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**RADFORD CAPITAL INVESTMENT LIMITED**  
**萊福資本投資有限公司**

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

**(Stock code: 901)**

**SUBSCRIPTION OF NEW SHARES**

On 16 August 2010, the Company entered into a Subscription Agreement with the Subscriber after trading hours pursuant to which the Subscriber has conditionally agreed to subscribe 50,234,378 new Shares at the Subscription Price of HK\$0.10 per Share. The Subscription Shares represent approximately 3.64% of the existing issued share capital of the Company and approximately 3.51% of the Company's issued share capital as enlarged by the Subscription.

The Subscription is conditional upon the Stock Exchange granting the listing of, and permission to deal in, the Subscription Shares.

**The Subscription Agreement**

Date: 16 August 2010

**Parties**

- (a) the Company as the issuer of the Subscription Shares
- (b) the Subscriber

The Subscriber is an independent investor who has been living in Taiwan for more than 13 years and has been involved in developing electronics-related business and in the trading of electronics-related products in Taiwan. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Subscriber is a third party independent of the Company and its connected persons.

### **Subscription Shares**

50,234,378 new Shares, representing approximately 3.64% of the existing issued share capital of the Company, and approximately 3.51% of the issued share capital of the Company as enlarged by the Subscription.

Immediately after completion of the Subscription, the Subscriber will be interested in approximately 3.51% of the enlarged issued share capital of the Company, and will not become a substantial shareholder of the Company.

### **Subscription Price**

The Subscription Price of HK\$0.10 per Subscription Share was arrived at after arm's length negotiation between the Subscriber and the Company.

The Subscription Price represents:

- (i) a premium of approximately 9.89% over the closing price of HK\$0.091 per Share as quoted on the Stock Exchange on 16 August 2010, the date of the Subscription Agreement;
- (ii) a premium of approximately 2.88% over the average closing price of HK\$0.0972 per Share as quoted on the Stock Exchange for the last five trading days up to and including 16 August 2010; and
- (iii) a discount of approximately 11.58% to the average closing price of HK\$0.1131 per Share as quoted on the Stock Exchange for the last ten trading days up to and including 16 August 2010.

The Subscription Shares have a nominal value of HK\$5,023,437.80 and a market value of HK\$4,571,328.40, based on the closing price of HK\$0.091 per Share on the date of the Subscription Agreement. After deducting expenses relating to the Subscription, the net price per Subscription Share is approximately HK\$0.097.

## **Condition of the Subscription Agreement**

Completion of the Subscription Agreement is conditional upon the listing of and permission to deal in the Subscription Shares being granted by the Listing Committee of the Stock Exchange.

In the event that the condition to the Subscription is not fulfilled on or before 30 September 2010 (or such later date as may be agreed between the parties), the Subscription Agreement and all rights and obligations thereunder will cease and terminate.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

## **Ranking of the Subscription Shares**

The Subscription Shares, when fully paid, will rank *pari passu* in all respects with the Shares in issue on the completion date of the Subscription, including the right to any dividends or distribution after the date of completion of the Subscription. Pursuant to the terms of the Subscription Agreement, the Subscriber has undertaken to the Company not to transfer or dispose of the Subscription Shares prior to 31 December 2010.

## **Completion of the Subscription**

Subject to fulfillment of the condition of the Subscription Agreement, completion of the Subscription will take place within two Business Days (or such later date as the parties may agree in writing) after the date when the condition set out above is satisfied.

## **General Mandate**

The Subscription Shares will be issued under the general mandate granted by the Shareholders to the Directors pursuant to the resolution passed at the annual general meeting of the Company held on 27 May 2010. Under this general mandate, the Directors are allowed to allot and issue up to 50,234,378 Shares. The Company has not issued any Shares pursuant to such general mandate.

## EFFECT ON THE SHAREHOLDING OF THE COMPANY FOLLOWING COMPLETION OF THE SUBSCRIPTION

Set out below is the table of the shareholdings in the Company before and after completion of the Subscription:

	As at the date of this announcement		Immediately after completion of the Subscription	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Freeman Corporation Limited ( <i>Note 1</i> )	157,358,380	11.40	157,358,380	10.99
Mr. Chung Yuk Lun ( <i>Note 2</i> )	15,700,000	1.14	15,700,000	1.10
Mr. Shimazaki Koji ( <i>Note 2</i> )	11,700,000	0.85	11,700,000	0.82
Mr. Liu On Bong, Peter ( <i>Note 2</i> )	11,700,000	0.85	11,700,000	0.82
Subscriber	–	–	50,234,378	3.51
Public Shareholders	<u>1,184,401,085</u>	<u>85.76</u>	<u>1,184,401,085</u>	<u>82.76</u>
 Total	 <u><u>1,380,859,465</u></u>	 <u><u>100.00</u></u>	 <u><u>1,431,093,843</u></u>	 <u><u>100.00</u></u>

*Notes:*

1. Freeman Corporation Limited (Stock code: 279) is a company whose shares are listed on the Main Board of the Stock Exchange.
2. Each of Mr. Chung Yuk Lun, Mr. Shimazaki Koji and Mr. Liu On Bong, Peter is an executive Director.

## CAPITAL-RAISING ACTIVITIES IN THE PAST 12 MONTHS

Apart from the capital raising activities mentioned below, the Company has not carried out other capital raising activities during the 12 months immediately preceding the date of this announcement. The actual use of proceeds of approximately HK\$125.64 million raised by the Company from the capital raising activities during the 12 months immediately preceding the date of this announcement are summarized below, which is in line with the intended use of proceeds as disclosed in the relevant announcements of the Company:

<b>Date of announcement</b>	<b>Fund raising activity</b>	<b>Net proceeds raised (approximately)</b>	<b>Proposed use of the net proceeds</b>	<b>Actual use of the net proceeds</b>
28 October 2009	Subscription of 195,701,457 new Shares	HK\$19.43 million	For investment purposes pursuant to the investment objectives of the Company	Used as intended
10 June 2010	Rights issue on the basis of four rights shares for every share held	HK\$106.21 million	For general working capital and for future investments pursuant to the investment objectives of the Company	HK\$18.9 million was used to buy listed shares and the remaining HK\$87.31 million is kept at the Company's bank account pending for the intended usage

## REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Company is principally engaged in the business of investing in both listed and unlisted companies.

The Directors consider that the Subscription an appropriate means of raising additional capital for the Company without incurring interest costs whilst broadening the capital and shareholders' base of the Company.

The net proceeds from the Subscription is expected to be approximately HK\$4.87 million and will be used by the Company for investment purposes pursuant to the investment objectives of the Company. As at the date of this announcement, the Company has not identified any specific investment opportunities.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Business Day”	any day (excluding Saturday and Sunday) on which banks are generally open for business in Hong Kong
“Company”	Radford Capital Investment Limited 萊福資本投資有限公司, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“connected persons”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	has the meaning ascribed to such term in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscriber”	Mr. Au Wai June (柯偉俊), an independent investor
“Subscription”	the subscription of the Subscription Shares by the Subscriber pursuant to the terms and conditions of the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 16 August 2010 entered into between the Company and the Subscriber in relation to the subscription of 50,234,378 new Shares
“Subscription Price”	HK\$0.10 per Subscription Share
“Subscription Shares”	50,234,378 new Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
“substantial shareholder”	has the meaning ascribed thereto under the Listing Rules
“%”	per cent.

By order of the Board  
**Radford Capital Investment Limited**  
 萊福資本投資有限公司  
**Chung Yuk Lun**  
*Chairman*

Hong Kong, 16 August 2010

*As at the date of this announcement, the board of directors of the Company comprises Mr. Chung Yuk Lun, Mr. Shimazaki Koji and Mr. Liu On Bong, Peter as executive directors; Mr. Kan Kwok Shu, Albert, Mr. Wong Wai Man, Raymond and Mr. Lum Pak Sum as independent non-executive directors.*