

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



InvesTech Holdings Limited

威訊控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1087)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

SUPREME CHINA SECURITIES LIMITED

PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board announced that on 20 December 2018 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company appointed the Placing Agent as its placing agent to procure not less than six Placees who are Independent Third Parties to subscribe up to 234,000,000 Placing Shares at the Placing Price of HK\$0.160 per Placing Share on a best effort basis in accordance with the terms and conditions of the Placing Agreement.

The maximum number of 234,000,000 Placing Shares represents (i) 20.00% of the existing issued share capital of the Company of 1,170,000,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company of 1,404,000,000 Shares as enlarged by the allotment and issue of the Placing Shares (assuming the Placing Shares are placed in full).

The gross proceeds from the Placing are approximately HK\$37.4 million. It is expected that the maximum net proceeds from the Placing (after deducting the placing commission payable to the Placing Agent and other expenses incurred in the Placing) will amount to approximately HK\$36.1 million. The Company intends to apply the net proceeds from the Placing for the business development and general working capital of the Group.

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

Shareholders and potential investors should note that the Placing is subject to the conditions under the Placing Agreement to be fulfilled. As 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: 20 December 2018 (after trading hours)

Issuer: The Company

Placing Agent: Supreme China Securities Limited

The Company appointed the Placing Agent as its placing agent to procure not less than six Placees to subscribe up to 234,000,000 Placing Shares on a best effort basis. The Placing Agent will charge the Company a placing commission of 3.5% of the aggregate amount equal to the Placing Price multiplied by the actual number of Placing Shares successfully placed by the Placing Agent. The Placing commission was negotiated on arm's length basis between the Company and the Placing Agent and determined with reference to, amongst other things, the prevailing commission rate charged by other placing agents. The Directors are of the view that the terms of the Placing Agreement are fair and reasonable based on current market conditions.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placees

The Placing Shares are expected to be placed to not less than six Placees, who and whose ultimate beneficial owner(s), shall be Independent Third Parties.

Placing Shares

As at the date of this announcement, the Company has 1,170,000,000 Shares in issue. Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date, the maximum number of Placing Shares of up to 234,000,000 Shares under the Placing represents (i) 20.00% of the existing 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 Placing Shares.

Placing Price

The Placing Price of HK\$0.160 per Placing Share represents:

- (i) a discount of approximately 15.79% to the closing price of HK\$0.190 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 15.07% to the average closing prices per Share of approximately HK\$0.188 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding to the date of the Placing Agreement.

The Placing Price was determined with reference to, amongst other things, the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid shall rank pari passu in all respects among themselves and with the existing Shares in issue as at the date of this announcement.

Condition precedent of the Placing

Completion is conditional upon the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in all of the Placing Shares on or before 31 January 2019 or such other date as may be agreed between the Company and the Placing Agent in writing.

Completion

Completion will take place on the 5th Business Days after the fulfilment of the condition as set out in paragraph headed “Condition precedent of the Placing” above or such other date as may be agreed between the Company and the Placing Agent in writing.

If the above condition cannot be satisfied on or before 31 January 2019, the Placing will be terminated and all obligations and liabilities of the parties under the Placing Agreement will forthwith cease and determine and no party will have any claim against the others.

Application for listing

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 Placing Shares.

General Mandate

Upon Completion, a maximum of 234,000,000 new Shares will be allotted and issued under the General Mandate. The General Mandate entitles the Directors to allot, issue and deal with up to 234,000,000 Shares, representing 20% of the issued share capital of the Company as at the annual general meeting of the Company held on 24 May 2018 approving the General Mandate. Up to the date of this announcement, no part of the General Mandate have been utilised by the Company. Accordingly, the Placing is not subject to the Shareholders’ approval.

Termination and force majeure

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing prior to 8:00 a.m. on the Completion Date if:

- (i) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or

- (ii) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (iii) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or
- (iv) any statement contained in the previous announcements, circulars, interim and annual reports of the Company has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing.

Upon termination of the Placing Agreement pursuant to the above, all liabilities of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breach of any obligation under the Placing Agreement.

The Directors are not aware of the occurrence of any of the above force majeure events as at the date of this announcement.

REASONS FOR THE PLACING AND THE USE OF PROCEEDS

The Group is principally engaged in the provision of network system integration including provision of network infrastructure solutions, network professional services and mobile internet software of office automation, trading of telecommunications equipment and money lending business.

The Directors consider the Placing offers a good opportunity to raise further capital for broaden the shareholders base of the Company thereby increasing the liquidity of the Shares as well as strengthening the financial position of the Group. The Directors consider that the terms of the Placing Agreement, including the Placing commission, are fair and reasonable and the Placing is in the interests of the Company and its Shareholders as a whole.

The gross proceeds from the Placing are approximately HK\$37.4 million. It is expected that the maximum net proceeds from the Placing (after deducting the placing commission payable to the Placing Agent and other expenses incurred in the Placing) will amount to approximately HK\$36.1 million. The Company intends to apply the net proceeds from the Placing for the business development and general working capital of the Group.

FUND RAISING DURING THE PAST TWELVE MONTHS

During the past twelve months immediately before the date of this announcement, the Company has not conducted any equity fund raising activities.

EFFECT ON SHAREHOLDING OF THE PLACING

The existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon Completion (assuming the Placing Shares are placed in full and there will be no change in the issued share capital of the Company between the date of this announcement and the Completion) is set out as below:

Shareholders	As at the date of this announcement		Immediately upon Completion (Note 2)	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Smoothly Global Holdings Limited (Note 1)	216,981,839	18.54	216,981,839	15.45
Placees	—	—	234,000,000	16.67
Other public Shareholders	<u>953,018,161</u>	<u>81.46</u>	<u>953,018,161</u>	<u>67.88</u>
Total	<u>1,170,000,000</u>	<u>100.00</u>	<u>1,404,000,000</u>	<u>100.00</u>

Notes:

1. These 216,981,839 Shares are held by Smoothly Global Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and is owned as to 70% and 20% by Mr. Chan Sek Keung, Ringo and Ms. Wang Fang respectively.
2. The percentages are subject to rounding difference, if any.

GENERAL

Shareholders and potential investors should note that the Placing is subject to the conditions under the Placing Agreement to be fulfilled. As the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	any day (not being a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	InvesTech Holdings Limited, a company incorporated in Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange (Stock Code: 1087)
“Completion”	completion of the Placing
“Completion Date”	the day on the fifth Business Days after the condition set out in the Placing Agreement is satisfied (or such other date as may be agreed between the parties to the Placing Agreement in writing)
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors to allot, issue and deal with up to 234,000,000 Shares, representing 20% of the issued share capital of the Company as at the annual general meeting of the Company held on 24 May 2018
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	third party(ies) independent of, not connected or acting in concert (as defined in the Hong Kong Code on Takeovers and Mergers) with any directors, chief executive or substantial shareholder(s) of the Company or its subsidiaries and their respective associates (as defined under the Listing Rules)
“Last Trading Day”	20 December 2018, being the last day on which the Shares were traded on the Stock Exchange prior to the issue of this announcement
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individuals, corporate, institutional investors or other investors whom the Placing Agent has procured to subscribe for the Placing Shares
“Placing”	the placing of the Placing Shares to the Placee(s) pursuant to the terms of the Placing Agreement
“Placing Agent”	Supreme China Securities Limited, a licensed corporation to carry on business in Type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 20 December 2018 entered into between the Company and the Placing Agent in respect of the Placing
“Placing Price”	HK\$0.160 per Placing Share
“Placing Share(s)”	up to 234,000,000 new Shares, to be allotted and issued pursuant to the terms and condition of the Placing Agreement
“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, Macau Special Administrative Region of China and Taiwan

“Share(s)”	share(s) of USD0.02 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 20 December 2018

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