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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)

VOLUNTARY ANNOUNCEMENT ENTERING INTO 5G NETWORKING BASE STATION PRODUCTS AGENCY AGREEMENT

This announcement is voluntarily made by the Company to update the shareholders and potential investors of the Company on the latest business development of the Group.

The Board is pleased to announce that on 15 June 2020 (after trading hours of the Stock Exchange), Wafer Systems, a subsidiary of the Company, entered into the Agreement with IBO for a term of three years. Under the Agreement, the Group has been granted an exclusive right of sales and distribution of the Products (as defined below) within Sichuan Province of the PRC.

PRINCIPAL TERMS OF THE AGREEMENT

Date

15 June 2020

Parties

- (i) Wafer Systems; and
- (ii) IBO (collectively, the “**Parties**”)

Subject Products of the Agreement

The 5G Pico base station related products provided by IBO Communication, which include Pico base station host control unit (BBU), Pico base station expansion unit (EU), Pico base station remote radio unit (RRU), network management, installation services and core network (collectively, the “**Products**”).

Scope of the agency

During the term of the Agreement, IBO grants to Wafer Systems the exclusive right of the sales and distribution of the Products to the telecom operators in Sichuan Province of the PRC (including but not limited to China Mobile, China Unicom, China Telecom and other operators of provincial-level and their subsidiaries below provincial-level in Sichuan Province).

Wafer Systems is responsible for business activities including pre-sales, in-sales, and after-sales connection, communication, coordination, etc., and promotes the conclusion of transactions and collection of sales proceeds as agreed. IBO cooperates with Wafer Systems to provide necessary pre-sale technical exchanges, communication, and guidance, and is responsible for entering into product sales contracts with ultimate customers, and to deliver the Products and provide product warranty.

Term of the Agreement

From the date of the Agreement to the date being three years after the date of obtaining the network access license of the Ministry of Industry and Information Technology of the PRC for the Products (the “**License**”).

The Agreement may be renewed two months before the date of expiration of the term of the Agreement subject to mutual agreement of both Parties.

Performance Target

Subject to the terms and conditions of the Agreement, Wafer Systems has committed to certain performance targets for each of the three years after obtaining the License. If the performance targets are not achieved during the term of the Agreement, IBO reserves the right to evaluate the performance targets and the exclusivity arrangement under the terms of the Agreement.

Exclusivity

During the term of the Agreement, IBO shall not by itself or assign the right to any party (other than Wafer Systems) to enter into any agreement for the sales or distribution of the Products. Any revenue generated in the above means would be considered and counted as the revenue generated under the sales by Wafer Systems.

REASONS FOR AND BENEFITS OF ENTERING INTO THE AGREEMENT

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 are of the view that the entering into of the Agreement would enable the Group to further develop its business in the provision of network infrastructure solutions in the PRC. The Group is expected to take advantage of the established product portfolio of IBO and the network of the Group in Sichuan Province of the PRC. The Board expects that the exclusive agency for the sales and distribution of the Products will enable the Group to expand its business portfolio, diversify its income source and possibly enhance its financial performance. Also, as the terms of the Agreement were determined after arm's length negotiations between the Parties, the Directors are of the view that the terms of the Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION OF IBO

IBO is a company incorporated in the Cayman Islands whose shares are listed on Main Board of the Stock Exchange (stock code: 2708). The principal activities of its subsidiaries are sale of radio frequency identification equipment and electronic products, provision of system maintenance services, development of customised softwares and provision of coordination, management and installation services of smart cities, as well as collection, process and storage of data, text and graphics.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, IBO and its ultimate beneficial owner are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Agreement”	the agency agreement dated 15 June 2020 entered into between Wafer Systems and IBO in relation to the exclusive right of the sales and distribution of the Products
“Board”	board of Directors
“Company”	InvesTech Holdings Limited, a company incorporated in Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (stock code: 1087)

“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IBO”	IBO Technology Company Limited, a company incorporated in the Cayman Islands, whose shares are listed on the Main Board of the Stock Exchange (stock code: 2708)
“IBO Communication	Shenzhen IBO Communication Company Limited* (深圳市艾伯通信有限公司), a subsidiary of IBO
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, excluding Hong Kong, Taiwan and Macau Special Administrative Region of the PRC for the purpose of this announcement
“Share(s)”	ordinary share(s) of USD0.02 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wafer Systems”	Wafer Systems Limited, a company incorporated in Hong Kong and owned as to 75% by the Company

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

Hong Kong, 15 June 2020

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. Lu Chengye and Mr. Ching Chau Wa, the non-executive Director is Mr. Wong Tsu Wai, Derek, 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