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INNO-TECH HOLDINGS LIMITED
匯 創 控 股 有 限 公 司 *

(incorporated in Bermuda with limited liability)
(Stock Code : 8202)

CONNECTED AND DISCLOSEABLE TRANSACTION
DISPOSAL OF 56% INTEREST IN
AUTOSCALE RESOURCES LIMITED
AND
UNUSUAL PRICE MOVEMENT

THE DISPOSAL

On 16 February 2009, the Company entered into the Sale and Purchase Agreement with Certain Success pursuant to which the Company has agreed to sell and Certain Success has agreed to acquire 56% of the issued share capital of Autoscale at a consideration of HK\$3,144,960 to be satisfied in cash by Certain Success on Completion.

As at the date of this announcement, Autoscale is owned as to 56% by the Company, as to 34% by Mr. Wong Yao Sing, Herbert (deceased), as to 5% by Mr. Wong Yao Wing, Robert and as to 5% by Ms. Wong Yuen Yee. Mr. Wong Yao Wing, Robert and Ms. Wong Yuen Yee are executive Directors whilst Mr. Wong Yao Sing, Herbert (deceased) is the brother of Mr. Wong Yao Wing, Robert. Upon Completion, the Company will cease to hold any interest in Autoscale and Autoscale will cease to be a subsidiary of the Company.

Since Mr. Wong Yao Sing, Herbert (deceased), is a controlling shareholder of Autoscale and is a controller, the Disposal constitutes a connected transaction for the Company under Rule 20.13(1)(b)(i) of the GEM Listing Rules.

As the applicable percentage ratio set out in Rule 20.32 of the GEM Listing Rules in respect of the Disposal is more than 2.5% but less than 25% and the total consideration is less than HK\$10,000,000, the Disposal is only subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

The Disposal also constitutes a discloseable transaction for the Company under Rule 19.08 of the GEM Listing Rules.

UNUSUAL PRICE MOVEMENT

This part of the announcement is made at the request of the Stock Exchange. We have noted today's increase in the price of the Shares and wish to state that we are not aware of any reasons for such movement.

We also confirm that save as disclosed in this announcement, there are no other negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Chapters 19 and 20 of the GEM Listing Rules, neither is the Board of the Company aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement.

INTRODUCTION

On 16 February 2009, the Company entered into the Sale and Purchase Agreement with Certain Success pursuant to which the Company has agreed to sell and Certain Success has agreed to acquire 56% of the issued share capital of Autoscale at a consideration of HK\$3,144,960 to be satisfied in cash by Certain Success on Completion.

Set out below are the details of the Sale and Purchase Agreement:

THE SALE AND PURCHASE AGREEMENT DATED 16 FEBRUARY 2009

Parties:

- (1) Vendor: The Company
- (2) Purchaser: Certain Success, a company incorporated in the British Virgin Islands. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Certain Success and its ultimate beneficial owners are third parties independent of the Company and its connected persons. The principal business of Certain Success is investment holding.

Asset to be disposed of:

56 shares of US\$1.00 each in the issued share capital of Autoscale, representing 56% of the issued share capital of Autoscale. Details of Autoscale are set out in the paragraph headed "Information on Autoscale" below.

Consideration:

The Consideration of HK\$3,144,960 shall be satisfied in cash by Certain Success on Completion.

The Consideration was determined after arm's length negotiation between the parties with reference to the value of 56% shareholding interests in Autoscale. The sole asset of Autoscale is 12,000,000 shares in CHCC, the shares of which are listed and traded on the Over-The-Counter Bulletin Board of the United States. As at 2 January 2009, the closing price of each share in CHCC is US\$0.06 (equivalent to approximately HK\$0.5).

Completion:

Completion shall take place within 60 days from the date of execution of the Sale and Purchase Agreement or such other date as the parties shall agree in writing.

INFORMATION ON AUTOSCALE

Autoscale is an investment holding company incorporated in the British Virgin Islands on 30 August 2000. As at the date of this announcement, Autoscale is owned as to 56% by the Company, as to 34% by Mr. Wong Yao Sing, Herbert (deceased), as to 5% by Mr. Wong Yao Wing, Robert and as to 5% by Ms. Wong Yuen Yee. Mr. Wong Yao Wing, Robert and Ms. Wong Yuen Yee are executive Directors whilst Mr. Wong Yao Sing, Herbert (deceased) is the brother of Mr. Wong Yao Wing, Robert.

The sole asset of Autoscale is 12,000,000 shares in CHCC, representing approximately 23.93% of the total issued share capital of CHCC. CHCC is a company incorporated in the State of Wyoming, United States on 11 February 2005 and the shares of which are quoted and traded on the Over-The-Counter Bulletin Board of the United States. CHCC is interested in the entire issued ordinary share capital of UPMG, which is principally engaged in the business of infrastructure investment in boutique units in hospitals or medical centres and providing hospital management and medical consultation services through co-operation with hospitals and medical institutions in the PRC and Macau on one hand and strategic alliances with medical institutions in the United States and healthcare experts and medical consultants on the other hand.

Upon Completion, Autoscale will cease to be a subsidiary of the Company and the accounts of Autoscale will no longer be consolidated into the financial statements of the Group.

The unaudited net liabilities of Autoscale as at 31 December 2008 was HK\$364,266.

The unaudited net loss before and after taxation of Autoscale for the two financial years ended 31 December 2007 and 31 December 2008 were HK\$196,250 and HK\$19,758 respectively.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is a software application solutions provider engaged in the provision of internet design for residential communities and e-property management software application consulting services based on the application of i-Panel and its integrated hardware and software in the PRC. The Group also operates and manages medical institutes and economy hotels in the PRC.

As stated in the 2008 annual report of the Company, it is the corporate strategy of the Company to further expand into the hotel business sector and to identify and capitalize new

opportunities to achieve the financial growth for the Company and to maximize shareholder value. With the economic downturn, the Company considered that it would be more appropriate to focus its human and financial resources on the business sector with a more promising growth in the years to come. After the Disposal, the Group will focus its resources on the hotel business sector, which in the opinion of the Directors, would yield a higher profit margin with more growth potential. The Directors (including the independent non-executive Directors) are of the view that the Disposal is on normal commercial terms and in the ordinary and usual course of business of the Company which is fair and reasonable and in the interests of the Shareholders as a whole.

A loss of approximately HK\$57,200,000 up to 31 December 2008 (excluding the operational cost of Autoscale and professional fees in connection with the Disposal to be incurred from 1 January 2009 up to Completion) is expected to be recognised by the Group for the financial year ending 30 June 2009 following Completion of the Disposal. The loss is calculated based on the difference between the Consideration and the audited book value of Autoscale's shareholding interest in CHCC as investment of approximately HK\$60,643,000 as at 30 June 2008 less the accumulated losses of Autoscale and share of accumulated losses of CHCC.

USE OF PROCEEDS

The net proceeds from the Disposal are expected to be approximately HK\$3,000,000 and will be applied to:

- (a) enhancing the operational capability of the existing businesses of the Group; and
- (b) funding the general working requirements of the Group.

GEM LISTING RULES IMPLICATIONS

As at the date of this announcement, Autoscale is owned as to 56% by the Company, as to 34% by Mr. Wong Yao Sing, Herbert (deceased), as to 5% by Mr. Wong Yao Wing, Robert and as to 5% by Ms. Wong Yuen Yee. Mr. Wong Yao Wing, Robert and Ms. Wong Yuen Yee are executive Directors whilst Mr. Wong Yao Sing, Herbert (deceased) is the brother of Mr. Wong Yao Wing, Robert.

Since Mr. Wong Yao Sing, Herbert (deceased) is a controlling shareholder of Autoscale and is a controller, the Disposal constitutes a connected transaction for the Company under Rule 20.13(1)(b)(i) of the GEM Listing Rules.

As the applicable percentage ratio set out in Rule 20.32 of the GEM Listing Rules in respect of the Disposal is more than 2.5% but less than 25% and the total consideration is less than HK\$10,000,000, the Disposal is only subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

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Made by the order of the Board, the Directors of which collectively and individually accept responsibility for the accuracy of this announcement.

DEFINITIONS

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

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| “associate” | has the meaning ascribed thereto under the GEM Listing Rules; |
| “Autoscale” | Autoscale Resources Limited, a company incorporated in the British Virgin Islands and is owned as to 56% by the Company as at the date of this announcement; |
| “Board” | the Board of Directors; |
| “Certain Success” | Certain Success Holdings Limited, a company incorporated in the British Virgin Islands with limited liability; |
| “CHCC” | China Health Care Corporation, a company incorporated in the State of Wyoming, United States, whose shares are traded on the Over-The-Counter Bulletin Board of the United States; |
| “Company” | Inno-Tech Holdings Limited (匯創控股有限公司)*, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on GEM; |
| “Completion” | completion of the Sale and Purchase Agreement; |
| “connected person(s)” | has the meaning ascribed thereto under the GEM Listing Rules; |
| “Consideration” | the consideration for the Disposal; |
| “controller” | has the meaning ascribed thereto under the GEM Listing |

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| | Rules; |
| “controlling shareholder” | has the meaning ascribed thereto under the GEM Listing Rules; |
| “Director(s)” | the director(s) of the Company; |
| “Disposal” | the disposal of 56% shareholding interest in Autoscale pursuant to the Sale and Purchase Agreement; |
| “GEM” | the Growth Enterprise Market of 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 PRC; |
| “PRC” | The People’s Republic of China, which for the sole purpose of this announcement excludes Hong Kong, Macau Special Administrative Region and Taiwan; |
| “Sale and Purchase Agreement” | the sale and purchase agreement dated 16 February 2009 entered into between the Company and Certain Success in relation to the Disposal; |
| “Share(s)” | ordinary share(s) of HK\$0.02 each in the issued share capital of the Company; |
| “Shareholder(s)” | holder(s) of Share(s); |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; |
| “US\$” | United States dollar, the lawful currency of the United States; |
| “United States” | United States of America; and |
| “UPMG” | United Premier Medical Group Limited, a company incorporated in the Cayman Islands. |

By order of the Board
Inno-Tech Holdings Limited
Wong Yuen Yee
Chairman

Hong Kong, 16 February 2009

As at the date of this announcement, the Board comprises four executive Directors, namely, Ms. Wong Yuen Yee (Chairman), Mr. Wong Yao Wing, Robert (Deputy Chairman), Mr. Wong Kwok Sing and Mr. Lam Shiu San; and three independent non-executive Directors, namely Mr. Wong Tak Leung, Charles, Mr. Lai Ying Sum and Mr. Cheng King Hung.

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.

This announcement will remain on the “Latest Company Announcements” page on the GEM website at www.hkgem.com and on the website of the Company at www.it-holdings.com for 7 days from the date of this posting.