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GLOBAL SOLUTION ENGINEERING LIMITED

環球工程有限公司

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(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8192)

SUBSCRIPTION OF NEW SHARES AND RESUMPTION OF TRADING

The Board of the Company wishes to announce that the Company entered into the Subscription Agreements on 10 February 2006 respectively with the Subscribers. Pursuant to the Subscription Agreements, the Company conditionally agreed to issue, and the Subscribers agreed to subscribe the Subscription Shares at the Subscription Price.

The Subscribers are independent of each other.

The Subscribers and their respective ultimate beneficial owners are independent third parties and not connected with the Directors, chief executive, substantial shareholders or management shareholders of the Company or any of its subsidiaries or any of their respective associates and are not connected persons (as defined in the Listing Rules) of the Company. As at the date of this announcement, DEL holds 48,000,000 shares and PAL holds 9,600,000 shares of the Company.

Immediately after completion of the Subscription, PAL's interest in the Company will be approximately 10% and DEL's interest in the Company will be approximately 15%.

The Subscription Shares represent 20% of the existing issued share capital of the Company and approximately 16.67% of the issued share capital of the Company as enlarged by the Subscription.

Completion of the Subscription Agreements is conditional upon (a) the GEM Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Subscription Shares; and (b) the Subscription will not result in triggering an obligation on any party to make a mandatory offer to all other shareholders of the Company (save for itself and its concert parties) under the The Hong Kong Code on Takeovers and Mergers.

The Company intends to apply the net proceeds raised of approximately HK\$1.85 million as general working capital for the Company.

There will not be any change in the composition of the Board subsequent to completion of the Subscription.

At the request of the Company, trading in the Shares has been suspended with effect from 9:30 a.m. on 13 February 2006 in Hong Kong, pending the release of this announcement. An application has been made to the Stock Exchange of Hong Kong Limited with effect from 9:30 a.m. in Hong Kong by the Company for the resumption of trading of Shares on 14 February 2006.

** for identification purpose only*

THE SUBSCRIPTION AGREEMENTS

The board (the “Board”) of directors (the “Directors”) of Global Solution Engineering Limited (the “Company”) wishes to announce that the Company entered into two subscription agreements (the “Subscription Agreements”) on 10 February 2006 with Peak Achieve Limited (“PAL”) and Data Expert Limited (“DEL”) (DEL together with PAL are collectively referred to as the “Subscribers”). Pursuant to the Subscription Agreements, the Company conditionally agreed to issue, and the Subscribers agreed to subscribe (the “Subscription”) a total of 115,200,000 new shares (the “Subscription Shares”) of HK\$0.01 each of the Company at a price of HK\$0.0165 each (the “Subscription Price”). Details of the Subscription Agreements are set out as follows:

Parties:

Issuer: The Company

Subscribers: Peak Achieve Limited, a company incorporated in British Virgin Islands, which is wholly and beneficially owned by Ms. Siu Yuk Chu.

Data Expert Limited, a company incorporated in British Virgin Islands, which is wholly and beneficially owned by Ms. Liu Peng.

PAL holds 9,600,000 shares of the Company before the Subscription.

DEL holds 48,000,000 shares of the Company before the Subscription.

The Subscribers are independent of each other.

Number of Subscription Shares

115,200,000 new shares, representing approximately 20% of the Company’s existing issued share capital and approximately 16.67% of the Company’s issued share capital as enlarged by the issue of the Subscription Shares. Among the 115,200,000 Subscription Shares being subscribed, each of the two Subscribers, PAL and DEL, agreed to subscribe 59,520,000 Subscription Shares and 55,680,000 Subscription Shares respectively.

Subscription Price

HK\$0.0165 per Subscription Share, representing:

1. a discount of approximately 8.33% to the closing price of HK\$0.018 per Share on 10 February 2006, being the date of the Subscription Agreements;
2. a discount of approximately 15.82% to the average closing price of HK\$0.0196 per share for the last 5 trading days of the Shares up to and including 10 February 2006; and
3. a discount of approximately 15.82% to the average closing price of HK\$0.0196 per share for the last 10 trading days of the Shares up to and including 10 February 2006.

The net placing price of each Subscription Share is approximately HK\$0.0161 per Subscription Share.

The terms of the Subscription Agreements, including, amongst others, the Subscription Price were determined after arm's length negotiation between the Company and the Subscribers and the Board considers the Subscription Agreements and their terms and conditions fair and reasonable and are in the best interest of the shareholders of the Company as a whole.

Condition of the Subscription Agreements

Completion of the Subscription Agreements is conditional upon (a) the GEM Listing Committee of the Stock Exchange granting (subject only to allotment) listing of, and permission to deal in, the Subscription Shares; and (b) the Subscription will not result in triggering an obligation on any party to make a mandatory offer to all other shareholders of the Company (save for itself and its concert parties) under the The Hong Kong Code on Takeovers and Mergers. If the above condition is not fulfilled by 31 March 2006, then saved for otherwise provided in the Subscription Agreements or any other mutual agreement between the Company and the Subscribers, the rights and obligations of the Company and the Subscribers in respect of the Subscription shall forthwith terminate and cease to have any effect.

Completion of each of the Subscription Agreements is not conditional upon completion of each other.

Completion

The completion of the Subscription will take place as soon as possible following the satisfaction of the above condition and in any event not later than two business days after the satisfaction of the above condition.

RANKING OF THE SUBSCRIPTION SHARES

The Subscription Shares will rank pari passu in all respects with the existing issued shares together with all rights and entitlements accruing after the date of completion.

GENERAL MANDATE

The Subscription Shares will be issued pursuant to the general mandate granted to the Board at the annual general meeting held on 29 April 2005. Other than the Subscription Shares, no shares had been issued pursuant to the aforesaid existing general mandate.

APPLICATION FOR LISTING

Application for granting the listing of, and permission to deal in, the Subscription Shares will be submitted to the GEM Listing Committee of the Stock Exchange for approval by the Company.

USE OF NET PROCEEDS

The Company intends to apply the net proceeds raised of approximately HK\$1.85 million as general working capital for the Company.

REASONS FOR THE SUBSCRIPTION

The Company and its subsidiaries (the “Group”) is principally engaged in the provision of information technology and engineering consultancy services, as well as information technology design services. The Directors consider the Subscription an opportunity for the Company to raise funds for future development purposes and for broadening the capital base of the Company. The Directors believe additional fund raised by the Subscription would help in strengthening the Company’s core business and the financial position of the Company.

In the past 12 months, the Company did not issue any Share or securities to raise fund.

EFFECTS ON SHAREHOLDING

Set out below is the table describing the Company’s existing shareholding structure and the shareholding structure after completion of the Subscription:

Name of Shareholder	Existing		After the Subscription	
	No. of shares	%	No. of shares	%
Elite Side Profits Limited (<i>Note 1</i>)	264,000,000	45.84	264,000,000	38.20
Data Expert Limited (<i>Note 2</i>)	48,000,000	8.33	103,680,000	15.00
Grand Ever Limited (<i>Note 3</i>)	48,000,000	8.33	48,000,000	6.94
Peak Achieve Limited (<i>Note 4</i>)	9,600,000	1.67	69,120,000	10.00
Other public shareholders	206,400,000	35.83	206,400,000	29.86
	<u>576,000,000</u>	<u>100.00</u>	<u>691,200,000</u>	<u>100.00</u>

Notes:

- (1) These shares are beneficially owned by Elite Side Profits Limited, the entire issued share capital of which is wholly and beneficially owned by Mr. Chu Yen Ling, the Chairman and executive Director.
- (2) These shares are beneficially owned by Data Expert Limited, the entire issued share capital of which is wholly and beneficially owned by Ms. Liu Peng.
- (3) These shares are beneficially owned by Grand Ever Limited, the entire issued share capital of which is wholly and beneficially owned by Mr. Nie Tiehang.
- (4) These shares are beneficially owned by Peak Achieve Limited, the entire issued share capital of which is wholly and beneficially owned by Ms. Siu Yuk Chu.

The Subscribers and their ultimate beneficial owners are independent third parties and not connected persons of the Company and they have no arrangement whatsoever with the Company, its subsidiaries or any of their directors, chief executive, substantial shareholders or in respect of the trading, dealing or disposal of the Subscription Shares. Further, the Subscribers are not parties acting in concert with each other and other shareholders of the Company.

Both the Subscribers are investment holding companies, the principal activities of which are holding the shares of the Company.

There will not be any change in the composition of the Board subsequent to completion of the Subscription.

SUSPENSION AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares has been suspended with effect from 9:30 a.m. on 13 February 2006 in Hong Kong, pending the release of this announcement. An application has been made to the Stock Exchange of Hong Kong Limited with effect from 9:30 a.m. in Hong Kong by the Company for the resumption of trading of Shares on 14 February 2006.

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

Executive Directors:

Chu Yen Ling

Lee Chan Wah Ivan

Independent Non-executive Directors:

Lu Da

Lau Man Yiu

Xue Xiaoyi

By order of the Board
Global Solution Engineering Limited
Chu Yen Ling
Chairman

Hong Kong, 13 February 2006

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange 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.

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