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NEXION TECHNOLOGIES LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8420)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



SBI China Capital Financial Services Limited

COMPLETION OF THE PLACING

The Board is pleased to announce that the condition of the Placing has been fulfilled and the completion of the Placing took place on 19 September 2019. An aggregate of 120,000,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Places at the Placing Price of HK\$0.09 per Placing Share.

Reference is made to the announcement of the Company dated 30 August 2019 (the “**Announcement**”) in relation to the placing of new shares under the General Mandate. Capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise stated.

COMPLETION OF THE PLACING

The Board is pleased to announce that the condition of the Placing has been fulfilled and the completion of the Placing took place on 19 September 2019. An aggregate of 120,000,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Places at the Placing Price of HK\$0.09 per Placing Share.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, all the Placees (and where relevant, their ultimate beneficial owners) are independent of and not connected or acting in concert (as defined in the Hong Kong Code on Merger and Takeovers) with any connected person of the Company or its subsidiaries. One of the Placees, Power Ace Investments Limited (“**Power Ace**”), has become a substantial shareholder (as defined in the GEM Listing Rules) of the Company immediately upon completion of the Placing. None of the Placees other than Power Ace have become a controlling shareholder or a substantial shareholder of the Company immediately upon completion of the Placing.

Upon completion of the Placing, the gross proceeds of the Placing are HK\$10,800,000 and the net proceeds, after deduction of all relevant expenses incurred in relation to the Placing, are approximately HK\$10,477,000. The net price per Placing Share is approximately HK\$0.0873.

The Company intends to use the net proceeds from the Placing as to (i) approximately HK\$7,500,000 for development of information and communications technology (“**ICT**”) services in the PRC; and (ii) the balance for general working capital. As regards the development of ICT services, it is intended that the net proceeds will be applied to the projects from the comprehensive strategic cooperation (the “**Cooperation**”) with Shanghai Qiange Information Technology Co., Ltd.* (上海乾戈信息科技有限公司), including but not limited to, staff costs, research and development cost, procurement of hardware and software, and to explore the opportunity to develop cloud business such as SaaS online services in the future. For details of the Cooperation, please refer to the voluntary announcement of the Company on 16 August 2019.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and upon the completion of the Placing is set out below:

Shareholders	Immediately before completion of the Placing		Immediately upon completion of the Placing	
	<i>Number of Shares</i>	<i>Approximate % of shareholding</i>	<i>Number of Shares</i>	<i>Approximate % of shareholding</i>
<i>Substantial Shareholders</i>				
Alpha Sense Investments Limited (<i>Note 1</i>)	272,686,500	45.45	272,686,500	37.87
Power Ace, being one of the Placees (<i>Note 2</i>)	—	—	83,330,000	11.57
<i>Public Shareholders</i>				
Other Placees	—	—	36,670,000	5.1
Other public Shareholders	327,313,500	54.55	327,313,500	45.46
Total:	<u>600,000,000</u>	<u>100</u>	<u>720,000,000</u>	<u>100</u>

Notes:

- Alpha Sense is an investment holding company incorporated in the British Virgin Islands (“**BVI**”) and is held as to 100% by Mr. Foo Moo Teng, an executive Director, chairman of the Board and chief executive officer of the Company.
- Power Ace is an investment holding company incorporated in the BVI and is held as to 50% by Mr. Hu Yebi (“**Mr. Hu**”) and 50% by Ms. Hu Yina (“**Ms. Hu**”). Mr. Hu and Ms. Hu were independent of and not connected or acting in concert (as defined in the Hong Kong Code on Merger and Takeovers) with any connected person of the Company or its subsidiaries immediately prior to completion of the Placing.

* *for identification purpose only*

By order of the Board
Nexion Technologies Limited
Foo Moo Teng
Chairman and Executive Director

Hong Kong, 19 September 2019

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Foo Moo Teng, Mr. Edgardo Osillada Gonzales II and Mr. Shan Baofeng; and three independent non-executive Directors, namely Mr. Chan Ming Kit, Ms. Lim Joo Seng and Mr. Park Jee Ho.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Listed Company Information” page and the website of the Company at <http://nexion.com.hk> for at least 7 days from the date of its publication.