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InvesTech Holdings Limited

威訊控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1087)

(1) PROFIT WARNING;

(2) BUSINESS UPDATE;

AND

**(3) UPDATE ON PLACING OF NEW SHARES
UNDER GENERAL MANDATE**

PROFIT WARNING

This announcement is made by InvesTech Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571, Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that, based on a preliminary review of the unaudited and unreviewed management accounts (the “**Management Accounts**”) of the Group for the six months ended 30 June 2017 (the “**Period**”) and assessment of the information currently available to the Board, the Group is expected to record a net loss for the Period. The loss-making position during the Period was primarily attributable to (i) the interest expense of approximately RMB11.7 million incurred on the coupon notes issued by the Group pursuant to the placing agreements dated 1 December 2016 and 23 February 2017 and (ii) the loss arising from the disposal and change on fair value of listed held-for-trading securities investments of approximately RMB3.7 million, which is partially off-set by the gain on disposal of an available-for-sales investment of approximately RMB2.7 million.

As the Company is still in the course of compiling the results of the Group for the Period, the information contained in this announcement is only based on, among others, a preliminary assessment of the Management Accounts of the Group and the expectation of the Board after taking into account the information currently available, and is not based on any data or information being audited or reviewed by the auditors of the Company. Further information and other details of the Group's financial performance for the Period will be disclosed in the forthcoming interim results announcement which is expected to be published by the end of August 2017.

BUSINESS UPDATE

For the period following 31 December 2016 and up to the date of this announcement, the Group has further strengthened its existing communication system business and mobile software business. Meanwhile the Group has also proactively expanded its product range by including satellite communication products through the cooperation with China Communication Technology Company Limited*(華訊方舟科技有限公司). Based on the Management Accounts for the Period, the Group is expected to record an increase in revenue from communicate system segment by approximately 25-30% as compared with the six months ended 30 June 2016.

Based on the Management Accounts for the Period, the Group has also started its financial services business including money lending business in Hong Kong, which have been contributing revenue to the Group of approximately RMB3.0 million for the Period.

At the same time, the Company has conducted a series of on-market listed securities investments to expand its investment portfolio with quality assets. The goal of investment is to attain a reasonable return within manageable risk level. As the transactions (including the acquisition and/or disposal) in relation to the listed securities investments were made at market prices, the Directors are of the view that such transactions were fair and reasonable and were on normal commercial terms. As all the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of each transaction (including the acquisition and/or disposal) of the listed securities, when calculated on a standalone basis, were less than 5%, accordingly each of them per se does not constitute a notification transaction of the Company under Chapter 14 of the Listing Rules. Further information of the transactions in relation to the listed securities investments will be contained in the forthcoming interim results announcement of the Company.

UPDATE ON PLACING OF NEW SHARES UNDER GENERAL MANDATE

Following the completion of the placing of new shares under general mandate pursuant to the placing agreement dated 9 May 2017, whereby an aggregate of 156,000,000 placing shares were successfully placed (the “**GM Placing**”), as at the date of this announcement, (i) approximately HK\$30.5 million (representing approximately 56.3% of the net proceeds from the GM Placing) was used for financing the newly set up money lending businesses of the Group in Hong Kong and (ii) approximately HK\$23.7 million (representing 43.7% of the net proceeds from the GM Placing) was used as general working capital and for other potential investments of the Group. The Directors considered that the net proceeds were applied in accordance with the intended uses disclosed in the announcement of the Company dated 9 May 2017.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

By Order of the Board
InvesTech Holdings Limited
CHAN Sek Keung, Ringo
Chairman and Chief Executive Officer

Hong Kong, 7 July 2017

As at the date of this announcement, the executive Directors are Mr. Chan Sek Keung (Chairman and Chief Executive Officer), Mr. Lu Chengye, Ms. Wang Fang and Mr. Wu Chi Luen and the independent non-executive Directors are Mr. Wong Chun Sek, Edmund, Mr. Lu, Brian Yong Chen and Mr. Huang Liangkuai.

** For identification purposes only*