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TIGER TECH

TIGER TECH HOLDINGS LIMITED

老虎科技(控股)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8046)

**ISSUE OF UNLISTED WARRANTS
UNDER GENERAL MANDATE**

Placing Agent



KINGSTON SECURITIES LIMITED

PLACING OF WARRANTS

The Company entered into the Placing Agreement with the Placing Agent on 14 June 2007 pursuant to which the Company appointed the Placing Agent as sole and exclusive placing agent to procure not fewer than six Placees to subscribe for up to 93,000,000 Warrants, on a fully underwritten basis, at the issue price of HK\$0.08 per Warrant.

The Warrants entitle the Placees to subscribe for the Subscription Shares at an initial Subscription Price of HK\$0.72 per Subscription Share for a period of 18 months commencing from the date of issue of the Warrants. Each Warrant carries the right to subscribe for one Subscription Share. The Subscription Shares will be issued under the General Mandate.

Completion is subject to the fulfillment of the conditions stated in the section headed "Conditions of the Placing" in this announcement.

It is expected that the net proceeds of approximately HK\$7.05 million will be raised by the Placing and the same will be utilised by the Group as general working capital.

Assuming the full exercise of the subscription rights attaching to the Warrants, it is expected that approximately HK\$66.96 million will be raised which will be utilised by the Group for additional general working capital and/or possible diversified investments when opportunities arise.

** for identification purpose only*

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

Pursuant to the Placing Agreement, in the event that the Subscription Shares to be issued upon exercise of the Warrants, when aggregated with all other equity securities which remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the issued share capital of the Company at the time the Warrants are issued, the Placing Agreement will be terminated and the parties thereto shall be released from all obligations thereunder. Since the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date: 14 June 2007

Parties: (i) Issuer: the Company
(ii) Placing agent: Kingston Securities Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are third parties independent of and not connected persons (as defined in the Listing Rules) of the Company and its connected persons (as defined in the Listing Rules).

The Placing Agent will receive a commission equal to 2% of the Issue Price multiplied by the aggregate number of the Warrants.

Information on the Warrants

A total number of 93,000,000 Warrants is to be issued. Upon full exercise of the subscription rights attaching to the Warrants, a total of 93,000,000 Subscription Shares, representing (i) 20% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares upon the full exercise of the subscription rights attaching to the Warrants. None of the individual Placees will become substantial Shareholders resulting from the immediate exercise of the subscription rights attaching to the Warrants by the holders in full upon the issue of the Warrants.

The Warrants will be issued to the Placees upon Completion in registered form and constituted by the Instrument. The Warrants will rank pari passu in all respects among themselves.

Each Warrant carries the right to subscribe for one Subscription Share at the Subscription Price (subject to adjustment) and is issued at the Issue Price.

The subscription rights attaching to the Warrants can be exercised at any time during a period of 18 months commencing from the date of issue of the Warrants. The Subscription Shares, when fully paid and allotted, will rank pari passu in all respects with the then Shares in issue on the date of allotment and issue of the relevant Subscription Shares (other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the date of receipt by the Company of the relevant exercise notice).

The Placees

The Placing Agent will procure not less than six Placees to subscribe for the Warrants on a fully underwritten basis. The Placees and their ultimate beneficial owners will be third parties independent of and not connected persons (as defined in the Listing Rules) of the Company and its connected persons (as defined in the Listing Rules).

Issue Price and Subscription Price

The Issue Price is HK\$0.08 per Warrant payable in cash.

The Subscription Price is HK\$0.72 per Subscription Share, subject to adjustment based on the prescribed formulas as set out in the instrument creating the Warrants for the happening of the following adjustment events, provided that the adjusted Subscription Price shall not be less than HK\$0.7072:

- (i) an alteration of the nominal amount of each Share by reason of any consolidation or subdivision;
- (ii) an issue (other than pursuant to a scrip dividend scheme in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund);
- (iii) a capital distribution other than the issue of Shares credited as fully paid on partly paid out of profits or reserves and issued in lieu of a cash dividend being made by the Company, whether on a reduction of capital or otherwise, to the Shareholders;
- (iv) a grant by the Company to Shareholders (in their capacity as such) of rights to acquire for cash assets of the Company or any of its subsidiaries;
- (v) an offer of new Shares for subscription by way of rights, or a grant of options or warrants to subscribe for new Shares, at a price which is less than 80% of the market price of the Shares on the date of the announcement of the terms of the offer or grant (whether or not such offer or grant is subject to the approval of the Shareholders or other persons) being made by the Company to the Shareholders;

- (vi) an issue wholly for cash being made by the Company or any of its subsidiaries of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per new Share initially receivable for such securities is less than 80% of the market price of the Shares on the date of the announcement of the terms of issue of such securities (whether or not such issue is subject to the approval of the Shareholders), or the conversion, exchange or subscription rights of any such issue are altered so that the said total effective consideration is less than 80% of such market price;
- (vii) an issue of Shares being made wholly for cash at a price less than 80% of the market price of the Shares on the date of the announcement of the issue (whether or not such issue is subject to the approval of the Shareholders); and
- (viii) the purchase by the Company of Shares or securities convertible into Shares or any rights to acquire Shares (excluding any such purchase made on the Stock Exchange or any recognised stock exchange, being a stock exchange recognised for this purpose by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong and the Stock Exchange) in circumstances where the Directors consider that it may be appropriate to make an adjustment to the Subscription Price.

The Subscription Price represents (i) a discount of approximately 13.25% to the closing price of HK\$0.83 per Share as quoted on the Stock Exchange on 14 June 2007, being the date of the Placing Agreement; (ii) a discount of approximately 18.55% to the average of the closing prices of HK\$0.884 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Placing Agreement; and (iii) a discount of approximately 16.28% to the average of the closing prices of HK\$0.86 per Share as quoted on the Stock Exchange for the last ten trading days immediately prior to the date of the Placing Agreement.

The aggregate of the Issue Price and the Subscription Price of HK\$0.80 represents (i) a discount of approximately 3.61% to the closing price of HK\$0.83 per Share as quoted on the Stock Exchange on 14 June 2007, being the date of the Placing Agreement; (ii) a discount of approximately 9.50% to the average of the closing prices of HK\$0.884 per Share as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Placing Agreement; and (iii) a discount of approximately 6.98% to the average of the closing prices of HK\$0.86 per Share as quoted on the Stock Exchange for the last ten trading days immediately prior to the date of the Placing Agreement.

The Board considers that both the Subscription Price and the aggregate of it with the Issue Price, taking into account the recent trading prices of the Shares and an exercise period of 18 months, are fair and reasonable, which are determined after arm's length negotiations between the Company and the Placing Agent, and are in the interests of the Company and the Shareholders as a whole.

Minimum subscription

Subscription for the Warrants must be for a minimum of 40,000 Warrants or integral multiples thereof.

Transferability

The Warrants are transferable in integral multiples of 40,000 Warrants subject to the consent of the Company whose consent shall not be unreasonably refused or withheld.

The Company undertakes to comply with the Listing Rules and to make necessary announcement, where appropriate, if and when the Placees makes any transfer of the Warrants to other parties requiring disclosure.

Conditions of the Placing

Completion shall be subject to and conditional upon the following:

- (a) (if required) the listing committee of the Stock Exchange shall have approved the issue of the Warrants either unconditionally or subject to conditions to which neither the Company nor the Placees shall reasonably object and the satisfaction of such conditions;
- (b) the listing committee of the Stock Exchange shall have granted (either unconditionally or subject to conditions to which neither the Company nor the Placees shall reasonably object) the listing of, and permission to deal in, the Subscription Shares which fall to be allotted and issued upon the exercise of the subscription rights attached to the Warrants;

and

- (c) no event having occurred or occurring which would constitute an event of default or a potential event of default (as mentioned in the Instrument) had the Warrants been issued.

If the above conditions are not fulfilled on or before 5:00 p.m. on 31 July 2007 (or such later date as may be agreed between the Company and the Placing Agent), the Placing Agreement will lapse and become null and void and the parties shall be released from all obligations thereunder.

Pursuant to the Placing Agreement, in the event that the Subscription Shares to be issued upon exercise of the Warrants, when aggregated with all other equity securities which remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not such exercise is permissible, exceed 20% of the issued share capital of the Company at the time the Warrants are issued, the Placing Agreement will be terminated and the parties shall be released from all obligations thereunder. Since the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

Completion

Completion will take place on the fourth Business Day after the fulfillment of the conditions referred to in the section headed "Conditions of the Placing" in this announcement above.

Rights for the holders of the Warrants

The holder of the Warrants will not have any right to attend or vote at any meeting of the Company by virtue of them being the holders of the Warrants. The holder of the Warrants shall not have the right to participate in any distributions and/or offers of further securities made by the Company.

Mandate to issue the Subscription Shares

The Placing Shares will be issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM subject to the limit of up to 20% of the then issued share capital of the Company as at the date of the AGM (i.e. 93,000,000 Shares). Up to the date of this announcement, no new Share has been issued under the General Mandate.

Application for listing

The Company will apply to the listing committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares which fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

REASONS FOR THE PLACING

The Group is principally engaged in the research, development, sales and implementation of Enterprise Thin Client Solutions, Cable Network Thin Client Solutions and Customised Thin Client Application Solutions.

The Directors concluded that the Placing would be a good opportunity to raise further capital for the Company in that it will not have an immediate dilution effect on the shareholding of the existing Shareholders and about HK\$7.05 million will be raised immediately upon completion of the Placing. The Directors are of the view that the Placing would provide the Group with an excellent opportunity to raise further substantial funds in the event the Placees exercise their subscription rights attaching to the Warrants at any time during a period of 18 months commencing from the date of issue of the Warrants. If and when the Warrants are exercised, further funds of about HK\$66.96 million will also be raised.

In view of the above, the Directors consider that the issue of unlisted Warrants is an appropriate method of raising further funds for the Company in the circumstances and that the Placing Agreement, the terms of which have been arrived at after arm's length negotiations between the Company and the Placing Agent are fair and reasonable and the Placing Agreement is in the interest of the Company and the Shareholders as a whole.

USE OF PROCEEDS

It is expected the net proceeds of approximately HK\$7.05 million (with a net issue price of approximately HK\$0.076 per Warrant) will be raised by the Placing and the same will be utilised by the Group as general working capital.

Assuming the full exercise of the subscription rights attaching to the Warrants, it is expected approximately HK\$66.96 million will be raised which will be utilised by the Group for additional general working capital and/or possible diversified investments when opportunities arise.

FUND RAISING DURING THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activities in the past twelve months before the date of this announcement:

CHANGES OF SHAREHOLDING STRUCTURE

The shareholding structure of the Company before and after the full exercise of the subscription rights attaching to the Warrants (assuming full subscription of the Warrants) are as follows:

	As at the date of this announcement		Assuming immediately after the Warrants would have been fully exercised	
	No of Shares	% (approx.)	No of Shares	% (approx.)
Orient State Limited (<i>Note 1</i>)	143,000,000	30.75%	143,000,000	25.63%
Mr. Tony Hoo (<i>Note 2</i>)	47,832,000	10.29%	47,832,000	8.57%
Public:				
Shares to be issued upon exercise of the Warrants	–	–	93,000,000	16.67%
Other public Shareholders	274,168,000	58.96%	274,168,000	49.13%
Sub-total:	274,168,000	58.96%	367,168,000	65.80%
Total	<u>465,000,000</u>	<u>100.00%</u>	<u>558,000,000</u>	<u>100.00%</u>

Note:

1. Orient State Limited, a company incorporated in the British Virgin Islands, is 100% beneficially owned by Mr. Lam Shu Chung (being an executive Director)
2. These Shares were held as to (i) 4,000,000 Shares held in his personal interest; (ii) 42,832,000 Shares by Bestmind Associates Limited (“Bestmind”), a company incorporated in the British Virgin Islands; and (iii) 1,000,000 Shares by Precision Assets Limited (“Precision”), a company incorporated in the British Virgin Island. The entire issued share capital of each of Bestmind and Precision is directly beneficially owned by Mr. Tony Hoo, who is also the sole director of both companies.

OTHER

As at the date of this announcement, the Company had no other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

“AGM”	the annual general meeting of the Company held on 25 April 2007
“Board”	the board of Directors

“Business Day”	any day (not being a Saturday, Sunday and public holding) on which licensed banks in Hong Kong are generally open for business
“Company”	Tiger Tech Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on GEM
“Completion”	completion of the Placing in accordance with the terms and conditions of the Placing Agreement
“Directors”	the directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the AGM, among other things, to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	the counterparty and its ultimate beneficial owners being third parties independent of the Company and connected persons (as defined under the Listing Rules) of the Company
“Instrument”	the deed poll constituting the Warrants to be executed by the Company on Completion
“Issue Price”	HK\$0.08 per unit of Warrant to be issued pursuant to the Placing
“Placee(s)”	any person or entity whom the Placing Agent have procured to subscribe for the Warrants
“Placing”	a private placing of the Warrants to selected independent institutional and/or private investors pursuant to the Placing Agreement
“Placing Agent”	Kingston Securities Limited, a licensed corporation to carry on business in type 1 regulated activities (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

“Placing Agreement”	the conditional placing agreement dated 14 June 2007 and entered into between the Company and the Placing Agent in relation to the Placing
“Shareholders”	holders of the Shares
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the initial subscription price of HK\$0.72 per Subscription Share (subject to adjustment) at which holder of the Warrants may subscribe for the Subscription Shares
“Subscription Shares”	new Shares which may fall to be allotted and issued upon the exercise of the subscription rights attaching to the Warrants
“Warrants”	a total number of 93,000,000 unlisted warrants to be issued by the Company at the Issue Price, in registered form, in units of HK\$0.08 each of subscription rights entitling the holder thereof to subscribe for one Subscription Share at the Subscription Price at any time during a period of 18 months commencing from the date of issue of the Warrants, subject to the terms and conditions set out in the Instrument
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Tiger Tech Holdings Limited
Law Fei Shing
Executive Director

Hong Kong, 14 June 2007

As at the date of this announcement, the Directors are as follows:

Executive Directors: Mr. Lee Hai Chu (Chairman), Mr. Lam Shu Chung and Mr. Law Fei Shing;

Independent non-executive Directors: Mr. Lam Nai Hung, Mr. Lum Pak Sum and Mr. Kwok Chung Yin.

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.

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