

CREATIVE ENERGY SOLUTIONS (HOLDINGS)

BACKGROUND

The Creative Energy Group ('the Group') is listed on the GEM Board of the Hong Kong Stock Exchange and is engaged in the provision of energy saving solutions and equipment in both China and Hong Kong.

The Group has approximately RMB100 million in debt. The trading of shares in the company was suspended in September 2005. At the time of our appointment, the Company was in the final stage of its delisting procedure and was scheduled to be delisted in 13 business days.

The former management of the Group were not contactable and there were limited books and records available to the Liquidators. We managed to recover some books and records for our review and investigations which enabled us to prepare our proposal for the Hong Kong Stock Exchange.

OUR TURNAROUND & RESTRUCTURING SERVICE

With an extremely tight deadline, the team worked together with the Investor and prepared and finalised the resumption proposal within five business days.

The team performed a quick assessment of the restructuring proposal and sought approval from the Creditors' Committee.

The team has also conducted site visits to the various operating addresses in Hong Kong, Fujian, Shenzhen, Hainan and Beijing and managed to stabilise the Beijing operations, which is the most critical element towards the success of the resumption of trading in the Group's shares.

GETTING RESULTS

In this assignment, we have

- Convinced a large group of potential industry and financial investors to embark on a restructuring;
- Took control and stabilised the operations in China even without the co-operation of the management;
- Successfully put forward Schemes of Arrangement which were approved by the creditors and the Courts of Hong Kong and Bermuda – the scheme will become effective on closing of the restructuring;
- Managed to seek the co-operation of the major shareholders and it is expected that they will cast their vote at the upcoming EGM to approve the transaction; and
- Achieved a return for the creditors of the Group by cash and shares in the company – allowing the creditors to enjoy the upside of the restructured group.

After tackling a number of obstacles in this administration, we expect to complete the restructuring by July 2010 and to apply for a resumption of trading of the Company's shares on the GEM Board of the Hong Kong Stock Exchange on or before 30 July 2010.

CONTACT:

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