then increase the shareholding of Manistar to approximately 54.56% and the shareholding of Mr. Wong to approximately 1.38%, the shareholding of Mr. Lee to approximately 0.43% and the shareholding of Mr. Chan to approximately 0.16% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares. An application will be made to the Stock Exchange for the listing of and permission to deal in the Subscription Shares.

The Subscription Shares will be allotted and issued pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 25 July 2007.

If the Subscription Shares are 150,000,000 Shares, the gross proceeds and net proceeds from the Subscription will amount to approximately HK\$42,750,000 and approximately HK\$41,000,000 respectively. The Company intends to use the net proceeds as general working capital of the Group.

At the request of the Company, trading in the Shares on GEM was suspended from 9:30 a.m. on 14 November 2007 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares on GEM with effect from 9:30 a.m. on 15 November 2007.

## **THE PLACING**

The Placing and Subscription Agreement dated 13 November 2007 was entered into between the Vendors, the Warrantor, the Company and the Placing Agent.

**Vendors:**

1. Manistar;
2. Mr. Wong;
3. Mr. Lee; and
4. Mr. Chan

**Warrantor:**

The Warrantor is CCT Telecom which owns the entire issued share capital of Manistar. CCT Telecom is a party to the Placing and Subscription Agreement for the purposes of giving certain warranties and other obligations for Manistar under the Placing and Subscription Agreement.

**Placing Agent:**

The Placing Agent (and its ultimate holding company which is a public company listed in Malaysia) are independent of the Company and its connected persons (as defined in the GEM Listing Rules).

**Total Number of Placing Shares:**

1. Manistar : up to 128,000,000 Shares;
2. Mr. Wong : up to 16,000,000 Shares;
3. Mr. Lee : up to 5,000,000 Shares; and
4. Mr. Chan : up to 1,000,000 Shares

The Placing Agent has agreed to procure, on a best-effort basis, places for the purchase of up to 128,000,000 Shares from Manistar, up to 16,000,000 Shares from Mr. Wong, up to 5,000,000 Shares from Mr. Lee and up to 1,000,000 Shares from Mr. Chan. The maximum number of Placing Shares is 150,000,000 represents approximately 14.58% of the existing issued share capital of 1,029,089,000 Shares as at the date of this announcement or approximately 12.72% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares pursuant to the Subscription.

**Placing price:**

HK\$0.285 per Placing Share exclusive of brokerage, trading fees and transaction levies. This price was agreed after arm's length negotiations between the Vendors, the Company and the Placing Agent with reference to recent market prices of the Shares. This price represents:

- (i) a discount of approximately 8.06% to the closing price of HK\$0.31 per Share on the Last Trading Day;
- (ii) a discount of approximately 18.80% to the 5-day average closing price of the Shares of HK\$0.351 per Share for the last five trading days prior to the date of the Placing and Subscription Agreement; and
- (iii) a discount of approximately 16.42% to the 10-day average closing price of the Shares of HK\$0.341 per Share for the last 10 consecutive trading days prior to the date of the Placing and Subscription Agreement.

**The Placees:**

The Placing Shares will be placed at the placing price of HK\$0.285 per Share on a best-effort basis. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Placees (and their respective ultimate beneficial owners) are third parties independent of the Company, its subsidiaries and their respective connected persons (as defined in the GEM Listing Rules). The Placees will include both corporate institutions and individual investors. The Placing Agent confirms to the best of its knowledge and belief, no placees will become a substantial shareholder (as defined in the GEM Listing Rules) of the Company immediately after the Placing.

The Placing Shares will be placed to at least six Placees.

**Completion of the Placing:**

Completion of the Placing will take place at or before 4:00 p.m. on 15 November 2007 at the principal place of business of the Company in Hong Kong (or such other date or other place in Hong Kong as may be agreed by the Vendors, the Company and the Placing Agent).

**Rights of the Placing Shares:**

The Placing Shares will be sold by the Vendors free from and clear from all liens, encumbrances, equities or other third party rights.

**Termination:**

Pursuant to the Placing and Subscription Agreement, the Placing Agent may after consultation with the Vendors terminate the Placing and Subscription Agreement without liability to the Vendors by giving notice in writing to the Vendors, provided that such notice is received prior to the completion of the Placing, upon the occurrence of any of the following:

- (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions; or
- (ii) the imposition of any moratorium, suspension or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (iii) any material change in conditions of local, national or international securities markets occurs; or
- (iv) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group; or
- (v) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or elsewhere; or
- (vi) any litigation or claim of a material nature being instigated against any member of the Group; or
- (vii) any material breach of any of the representations and warranties set out in the Placing and Subscription Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date hereof and prior to the completion of the Placing which if it had occurred or arisen before the date hereof would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Vendors of any other provision of the Placing and Subscription Agreement; or
- (viii) there is any material adverse change in the financial or business or trading position of the Company.

## **THE SUBSCRIPTION**

- Subscribers:**
1. Manistar;
  2. Mr. Wong;
  3. Mr. Lee; and
  4. Mr. Chan

**Issuer:** The Company

### **Number of Subscription Shares:**

1. Manistar : up to 128,000,000 new Shares;
2. Mr. Wong : up to 16,000,000 new Shares;
3. Mr. Lee : up to 5,000,000 new Shares; and
4. Mr. Chan : up to 1,000,000 new Shares

The Company will allot and issue and the Vendors will subscribe for the number of new Shares which is equal to the relevant number of the Placing Shares to be sold by each of the Vendors under the Placing. The maximum number of the Subscription Shares is 150,000,000 Shares representing approximately 14.58% of the existing issued share capital of the Company as at the date of this announcement or approximately 12.72% of the issued share capital as enlarged by the allotment and issue of the Subscription Shares pursuant to the Subscription.

### **Subscription price:**

HK\$0.285 per Subscription Share, which is the equivalent of the purchase price per Placing Share. The net price per Subscription Share, after deduction of the relevant expenses, is approximately HK\$0.273.

### **Mandate to allot and issue new Shares:**

The Subscription Shares will be allotted and issued pursuant to the general mandate granted to the Directors by a resolution of the Shareholders passed at the annual general meeting of the Company held on 25 July 2007. The Company is authorised to issue 202,705,800 Shares under such mandate and the Company has not exercised the power to allot and issue any new Shares pursuant to such mandate prior to the date of the Placing and Subscription Agreement.

**Ranking:**

The Subscription Shares will rank equally in all respects among themselves and with all other Shares in issue as at the date of completion of the Subscription.

**Conditions of the Subscription:**

The Subscription is conditional upon:

- (i) the GEM Listing Committee of the Stock Exchange agreeing to grant the listing of, and permission to deal in, the Subscription Shares;
- (ii) completion of the Placing pursuant to the Placing and Subscription Agreement; and
- (iii) the Company obtaining all consents, approvals, authorisations and/or waivers in respect of the transactions contemplated under the Placing and Subscription Agreement.

If all the Placing Shares are to be placed under the Placing, the shareholding of Manistar will decrease from approximately 62.52% to approximately 50.08%, shareholding of Mr. Wong will decrease from approximately 1.58% to approximately 0.03%, shareholding of Mr. Lee will decrease from approximately 0.49% to approximately 0% and the shareholding of Mr. Chan will decrease from approximately 0.18% to approximately 0.08% of the total issued share capital of the Company immediately after completion of the Placing. Assuming the Subscription Shares are 150,000,000 Shares, the Subscription will increase the shareholding of Manistar to approximately 54.56%, the shareholding of Mr. Wong to approximately 1.38%, the shareholding of Mr. Lee to approximately 0.43% and the shareholding of Mr. Chan to approximately 0.16% of the then total issued share capital of the Company as enlarged by the Subscription Shares immediately after completion of the Subscription.

**Completion of the Subscription:**

Completion of the Subscription will take place at or before 4:00 p.m. at the principal place of business of the Company in Hong Kong on the next business day after the satisfaction of the conditions set out above (or such other time or date as the Company and the Vendors may agree in writing). If completion of the Subscription does not take place within 14 days upon execution of the Placing and Subscription Agreement, the Company will ensure compliance with Chapter 20 of the GEM Listing Rules.

## EFFECTS OF THE PLACING AND THE SUBSCRIPTION ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before the Placing, immediately after the Placing but before the Subscription, and immediately after the Placing and the Subscription, assuming the maximum number of the Placing Shares have been placed and the maximum number of the Subscription Shares have been subscribed, are as follows:

Shareholders	Existing shareholding		Immediately after the Placing but before the Subscription		Immediately after the Placing and the Subscription	
	<i>No. of Shares held</i>	<i>%</i>	<i>No. of Shares held</i>	<i>%</i>	<i>No. of Shares held</i>	<i>%</i>
CCT Telecom through Manistar Enterprises Limited	643,364,070	62.52	515,364,070	50.08	643,364,070	54.56
Independent non-executive Director	950,000	0.09	950,000	0.09	950,000	0.08
Public Shareholders:						
Mr. Wong	16,284,415	1.58	284,415	0.03	16,284,415	1.38
Mr. Lee	5,008,054	0.49	8,054	–	5,008,054	0.43
Mr. Chan	1,849,937	0.18	849,937	0.08	1,849,937	0.16
Placees	–	–	150,000,000	14.58	150,000,000	12.72
Other public shareholders	361,632,524	35.14	361,632,524	35.14	361,632,524	30.67
Total public shareholders	384,774,930	37.39	512,774,930	49.83	534,774,930	45.36
	<u>1,029,089,000</u>	<u>100.00</u>	<u>1,029,089,000</u>	<u>100.00</u>	<u>1,179,089,000</u>	<u>100.00</u>

## REASON FOR THE PLACING AND THE SUBSCRIPTION

The Directors have considered various fund raising methods and believed that taking into account the prevailing market conditions, the Placing and the Subscription present an opportunity for the Group to raise equity capital in order to maintain the cashflow position of the Group and to enhance the capital and shareholders' base of the Company. The Directors (including the independent non-executive Directors) consider the terms of the Placing and Subscription Agreement to be fair and reasonable and are in the best interests of the Company, as far as the Shareholders are concerned.



## **FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS**

Reference is made to the Joint Announcement. Capitalised terms used in this section shall have the same meanings as those defined in the Joint Announcement, unless otherwise defined. As disclosed in the Joint Announcement, the Company entered into the Agreement with MCL and MTG for the Acquisition at the Sale Consideration of US\$157,000,000 (equivalent to HK\$1,224,600,000) and for the subscription of new shares in MTG at the Subscription Consideration of US\$28,000,000 (equivalent to HK\$218,400,000). The Sale Consideration shall be satisfied as follows:

- (a) HK\$7,800,000 by way of the Cash Consideration;
- (b) HK\$776,880,000 (subject to adjustment) by the issue of the First Convertible Bonds; and
- (c) HK\$439,920,000 (subject to adjustment) by the issue of the Second Convertible Bonds.

The Subscription Consideration of US\$28,000,000 (equivalent to HK\$218,400,000) shall be satisfied by cash.

In order to fund the Cash Consideration and the Subscription Consideration which shall be payable in cash, the Company entered into the Manistar Subscription Agreement with Manistar under which Manistar has agreed to subscribe for and the Company has agreed to issue the Manistar Convertible Bonds in the aggregate principal amount of HK\$226,200,000 payable in cash.

The Agreement and the Manistar Subscription Agreement are subject to the conditions precedent as stated in the Joint Announcement. As at the date of this announcement, the transactions contemplated under the Agreement and the Manistar Subscription Agreement have not yet been completed.

Except for the First Convertible Bonds and the Second Convertible Bonds to be issued to MCL for the Acquisition and the Manistar Convertible Bonds to be issued to Manistar, details of which have been elaborated in the Joint Announcement, the Company has not conducted any fund raising activities in the past twelve months immediately prior to the date of this announcement.

## **USE OF PROCEEDS**

If the Subscription Shares are 150,000,000 Shares, the gross proceeds under the Subscription are approximately HK\$42,750,000 and the net proceeds, after deducting related professional fees and all related expenses which will be borne by the Company, under the Subscription are estimated to be approximately HK\$41,000,000. The Company intends to use the net proceeds as general working capital of the Group.

## **GENERAL INFORMATION**

The Group is principally engaged in the provision of on-line and off-line integrated marketing solutions and management automation services to assist small and medium-size enterprises mainly located in Hong Kong and the People's Republic of China to generate and transform trade leads to transactions.

## **APPLICATION FOR LISTING**

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

## **SUSPENSION AND RESUMPTION**

At the request of the Company, trading in the Shares on GEM was suspended from 9:30 a.m. on Wednesday, 14 November 2007 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on GEM with effect from 9:30 a.m. on 15 November 2007.

## **DEFINITIONS**

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

“associates”	has the meaning ascribed to it under the GEM Listing Rules;
“Board”	the board of Directors;
“Business Day”	a day other than Saturday, Sunday or any day on which licensed banks in Hong Kong are authorised or obligated to close;
“CCT Telecom”	CCT Telecom Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and whose shares are listed on the main board of the Stock Exchange, which is the ultimate holding company of the Company;
“Company” or “Tradeeasy”	Tradeeasy Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the GEM;
“Director(s)”	the director(s) of the Company;
“GEM”	the Growth Enterprise Market operated by the Stock Exchange;

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China;
“Joint Announcement”	the joint announcement dated 23 October 2007 jointly published by the Company and CCT Telecom in relation to the acquisition of the forestry projects in Papua, Indonesia by the Company and the subscription of the convertible bonds in the Company by Manistar;
“Last Trading Day”	13 November 2007, being the last trading day in the Shares pending the release of this announcement;
“Manistar”	Manistar Enterprises Limited, a company incorporated in the British Virgin Islands with limited liability, which is the holding company of Tradeeasy and a wholly-owned subsidiary of CCT Telecom;
“Mr. Chan”	Mr. Chan Ka Fai, an employee of a subsidiary of the Company and other than such relationship, Mr. Chan is an independent third party independent of the Company and its connected persons (as defined in the GEM Listing Rules);
“Mr. Lee”	Mr. Lee Wing Kwong, an employee of a subsidiary of the Company and other than such relationship, Mr. Lee is an independent third party independent of the Company and its connected persons (as defined in the GEM Listing Rules);
“Mr. Wong”	Mr. Wong Kai Yin, Paul, an employee of a subsidiary of the Company and other than such relationship, Mr. Wong is an independent third party independent of the Company and its connected persons (as defined in the GEM Listing Rules);
“Placees”	the purchaser(s) of the Placing Shares pursuant to the Placing and Subscription Agreement;
“Placing”	the placing of the Placing Shares pursuant to the terms of the Placing and Subscription Agreement;

“Placing Agent”	OSK Asia Securities Limited, a licensed corporation holding a license on type 1 (dealing in securities) and type 4 (advising on securities) regulated activities as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Placing and Subscription Agreement”	an agreement dated 13 November 2007 and entered into between the Vendors, the Company and the Placing Agent in relation to the Placing and Subscription;
“Placing Share(s)”	up to a total of 150,000,000 Shares beneficially owned by the Vendors to be placed pursuant to the Placing and Subscription Agreement;
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	the registered holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription”	the subscription of the Subscription Shares by the Vendors pursuant to the Placing and Subscription Agreement;
“Subscription Share(s)”	such number of new Shares to be subscribed by the Vendors pursuant to the Placing and Subscription Agreement, which is equal to the number of Shares placed out by each of them pursuant to the Placing, the maximum number of which is 150,000,000 Shares;
“Vendors”	Manistar, Mr. Wong, Mr. Lee and Mr. Chan; and
“%”	per cent.

By Order of the Board of  
**TRADEEASY HOLDINGS LIMITED**  
**Mak Shiu Tong, Clement**  
*Chairman*

Hong Kong, 14 November 2007

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*As at the date of this announcement, the executive Directors are Mr. Mak Shiu Tong, Clement, Mr. Tam Ngai Hung, Terry, Ms. Cheng Yuk Ching, Flora and Dr. William Donald Putt and the independent non-executive Directors are Mr. Lam Kin Kau, Mark, Mr. Fung Hoi Wing, Henry and Mr. Lau Ho Wai, Lucas.*

*This announcement will remain on the “Latest Company Announcement” page of the GEM Website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of seven days from the day of its posting and will be published and remain on the website of the Company at [www.tradeeasy.com](http://www.tradeeasy.com).*