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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)

- (I) PROPOSED CHANGE OF DOMICILE**
(II) PROPOSED ADOPTION OF THE NEW MEMORANDUM OF CONTINUANCE AND THE NEW BYE-LAWS
(III) PROPOSED CANCELLATION OF SHARE PREMIUM ACCOUNT
(IV) PROPOSED CAPITAL REORGANISATION
(V) PROPOSED CHANGE IN BOARD LOT SIZE
AND
(VI) PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

PROPOSED CHANGE OF DOMICILE

The Board proposes to change the domicile of the Company from the Cayman Islands to Bermuda by way of deregistration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda.

PROPOSED ADOPTION OF THE NEW MEMORANDUM OF CONTINUANCE AND THE NEW BYE-LAWS

In connection with the Change of Domicile, the Company proposes to adopt the New Memorandum of Continuance and the New Bye-laws in compliance with the laws of Bermuda to replace, respectively, the Memorandum as the existing memorandum of association of the Company, and the Articles as the existing articles of association of the Company.

PROPOSED CANCELLATION OF SHARE PREMIUM ACCOUNT

The Board proposes to cancel the entire amount standing to the credit of the share premium account of the Company and to transfer the credits arising from such cancellation to an account designated as the contributed surplus account of the Company.

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation after the Change of Domicile becoming effective, which will involve the Share Consolidation, the Capital Reduction and the Share Sub-Division, details of which are as follows:

(1) Share Consolidation

Every twenty (20) issued Existing Shares of US\$0.02 each shall be consolidated into one (1) issued Consolidated Share of US\$0.40 each, and every twenty (20) unissued Existing Shares of US\$0.02 each shall be consolidated into one (1) unissued Consolidated Share of US\$0.40 each.

(2) Capital Reduction

The Capital Reduction will be implemented immediately upon the Share Consolidation becoming effective, pursuant to which the par value of each of the then issued Consolidated Shares will be reduced from US\$0.40 to US\$0.01 by cancelling the paid-up capital of the Company to the extent of US\$0.39 on each of the then issued Consolidated Shares. As such, the issued share capital of the Company will be reduced.

(3) Share Sub-Division

Immediately following the Capital Reduction, the Share Sub-Division will be implemented on the basis that every unissued Consolidated Share of US\$0.40 each in the authorised share capital of the Company shall be sub-divided into forty (40) New Shares of US\$0.01 each.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lot size of 1,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 1,000 Existing Shares to 2,000 New Shares conditional upon the Capital Reorganisation becoming effective.

PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

The Board proposes that the New Share Option Scheme pursuant to Chapter 17 of the Listing Rules to be approved by the Shareholders. The purpose of the New Share Option Scheme, is to encourage and retain, *inter alia*, the employees of the Company to make contributions to the long-term growth and profits of the Group, with a view to achieving the objective of increasing the value of the Group.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve resolutions for effecting the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation and the adoption of the New Share Option Scheme. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any of the resolutions to be proposed at the EGM. A circular containing, among other things, details of (i) the Change of Domicile; (ii) the Adoption of the New Memorandum of Continuance and the New Bye-laws; (iii) the Cancellation of Share Premium Account; (iv) the Capital Reorganisation; (v) the Change in Board Lot Size; (vi) the adoption of the New Share Option Scheme (including but not limited to its principal terms); and (vii) the notice convening the EGM is expected to be despatched to the Shareholders on or before 14 May 2021.

WARNING

Shareholders and potential investors of the Company should note that the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganisation are conditional upon satisfaction of the respective conditions precedent as set out in the respective paragraphs headed “Conditions of the Change of Domicile”, “Conditions of the Adoption of the New Memorandum of Continuance and the New Bye-laws”, “Conditions of the Cancellation of Share Premium Account” and “Conditions of the Capital Reorganisation”. Accordingly, the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganisation may or may not proceed.

Furthermore, Shareholders and potential investors of the Company should note that the proposed Change in Board Lot Size is conditional upon the Capital Reorganisation becoming effective, and the adoption of the New Share Option Scheme is subject to, *inter alia*, the approval of the Shareholders at the EGM.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If they are in any doubt, they should consult their professional advisers.

PROPOSED CHANGE OF DOMICILE

The Board proposes to change the domicile of the Company from the Cayman Islands to Bermuda by way of deregistration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda.

Furthermore, the Board proposes to implement the Capital Reorganisation after the Change of Domicile becoming effective, details of which are set out in the paragraph headed “Proposed Capital Reorganisation” below.

Conditions of the Change of Domicile

The Change of Domicile is conditional upon:

- (i) the passing of special resolutions by the Shareholders at the EGM to approve the Change of Domicile, and the Adoption of the New Memorandum of Continuance and the New Bye-laws;
- (ii) compliance with the relevant requirements under the Listing Rules and the relevant legal procedures and requirements under the laws of the Cayman Islands and the laws of Bermuda in respect of the Change of Domicile; and
- (iii) the obtaining of all necessary approvals from the relevant regulatory authorities or otherwise as may be required in respect of the Change of Domicile, if required.

The Change of Domicile is not conditional upon the Capital Reorganisation becoming effective. However, the Capital Reorganisation is conditional upon the Change of Domicile becoming effective.

Effect of the Change of Domicile

Other than the expenses to be incurred, the Change of Domicile will not alter the underlying assets, investments, management or financial position of the Company nor the proportionate interests of the Shareholders.

The Company's legal advisers as to the laws of the Cayman Islands and Bermuda are of the view that the continuation of the Company in Bermuda does not create a new legal entity or prejudice or affect the continuity of the Company. The Company will continue to maintain a place of business in Hong Kong.

Besides, the Change of Domicile will not involve the formation of a new holding company, the withdrawal of listing of the Existing Shares, any issue of new Existing Shares, any transfer of assets of the Company or any change in the existing shareholding of the Company. Implementation of the Change of Domicile will not affect the listing status of the Company on the Stock Exchange.

Reasons for the Change of Domicile

As advised by the Company's legal advisers as to the laws of the Cayman Islands, if the Company proceeds with the Capital Reorganisation, which includes, among other things, the Capital Reduction in the Cayman Islands, according to the laws of the Cayman Islands, the sanction by the Grand Court of the Cayman Islands would be required, and such sanction cannot be obtained in a commercially expedient time frame.

If the Capital Reorganisation will be effected by way of a change of domicile of the Company from the Cayman Islands to Bermuda through deregistration in the Cayman Islands and continuation in Bermuda, the legal advisers of the Company as to the laws of the Cayman Islands and Bermuda advised that no court order is required in the Cayman Islands or Bermuda for the Change of Domicile and the Capital Reorganisation after deregistration of the Company in the Cayman Islands and its continuation in Bermuda.

The Board considers that it would save the Company's time for carrying out the Capital Reorganisation in Bermuda by first implementing the Change of Domicile. Therefore, the Board believes that the Change of Domicile is beneficial to and in the interests of the Company and the Shareholders as a whole.

PROPOSED ADOPTION OF THE NEW MEMORANDUM OF CONTINUANCE AND THE NEW BYE-LAWS

In connection with the Change of Domicile, the Company proposes to adopt the New Memorandum of Continuance and the New Bye-laws in compliance with the laws of Bermuda to replace, respectively, the Memorandum as the existing memorandum of association of the Company, and the Articles as the existing articles of association of the Company.

Conditions of the Adoption of the New Memorandum of Continuance and the New Bye-laws

The Adoption of the New Memorandum of Continuance and the New Bye-laws is conditional upon the passing of a special resolution by the Shareholders to approve the Adoption of the New Memorandum of Continuance and the New Bye-laws at the EGM, and the registration of the New Memorandum of Continuance by the Registrar of Companies in Bermuda.

PROPOSED CANCELLATION OF SHARE PREMIUM ACCOUNT

The Board proposes to cancel the entire amount standing to the credit of the share premium account of the Company and to transfer the credits arising from such cancellation to an account designated as the contributed surplus account of the Company.

As at 31 December 2020, the Company has a credit balance of approximately RMB625,012,000 (equivalent to approximately HK\$699,388,000) standing in its share premium account.

Subject to the approval of the Shareholders at the EGM by way of a special resolution, the credits arising from the cancellation of the entire amount standing to the credit of the share premium account of the Company can be transferred to an account designated as the contributed surplus account of the Company, and such account designated as the contributed surplus account of the Company shall become the contributed surplus account of the Company within the meaning of the Companies Act upon the Change of Domicile becoming effective.

Conditions of the Cancellation of Share Premium Account

The Cancellation of Share Premium Account is conditional upon:

- (i) passing of a special resolution by the Shareholders at the EGM to approve the transfer of the credits arising from the cancellation of the entire amount standing to the credit of the share premium account of the Company to an account designated as the contributed surplus account of the Company and that such designated contributed surplus account of the Company shall be the contributed surplus account of the Company within the meaning of the Companies Act; and
- (ii) the compliance with the relevant legal procedures and requirements under the laws of the Cayman Islands to effect the Cancellation of Share Premium Account.

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation after the Change of Domicile becoming effective, which will involve the Share Consolidation, the Capital Reduction and the Share Sub-Division, details of which are as follows:

(1) Share Consolidation

Every twenty (20) issued Existing Shares of US\$0.02 each shall be consolidated into one (1) issued Consolidated Share of US\$0.40 each, and every twenty (20) unissued Existing Shares of US\$0.02 each shall be consolidated into one (1) unissued Consolidated Share of US\$0.40 each.

(2) Capital Reduction

The Capital Reduction will be implemented immediately upon the Share Consolidation becoming effective, pursuant to which the par value of each of the issued Consolidated Shares will be reduced from US\$0.40 to US\$0.01 by cancelling the paid-up capital of the Company to the extent of US\$0.39 on each of the issued Consolidated Shares. As such, the issued share capital of the Company will be reduced.

The credits arising in the books of the Company from (a) the cancellation any fraction in the issued share capital of the Company which may arise from the Share Consolidation (if any); and (b) the Capital Reduction, will be credited to the contributed surplus account of the Company within the meaning of the Companies Act.

(3) Share Sub-Division

Immediately following the Capital Reduction, the Share Sub-Division will be implemented on the basis that every unissued Consolidated Share of US\$0.40 each in the authorised share capital of the Company shall be sub-divided into forty (40) New Shares of US\$0.01 each.

Effects of the Capital Reorganisation

As at the date of this announcement, the authorised share capital of the Company is US\$50,000,000 divided into 2,500,000,000 Existing Shares of par value US\$0.02 each, of which 1,404,000,000 Existing Shares have been issued and are fully paid or credited as fully paid, and the aggregate par value of the issued share capital of the Company is US\$28,080,000.

Assuming there will be no change in the issued share capital of the Company from the date of this announcement until the effective date of the Capital Reorganisation, the authorised share capital of the Company will be US\$50,000,000 divided into 5,000,000,000 New Shares of par value of US\$0.01 each, of which 70,200,000 New Shares will be in issue and the aggregate par value of the issued share capital of the Company will be US\$702,000 upon the Capital Reorganisation becoming effective. A credit of US\$27,378,000 will arise as a result of the Capital Reduction. It is proposed that the credit arising as a result of the Capital Reduction to be transferred to the contributed surplus account of the Company within the meaning of the Companies Act which, together with the amount already in the contributed surplus account as a result of the Cancellation of Share Premium Account and any credit which may arise as a result of the cancellation of any fraction in the issued share capital of the Company arising from the Share Consolidation (if any), will then be applied by the Board to set off against the accumulated losses of the Company (if any) in full or by the amount of such credits upon the date of the Capital Reorganisation becoming effective.

The New Shares in issue immediately following the Capital Reorganisation becoming effective will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders. Any fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued or allocated to the Shareholders but all such fractional Consolidated Shares will be aggregated, sold and retained for the benefit of the Company.

Shareholders and potential investors of the Company should note that the credits arising in the books from the Capital Reorganisation will be subject to change depending on the number of the Existing Shares in issue immediately prior to the Capital Reorganisation becoming effective.

Under the laws of Bermuda, the Directors may apply the contributed surplus in any manner permitted by the applicable laws of Bermuda and the New Bye-laws in effect from time to time.

Other than the expenses to be incurred, the implementation of the Capital Reorganisation and the Change in Board Lot Size will not alter the underlying assets, business operations, management or financial position of the Company nor the proportionate interests or rights of the Shareholders, save that any fractional New Shares will not be allocated to Shareholders who may otherwise be entitled, if any.

Assuming no further Existing Shares will be issued or repurchased, and there are no other changes in the issued share capital of the Company from the date of this announcement up to the effective date of the Capital Reorganisation, the effect of the Capital Reorganisation on the share capital structure of the Company is summarised as follows:

	As at the date of this announcement	Immediately after the Share Consolidation becoming effective but before the Capital Reorganisation becoming effective	Immediately after the Capital Reorganisation becoming effective
Authorised share capital (US\$)	50,000,000	50,000,000	50,000,000
Par value	US\$0.02 per Existing Share	US\$0.40 per Consolidated Share	US\$0.01 per New Share
Number of authorised shares	2,500,000,000 Existing Shares	125,000,000 Consolidated Shares	5,000,000,000 New Shares
Par value of issued share capital (US\$)	28,080,000	28,080,000	702,000
Number of issued shares	1,404,000,000 Existing Shares	70,200,000 Consolidated Shares	70,200,000 New Shares
Number of unissued shares	1,096,000,000 Existing Shares	54,800,000 Consolidated Shares	4,929,800,000 New Shares
Par value of unissued share capital (US\$)	21,920,000	21,920,000	49,298,000

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon:

- (i) the passing of special resolutions by the Shareholders at the EGM to approve the Capital Reorganisation at the EGM;
- (ii) the Change of Domicile becoming effective;
- (iii) the Adoption of the New Memorandum of Continuance and the New Bye-laws becoming effective;
- (iv) the Stock Exchange granting the listing of, and permission to deal in, the New Shares in issue and to be issued immediately upon the Capital Reorganisation and the New Shares which may fall to be allotted and issued upon exercise of the share options outstanding and to be granted under the share option scheme(s) of the Company;
- (v) the compliance with the relevant legal procedures and requirements under the laws of Bermuda and the Listing Rules to effect the Capital Reorganisation; and
- (vi) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

The requirements of section 46(2) of the Companies Act include (i) publication of a notice in relation to the Capital Reduction in an appointed newspaper in Bermuda on a date not more than thirty days and not less than fifteen days before the effective date of the Capital Reduction; and (ii) that the Directors are satisfied that on the effective date of the Capital Reduction, there are no reasonable grounds for believing that the Company is, or after the effective date of the Capital Reduction would be, unable to pay its liabilities as they become due. The Capital Reorganisation shall become effective when the conditions mentioned above are fulfilled.

Listing and Dealings

An application will be made by the Company to the Listing Committee for the listing of, and the permission to deal in, the New Shares upon the Capital Reorganisation becoming effective.

Subject to the granting of listing of, and permission to deal in, the New Shares on the Stock Exchange upon the Capital Reorganisation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchanges other than the Stock Exchange, and at the time when the Capital Reorganisation becoming effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in board lot size of 1,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 1,000 Existing Shares to 2,000 New Shares, conditional upon the Capital Reorganisation becoming effective.

Based on the closing price of HK\$0.092 per Existing Share (equivalent to the theoretical closing price of HK\$1.840 per New Share) as at the date of this announcement, (i) the value of each existing board lot of 1,000 Existing Shares is HK\$92; (ii) the value of each board lot of 1,000 New Shares would be HK\$1,840 assuming the Capital Reorganisation has become effective; and (iii) the estimated value per board lot of 2,000 New Shares would be HK\$3,680 assuming the Change in Board Lot Size has become effective. The Change in Board Lot Size will result in New Shares being traded in a more reasonable board lot size and value.

More reasons on the proposed Change in Board Lot Size and the proposed Capital Reorganisation will be further elaborated in the paragraph headed “Reasons for the Proposed Capital Reorganisation and the Proposed Change in Board Lot Size”.

The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders.

REASONS FOR THE PROPOSED CAPITAL REORGANISATION AND PROPOSED CHANGE IN BOARD LOT SIZE

With both the proposed Capital Reorganisation and the proposed Change in Board Lot Size becoming effective, it is expected that it would bring about a corresponding upward adjustment in the market price of the New Shares. With a higher trading price of the New Shares as a result of the proposed Capital Reorganisation and the proposed Change in Board Lot Size, it will reduce the overall transaction and handling costs of dealings in the New Share as a proportion of the market value of each board lot, given most of the banks/securities houses will charge a minimum transaction costs for each securities transaction. The Board considers that it would enhance the corporate image of the Company and help maintain the transaction amount for each board lot at a reasonable level in order to attract more investors and broaden the base of the Shareholders, and thus provide flexibility for equity fund raising of the Company in the future.

Pursuant to the Companies Law and the Articles, the Company shall not issue shares at a price below par value. Since the Existing Shares are currently trading below par value, it is difficult for the Board to negotiate with any potential investors of the Company and financial institutions for possible subscription, offer or placing of the Existing Shares at or above the par value. In order to facilitate fundraising activities by way of issuance of equity securities or convertible securities, the Company considers that it is desirable and necessary to lower the par value of the Existing Shares through implementing the Capital Reorganisation.

Furthermore, pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities.

The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 (with the latest update on 1 October 2020) (the “**Guide**”) has further stated that market price of the shares at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules. It has also stated in the Guide that taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

Taking into account of the closing price of HK0.092 per Existing Share as at the date of this announcement, the value of each existing board lot of 1,000 Existing Shares is only HK\$92, and the estimated market value per board lot of 2,000 New Shares would be HK\$3,680 under the assumption that the proposed Capital Reorganisation and the proposed Change in Board Lot Size becoming effective. It is expected that the Capital Reorganisation and the Change in Board Lot Size would enable the Company to comply with Rule 13.64 of the Listing Rules.

As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation, and the Company does not have any concrete plan to conduct any fundraising activities in the next twelve months.

While the Company does not have any agreement, arrangement, understanding, or negotiation (either concluded or in process) on any potential fundraising activities, the Company cannot rule out the possibility that the Company will conduct debt and/or equity fundraising exercises when suitable fundraising opportunities arise, in order to strengthen the conditions of cash flow and liquidity of the Group. Further announcement(s) will be made by the Company with regards to any potential fundraising activities as and when appropriate and in accordance with the Listing Rules.

Furthermore, the credit arising from the Capital Reduction will be applied to offset against the balance of the accumulated losses of the Company (if any) in full upon the date of the Capital Reorganisation becoming effective, and, if possible, it may be applied in the future for distribution to the Shareholders or in any manner permitted by the Companies Act and the New Bye-laws.

In view of the above, the Board considers the proposed Capital Reorganisation and the proposed Change in Board Lot Size are justifiable notwithstanding of the potential costs and impact arising from creation of odd lots to Shareholders, and accordingly, the proposed Capital Reorganisation and the proposed Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

OTHER ARRANGEMENTS

Exchange of share certificates

Subject to the Capital Reorganisation becoming effective, which is currently expected to be on Tuesday, 13 July 2021, Shareholders may between 9:00 a.m. and 4:30 p.m. on any business day during the period from Tuesday, 13 July 2021 to Wednesday, 18 August 2021 (both days inclusive), submit share certificates for the Existing Shares (in blue color) to the Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong to exchange for new share certificates for the New Shares (in green color), on the basis of every twenty (20) Existing Shares for one (1) New Share without any fractional New Share and at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of share certificates, a fee of HK\$2.50 each (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the Share Registrar for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the New Shares, whichever the number of share certificates involved is higher.

After 4:10 p.m. on Monday, 16 August 2021, trading will only be in New Shares which share certificates will be issued in green color. Existing share certificates in blue color for the Existing Shares will cease to be valid for delivery, trading and settlement purposes, but will remain valid and effective as documents of title and may be exchanged for new share certificates for the New Shares.

Arrangement on Odd Lot Trading

In order to alleviate the difficulties arising from the existence of odd lots of the New Shares as a result of the Capital Reorganisation and the Change on Board Lot Size, the Company will appoint a securities firm as an agent to provide matching services, on a best-efforts basis, to those Shareholders who wish to top-up acquire odd lots of the New Shares to make up a full board lot, or to dispose of their holding of odd lots of the New Shares. Further details of the odd lot arrangement will be set out in the circular to be despatched to the Shareholders.

Holders of the New Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the New Shares is not guaranteed. Shareholders are recommended to consult their professional advisers if they are in doubt about the above odd lots matching arrangement.

Adjustments in relation to other equity securities of the Company

As at the date of this announcement, there are outstanding share options for subscription of 7,920,000 Existing Shares under the Old Share Option Scheme. The Capital Reorganisation may lead to adjustments to the exercise price and/or the number of Shares falling to be issued upon exercise of the outstanding options pursuant to the terms and conditions of the Old Share Option Scheme and the Listing Rules. The Company will make further announcements regarding the adjustments as and when appropriate and in accordance with the Listing Rules.

Save as disclosed above, as at the date of this announcement, the Company has no other derivatives, options, warrants or other securities in issue which are convertible or exchangeable into any Shares.

PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

The Old Share Option Scheme, being the existing share option scheme of the Company, was adopted on 25 October 2010 and was expired on 24 October 2020. The Board proposes that the New Share Option Scheme pursuant to Chapter 17 of the Listing Rules to be approved by the Shareholders at the EGM.

The purpose of the New Share Option Scheme, is to encourage and retain, *inter alia*, the employees of the Company to make contributions to the long-term growth and profits of the Group, with a view to achieving the objective of increasing the value of the Group.

EXPECTED TIMETABLE

The expected timetable for implementation of the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation, the Change of Board Lot Size and the adoption of the New Share Option Scheme is set out below:

Events	Hong Kong Date and Time
Date of this announcement	Monday, 3 May 2021
Expected date of despatch of circular with notice of the EGM and the proxy form for the EGM	Friday, 14 May 2021
Latest time for lodging transfers of Shares for attending the EGM	4:30 p.m. on Tuesday, 1 June 2021
Closure of register of members for determining the entitlement to attend and vote at the EGM.	Wednesday, 2 June 2021 to Monday, 7 June 2021 (both dates inclusive)
Latest time and date for lodging proxy forms for the EGM	11:00 a.m. on Saturday, 5 June 2021
Date and time of the EGM	11:00 a.m. on Monday, 7 June 2021
Publication of announcement of poll results of the EGM.	Monday, 7 June 2021

Events

Hong Kong Date and Time

The following events are conditional on the fulfillment of the conditions for the implementation of the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganisation:

Expected effective date of the Cancellation of

Share Premium Account Monday, 7 June 2021

Expected effective date of the Change of

Domicile and the Adoption of the

New Memorandum of Continuance and

the New Bye-laws on or after Tuesday,

22 June 2021

(Bermuda time)/

on or after Wednesday,

23 June 2021 (Hong Kong time)

Expected effective date and time of

the Capital Reorganisation. 9:00 a.m. on Tuesday,

13 July 2021

First day for free exchange of existing share

certificates of Existing Shares for

new share certificates for the New Shares Tuesday, 13 July 2021

Commencement of dealings in the New Shares 9:00 a.m. on Tuesday,

13 July 2021

Events**Hong Kong Date and Time**

Original counter for trading in the
Existing Shares in board lots of
1,000 Existing Shares (in the form of
existing share certificates) temporarily closes9:00 a.m. on Tuesday,
13 July 2021

Temporary counter for trading in the
New Shares in board lots of 50
New Shares (in the form of existing
share certificates) opens9:00 a.m. on Tuesday,
13 July 2021

Original counter for trading in the
New Shares in new board lots of 2,000
New Shares (in the form of new share
certificates) re-opens9:00 a.m. on Tuesday,
27 July 2021

Parallel trading in the New Shares
(in the form of new share certificates for
the New Shares and existing share
certificates) commences9:00 a.m. on Tuesday,
27 July 2021

Designated broker starts to stand in the
market to provide matching services for
odd lots of the New Shares9:00 a.m. on Tuesday,
27 July 2021

Designated broker ceases to stand in the
market to provide matching services for
odd lots of the New Shares 4:00 p.m. on Monday,
16 August 2021

Events

Hong Kong Date and Time

Temporary counter for trading in the
New Shares in board lots of 50
New Shares (in the form of existing
share certificates) closes 4:10 p.m. on Monday,
16 August 2021

Parallel trading in the New Shares
(in the form of new share certificates for
the New Shares and existing share
certificates) ends 4:10 p.m. on Monday,
16 August 2021

Last day for free exchange of existing
share certificates for new share
certificates for the New Shares Wednesday, 18 August 2021

All times and dates specified in the timetable above refer to Hong Kong times and dates unless otherwise specified.

The timetable is indicative only and may be extended or varied. Further announcement(s) will be made by the Company with respect to any change to the expected timetable above as and when appropriate and in accordance with the Listing Rules.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve resolutions for effecting the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation and the adoption of the New Share Option Scheme. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any of the resolutions to be proposed at the EGM. A circular containing, among other things, details of (i) the Change of Domicile; (ii) the Adoption of the New Memorandum of Continuance and the New Bye-laws; (iii) the Cancellation of Share Premium Account; (iv) the Capital Reorganisation; (v) the Change in Board Lot Size; (vi) the adoption of the New Share Option Scheme (including but not limited to its principal terms); and (vii) the notice convening the EGM is expected to be despatched to the Shareholders on or before 14 May 2021.

WARNING

Shareholders and potential investors of the Company should note that the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganisation are conditional upon satisfaction of the respective conditions precedent as set out in the respective paragraphs headed “Conditions of the Change of Domicile”, “Conditions of the Adoption of the New Memorandum of Continuance and the New Bye-laws”, “Conditions of the Cancellation of Share Premium Account” and “Conditions of the Capital Reorganisation”. Accordingly, the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganisation may or may not proceed.

Furthermore, Shareholders and potential investors of the Company should note that the proposed Change in Board Lot Size is conditional upon the Capital Reorganisation becoming effective, and the adoption of the New Share Option Scheme is subject to, *inter alia*, the approval of the Shareholders at the EGM.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company’s securities. If they are in any doubt, they should consult their professional advisers.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

“Adoption of the New Memorandum of Continuance and the New Bye-laws”	the proposed adoption of the New Memorandum of Continuance and the New Bye-laws in compliance with the laws of Bermuda to replace, respectively, the Memorandum as the Company’s existing memorandum of association, and the Articles as the Company’s existing articles of association;
“Articles”	the existing articles of association of the Company;
“Board”	the board of Directors;

“Cancellation of Share Premium Account”	the proposed cancellation of the entire amount standing to the credit of the share premium account of the Company;
“Capital Reduction”	the proposed reduction of the issued share capital of the Company through cancellation of the paid-up capital of the Company to the extent of US\$0.39 on each of the issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from US\$0.40 to US\$0.01;
“Capital Reorganisation”	the proposed reorganisation of the share capital of the Company involving the Share Consolidation, the Capital Reduction and the Share Sub-Division;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time;
“Change in Board Lot Size”	the change in board lot size of the Shares for trading on the Stock Exchange from 1,000 Existing Shares to 2,000 New Shares;
“Change of Domicile”	the proposed change of domicile of the Company from the Cayman Islands to Bermuda by way of deregistration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda;
“Companies Act”	the Companies Act 1981 of Bermuda;
“Companies Law”	the Companies Act (as revised) of the Cayman Islands;

“Company”	InvesTech Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 1087);
“Consolidated Share(s)”	ordinary share(s) of US\$0.40 each in the share capital of the Company upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-Division becoming effective;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve resolutions for effecting, the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation and the adoption of the New Share Option Scheme;
“Existing Share(s)”	ordinary share(s) of US\$0.02 each in the share capital of the Company prior to the Capital Reorganisation becoming effective;
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;

“Listing Committee”	the listing committee of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum”	the existing memorandum of association of the Company;
“New Memorandum of Continuance”	a memorandum of continuance of the Company proposed to be adopted by the Company, which will become effective upon the continuation of the Company in Bermuda;
“New Bye-laws”	a new set of bye-laws of the Company proposed to be adopted by the Company, which will become effective upon the continuation of the Company in Bermuda;
“New Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company upon the Capital Reorganisation becoming effective;
“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company upon the approval by the Shareholders at the EGM;
“Old Share Option Scheme”	the share option scheme of the Company adopted on 25 October 2010;
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	the Existing Share(s), the Consolidated Share(s) and/or the New Shares, as the case may be;

“Share Consolidation”	the proposed consolidation of every twenty (20) issued and unissued Existing Shares into one (1) Consolidated Share;
“Share Sub-Division”	the proposed sub-division of each of the unissued Consolidated Share of US\$0.40 each in the authorised share capital of the Company into forty (40) New Shares of US\$0.01 each;
“Share Registrar”	Computershare Hong Kong Investor Services Limited;
“Shareholder(s)”	holder(s) of the Existing Share(s), the Consolidated Share(s), and/or the New Share(s), as the case may be;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“US\$”	United States dollar, the lawful currency of the United States of America; and
“%”	per cent.

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

Hong Kong, 3 May 2021

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. Liu Chun Fai, 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. Yuen Shiu Wai.

For the purpose of this announcement, the exchange rate of RMB1 = HK\$1.119 have been used for currency translation, where applicable. The conversion rate is for illustration purpose only and does not constitute representations that any amount in HK\$ or RMB has been, could have been or may be converted at such a rate or at other rates or at all.

For the purpose of this announcement, the exchange rate of US\$1.00 = HK\$7.80 have been used for currency translation, where applicable. The conversion rate is for illustration purpose only and does not constitute representations that any amount in HK\$ or US\$ has been, could have been or may be converted at such a rate or at other rates or at all.