

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 purpose 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 and continued in Bermuda with limited liability)

(Stock Code: 1087)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



On 16 August 2021 (after trading hours), the Placing Agent and the Company entered into the conditional Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 14,040,000 Placing Shares at the Placing Price of HK\$1.24 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the date of the Completion of the Placing, the maximum number of Placing Shares under the Placing represent (i) 20.00% of the existing issued share capital of the Company of 70,200,000 Shares 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.

The Placing Price of HK\$1.24 per Placing Share represents:

- (a) a discount of 20.0% to the closing price of HK\$1.550 as quoted on the Stock Exchange on 16 August 2021, being the Last Trading Day;
- (b) a discount of approximately 10.9% to the average closing price of HK\$1.392 as quoted on the Stock Exchange for the last five consecutive trading days up to the date of the Last Trading Day; and
- (c) a discount of approximately 12.7% to the average closing price of HK\$1.421 as quoted on the Stock Exchange for the last ten consecutive trading days up to the date of the Last Trading Day.

The Placing Shares will be allotted and issued under the General Mandate.

Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds (after deducting placing commission and other relevant costs and expenses of the Placing) from the Placing will be approximately HK\$17.41 million and HK\$16.83 million respectively. On such basis, the net issue price will be approximately HK\$1.20 per Placing Share. The Company intends to use the net proceeds from the Placing for (i) the general working capital and financing the business development of the Group; and (ii) repayment of bank and other borrowings of the Group.

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

As completion of the Placing is subject to the satisfaction of a number of conditions under the Placing Agreement and the placing is on a best effort basis, the Placing may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board announces that on 16 August 2021 (after trading hours), the Placing Agent and the Company entered into the conditional Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 14,040,000 Placing Shares at the Placing Price of HK\$1.24 per Placing Share to the Placees who and whose beneficial owners shall be Independent Third Parties.

The principal terms of the Placing Agreement are set out below:

THE PLACING AGREEMENT

Date

16 August 2021 (after trading hours)

Parties to the Placing Agreement

Issuer: The Company

The Placing Agent: Get Nice Securities Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties. As at the date of this announcement, the Placing Agent and its ultimate beneficial owner(s) were not interested in any Shares.

Pursuant to the terms of the Placing Agreement, the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 14,040,000 Placing Shares to the Placees. In consideration of the Placing, the Placing Agent will receive a placing commission of 2.5% out of the gross proceeds of the Placing (i.e. Placing Price multiplied by the number of Placing Shares actually and successfully placed by the Placing Agent) upon the Completion. The Directors are of the view that the placing commission accords with the prevailing market rate and is fair and reasonable.

Placees

The Placing Agent will place the Placing Shares to not less than six Placees, which will be any professional, institutional or other investors, and who and whose ultimate beneficial owners, as far as the Placing Agent and the Directors are aware, are Independent Third Parties. It is expected that none of the Placees will become substantial shareholder of the Company immediately after the Placing.

Number of Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the date of the Completion, the maximum number of Placing Shares under the Placing represent (i) 20.00% of the existing issued share capital of the Company of 70,200,000 Shares 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. Assuming all 14,040,000 Placing Shares are successfully placed by the Placing Agent, the aggregate nominal value of the maximum number of Placing Shares under the Placing will be US\$140,400.

Placing Price

The Placing Price of HK\$1.24 per Placing Share represents:

- (a) a discount of 20.0% to the closing price of HK\$1.550 as quoted on the Stock Exchange on 16 August 2021, being the Last Trading Day;
- (b) a discount of approximately 10.9% to the average closing price of HK\$1.392 as quoted on the Stock Exchange for the last five consecutive trading days up to the date of the Last Trading Day; and
- (c) a discount of approximately 12.7% to the average closing price of HK\$1.421 as quoted on the Stock Exchange for the last ten consecutive trading days up to the date of the Last Trading Day.

The Placing Price was determined and negotiated on an arm's length basis between the Company and the Placing Agent and with reference to the market conditions and the prevailing market price of the Shares. The Directors consider that the Placing Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

Ranking of Placing Shares

The Placing Shares under the Placing will rank, upon allotment and issue, *pari passu* in all respects among themselves with the other Shares in issue on the date of allotment and issue of the Placing Shares.

General Mandate to allot and issue of the Placing Shares

No Shareholders' approval is required for the Placing and the Placing Shares to be issued and allotted by the Company as the Placing Shares will be issued and allotted pursuant to the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM held on 14 May 2021. At the AGM, the Shareholders have granted to the Directors, among others, such General Mandate to allot, issue and deal with up to 280,800,000 Shares of US\$0.02 each, representing 20% of the entire issued share capital of the Company (i.e. 1,404,000,000 Shares of US\$0.02 each) as at the date of the passing of the resolution at the AGM.

As the Capital Reorganisation, comprising of the Share Consolidation, the Share Sub-Division and the Capital Reduction, became effective on 28 July 2021, and every twenty (20) issued and unissued Shares of US\$0.02 had in effect been converted into one (1) Share of US\$0.01, the number of Shares which may be issued under the General Mandate has been adjusted to 14,040,000 Shares of US\$0.01 accordingly.

As at the date of this announcement, no Shares have been issued under the General Mandate. The maximum of 14,040,000 Placing Shares to be allotted and issued will utilize the entire General Mandate.

Application for listing of Placing Shares

Application will be made by the Company to the Listing Committee for the granting of the approval for the listing of, and permission to deal in, the Placing Shares.

Conditions of the Placing

The Placing is conditional upon the following conditions being fulfilled:

- (a) the Listing Committee granting the listing of, and permission to deal in, the Placing Shares (and such listing and permission not subsequently being revoked prior to the later of (i) the Completion; and (ii) the delivery of definitive share certificate(s) representing the Placing Shares);
- (b) the passing by the Board of resolution(s) to approve the Placing, the Placing Agreement and the transactions contemplated hereunder; and
- (c) all necessary authorisations, consent and approvals as may be obtained by the Company and the Placing Agent having been obtained in respect of the Placing Agreement from relevant authorities (including but not limited to the Stock Exchange).

If any of the above conditions is not satisfied on or before the Long Stop Date, or such other later date as the parties thereto may agree in writing, the Placing Agreement shall be terminated, all rights, obligations and liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine and that they shall both be released from all their respective obligations pursuant to the Placing Agreement and neither party shall have any claim against one another for costs, damages, compensation or otherwise arising under the Placing Agreement, save and except for (i) any antecedent breaches of any obligation under the Placing Agreement; and (ii) liabilities in relation to the indemnification obligations pursuant to the terms of the Placing Agreement.

Completion of the Placing

Completion of the Placing shall take place within three Business Days (the “**Completion Date**”) after the fulfillment of the above conditions or on such other date as the Company and the Placing Agent may agree in writing.

Termination of the Placing Agreement

Notwithstanding anything contained in the Placing Agreement, the Placing Agent may terminate the Placing Agreement without any liability to the Company, by notice in writing given to the Company at any time prior to the Completion Date upon the occurrence of the following events which, in the reasonable opinion of the Placing Agent, has or may have a material adverse effect on the business or financial conditions, affairs or prospects of the Company or the Group taken as a whole or the success of the Placing or otherwise makes it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement:

- (A) there develops, occurs or comes into force:
 - (i) any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a material change in, or which may result in a material change in, political, economic, fiscal, financial, regulatory or stock market conditions; or
 - (ii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
 - (iii) any material change in conditions of local, national or international securities markets; or

- (iv) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group; or
 - (v) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or elsewhere; or
 - (vi) any litigation or claim being instigated against the Company or any member of the Group, which has or may have a material adverse effect on the business or financial position of the Group; or
- (B) any material breach of any of the representations, warranties and undertakings by the Company set out in the Placing Agreement or any event occurs or any matter arises on or after the date hereof and prior to the Completion Date which if it had occurred or arisen before the date hereof would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (C) there is any adverse change in the financial position of the Company which is material in the context of the Placing.

Upon the giving of such written notice by the Placing Agent to the Company pursuant to the Placing Agreement in view of the aforementioned termination events, all obligations of each of the parties under the Placing Agreement shall cease and determine and no party shall have any claim against any other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation and outstanding liabilities under the Placing Agreement.

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

As completion of the Placing is subject to the satisfaction of a number of conditions under the Placing Agreement and the placing is on a best effort basis, the Placing may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company incorporated in the Cayman Islands and continued in Bermuda with limited liability. 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 mobile office automation software business, and the network equipment rental business.

Subject to completion of the Placing, it is expected that the maximum gross proceeds and net proceeds (after deducting placing commission and other relevant costs and expenses of the Placing) from the Placing will be approximately HK\$17.41 million and HK\$16.83 million respectively. On such basis, the net issue price will be approximately HK\$1.20 per Placing Share. The Company intends to use the net proceeds from the Placing for (i) the general working capital and financing the business development of the Group; and (ii) repayment of bank and other borrowings of the Group.

The Directors are of the view that the Placing can strengthen the financial position of the Group and provide working capital to the Group to meet any future development opportunities and financial obligations of the Group. The Placing also represents good opportunities to broaden the Shareholders' base.

In view of the above, the Board of Directors (including the independent non-executive Directors) considers that the terms of the Placing and the Placing Agreement were arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market conditions. The Directors are of the view that the terms of the Placing Agreement are fair and reasonable based on current market conditions. The Placing and the entry into the Placing Agreement are in the interest of the Company and the Shareholders as a whole.

EFFECTS OF PLACING ON SHAREHOLDINGS STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon the Completion (assuming the maximum number of Placing Shares are placed to the Placees and there is no change in the issued share capital of the Company from the date of this announcement up to the Completion) are set out as follows:

	Shareholding as at the date of this announcement		Shareholding immediately upon completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Substantial Shareholders:				
Smoothly Global Holdings Limited ^{Note 1,2}	15,505,941	22.09	15,505,941	18.41
Ms. Tin Yat Yu, Carol	9,351,400	13.32	9,351,400	11.10
Director:				
Mr. Chan Sek Keung, Ringo ^{Note 1}	4,739,850	6.75	4,739,850	5.62
Public Shareholders:				
Placees	–	–	14,040,000	16.67
Other shareholders	40,602,809	57.84	40,602,809	48.20
Total:	<u>70,200,000</u>	<u>100.00</u>	<u>84,240,000</u>	<u>100.00</u>

Notes:

- Mr. Chan Sek Keung, Ringo (“**Mr. Chan**”), one of the executive Directors of the Company, was deemed to be interested in 20,281,791 Shares, comprising of (i) 15,505,941 Shares held by Smoothly Global Holdings Limited by virtue of it being owned as to 70% by Mr. Chan; and (ii) 998,200 Shares held by Woodstock Management Limited by virtue of it being owned as to 100% by Mr. Chan. Mr. Chan further beneficially owns 3,741,650 Shares. Mr. Chan also owns 36,000 share options which can be converted into 36,000 Shares.
- Ms. Wang Fang (“**Ms. Wang**”), one of the executive Directors of the Company, was deemed to be interested in 15,505,941 Shares held by Smoothly Global Holdings Limited by virtue of it being owned as to 20% by Ms. Wang. Ms. Wang further owns 360,000 share options which can be converted into 360,000 Shares.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The Company had not conducted any equity fund raising activity in the past 12 months immediately preceding the date of this announcement.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company convened on 14 May 2021
“associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	means a day (other than Saturday and days on which a tropical cyclone warning No.8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business
“Capital Reduction”	the reduction of the issued share capital of the Company through cancellation of the paid-up capital of the Company, details of which can be referred from the announcement of the Company dated 3 May 2021 and the circular of the Company dated 31 May 2021
“Capital Reorganisation”	the reorganization of the share capital of the Company involving the Share Consolidation, the Capital Reduction and the Share Sub-Division, which took effect on 28 July 2021, details of which can be referred from the announcements of the Company dated 3 May 2021, 23 June 2021, 8 July 2021 and 27 July 2021 respectively, and from the circular of the Company dated 31 May 2021
“Company”	InvesTech Holdings Limited, an exempted company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 1087)

“Completion”	completion of the Placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors at the AGM to allot, issue or deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“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 PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
“Last Trading Day”	16 August 2021, being the last full trading day for the Shares prior to the date of this announcement, also being the date of the Placing Agreement
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	6 September 2021, or such later date as may be agreed by the Company and the Placing Agent
“Placee(s)”	any professional, institutional or other investors who are Independent Third Parties, with whom the Placing Agent or its sub-agent(s) procure(s) to subscribe for any of the Placing Shares pursuant to the Placing Agreement

“Placing”	the private placing of the Placing Shares (i.e. a maximum of 14,040,000 new Shares), on a best effort basis, procured by the Placing Agent to the Placees on the terms and subject to the condition set out in the Placing Agreement
“Placing Agent”	Get Nice Securities Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities), type 4 regulated activity (advising on securities), type 6 regulated activity (advising on corporate finance) and type 9 regulated activity (asset management) under the SFO
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 16 August 2021 in relation to the Placing under the General Mandate
“Placing Price”	HK\$1.24 per Placing Share
“Placing Shares”	a maximum of 14,040,000 new Shares to be placed under the Placing Agreement
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Share(s)”	the ordinary shares in the issued share capital of the Company, in the par value of US\$0.02 or US\$0.01, as the case may be
“Share Consolidation”	the consolidation of Shares, details of which can be referred from the announcement of the Company dated 3 May 2021 and the circular of the Company dated 31 May 2021
“Share Sub-Division”	the sub-division of Shares, details of which can be referred from the announcement of the Company dated 3 May 2021 and the circular of the Company dated 31 May 2021
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“SFO”	Securities and Future Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong)

“substantial shareholder”	has the meaning ascribed thereto in the Listing Rules
“trading day”	means a day on which the Exchange is open for the trading of securities
“US\$”	United States dollar, the lawful currency of the United States of America
“%”	per cent

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

Hong Kong, 16 August 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. David Tsoi, Mr. Lu, Brian Yong Chen and Mr. Yuen Shiu Wai.