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**ANGELS**

**ANGELS TECHNOLOGY COMPANY LIMITED**

**英 君 技 術 有 限 公 司**

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

(Stock Code: 8112)

**PLACING OF NEW SHARES UNDER GENERAL MANDATE  
AND RESUMPTION OF TRADING**

On 4 May 2006, the Company entered into the Placing Agreement with the Placee. Pursuant to the Placing Agreement, the Company has conditionally agreed to issue 48,960,000 Placing Shares to the Placee at a price of HK\$0.223 per Placing Share.

The Placing Shares represent approximately 20% of the Company's existing issued share capital of 244,800,000 Shares and approximately 16.67% of its issued share capital of 293,760,000 Shares as enlarged by the Placing.

The Placing Price of HK\$0.223 represents (i) a discount of 10.8 % to the closing price of the Shares of HK\$0.25 as quoted on the Stock Exchange on 3 May 2006, being the last trading day before the date of this announcement; and (ii) a discount of 6% to the average closing price of the Shares of HK\$0.2372 as quoted on the Stock Exchange for the last five trading days immediately before and including 3 May 2006.

The net proceeds from the Placing of approximately HK\$10.8 million will be applied for general working capital purpose and to finance the acquisition of Changchun Yicheng Packaging Company Limited disclosed in the Company's announcement dated 28 April 2006.

At the request of the Company, trading in its Shares was suspended with effect from 9:30 a.m., 4 May 2006, pending the issuance of this announcement. An application has been made for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. of 8 May 2006.

**THE PLACING AGREEMENT**

**Date:** 4 May 2006

**Issuer:** The Company

**Placee:** Xu Bin (徐斌), a businessman and private individual investor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Placee is not a connected person to the Company under the meaning of the GEM Listing Rules and is not acting in concert with any substantial shareholders of the Company or any of their respective concert parties.

**Number and ranking of Placing Shares:** 48,960,000 new Shares representing approximately 20% of the Company's existing issued share capital of 244,800,000 Shares and approximately 16.67% of its issued share capital of 293,760,000 Shares as enlarged by the Placing. The aggregate nominal value of the Placing Shares is HK\$0.10. The Placing Shares will rank *pari passu* in all respects among themselves and with all other Shares in issue as at the date of issue.

**Placing Price and total funds to be raised:** The Placing Price of HK\$0.223 represents (i) a discount of 10.8% to the closing price of the Shares of HK\$0.25 as quoted on the Stock Exchange on 3 May 2006, being the last trading day before the date of this announcement; and (ii) a discount of 6% to the average closing price of the Shares of HK\$0.2372 as quoted on the Stock Exchange for the last five trading days immediately before and including 3 May 2006.

The Placing Price was negotiated on an arm's length basis between the Company and the Placee. The Directors consider that the terms of the Placing are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The net total funds to be raised, after deducting the costs and expenses in relation to the Placing, is approximately HK\$10,800,000 and the net price of each Placing Share is approximately HK\$0.22 per Share.

Based on the closing price per Share of HK\$0.25 as quoted on the Stock Exchange on 3 May 2006, the market price of the Placing Shares is HK\$12,240,000.

**Mandate to issue the Placing Shares:** The Placing Shares will be allotted and issued pursuant to the general mandate granted to the Directors at the Company's annual general meeting held on 25 April 2006 to allot, issue and deal with securities of the Company up to a total of 48,960,000 Shares, and no part of such general mandate has been exercised by the Directors since 25 April 2006.

## Fund Raising Activities For The Past 12 Months:

The following table summarises the fund raising activities of the Group for the past 12 months immediately before the date of this announcement:

Date of Announcement	Event	Approximately Net Proceeds (HK\$)	Intended use of Proceeds as announced	Actual use of Proceeds as at the date of this announcement
27 February 2006	Placing of 40,800,000 Share under the general mandate granted to the Directors at the annual general meeting of the Company held on 10 May 2005	3.88 million	General working capital of the Company its daily operation	Approximately 0.88 million has been used for the general expenses of the Company  Approximately 3.0 million not utilised

Save as disclosed above, the Company did not carry out any fund raising activities in the past 12 months

**Conditions of the Placing:** The Placing is conditional upon the Stock Exchange granting the listing of and the permission to deal in the Placing Shares.

In the event of this condition is not fulfilled by 31 December 2006 (or such another date as may be agreed between the Company and the Placee), the Company or the Placee has the right by serving written notice to terminate the Placing Agreement.

An application will be made by the Company to the Stock Exchange for the granting of the listing of and permission to deal in the Placing Shares.

**Changes in shareholding structure of the Company:** The shareholding structure of the Company as at the date of this announcement and immediately after the completion of the Placing are as follows:

Name of shareholders	As at the date of this announcement		Immediately after the completion of the Placing	
	Number of Shares	%	Number of Shares	%
Mr. Mak Shiu Chung, Godfrey ( <i>Note</i> )	56,900,000	23.2	56,900,000	19.4
LuckyTeam International Limited	56,900,000	23.2	56,900,000	19.4
Li Gui Yan	35,100,000	14.3	35,100,000	11.9
Xu Bin (Placee)	–	–	48,960,000	16.7
Other public shareholders	152,800,000	62.5	152,800,000	52.0

*Note:* The shareholding attributable to Mr. Mak Shiu Chung, Godfrey in the Company is held through Lucky Team International Limited, an investment holding company incorporated in the British Virgin Islands wholly owned by Mr. Mak Shiu Chung who is the executive Director of the Company.

**Reasons for the Placing and use of the net proceeds from the Placing:** The Company is principally engaged in the provision of transportation technology solutions in respect of toll collection, traffic surveillance, optical fibre road network communication, power supply systems for highways in the PRC. The Company is also engaged in the research and development of new products in the information technology industry.

The net proceeds from the Placing of approximately HK\$10,800,000 will be applied for general working capital purpose and to finance the acquisition of Changchun Yicheng Packaging Company Limited disclosed in the Company's announcement dated 28 April 2006.

**Suspension and resumption of trading:** At the request of the Company, dealing of the Shares on the Stock Exchange was suspended with effect from 9:30 a.m. on 4 May 2006 pending the release of this announcement.

At the request of the Company, trading in its Shares was suspended with effect from 9:30 a.m., 4 May 2006, pending the issuance of this announcement. An application has been made for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 8 May 2006.

## DEFINITIONS

“Company”	Angels Technology Company Limited, a company incorporated in Cayman Islands with limited liability and which Shares are listed on the GEM of the Stock Exchange
“Director(s)”	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
“Placee”	Xu Bin (徐斌), a businessman and private individual investor
“Placing”	the issue and allotment of the Placing Shares to the Placee at the Placing Price pursuant to the Placing Agreement
“Placing Agreement”	the placing agreement entered into between the Company and the Placee dated 4 May 2005
“Placing Price”	the price at which the Placing Shares are issued
“Placing Shares”	48,960,000 new Shares to be placed under the Placing
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

*No representation is made that any amounts in RMB could have been or could be converted at that rate or at any other rate.*

By Order of the Board  
**ANGELS TECHNOLOGY COMPANY LIMITED**  
**Mak Shiu Chung, Godfrey**  
*Executive Director*

4 May 2006, Hong Kong

*This announcement, for which the Directors of the Company 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 inquiries, 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.*

*At the date of this announcement, the board of directors of the Company comprises:*

**Executive Directors**

Mr Yan Daniel X.D.

Mr. Mak Shiu Chung, Godfrey

Mr. Lau, Andrew Kim

**Independent Non-Executive directors**

Mr. Yang Xiaoping

Mr. Zhao Ming

Mr. Kwok Chi Shing

*This announcement will remain on the GEM website [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting.*