

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.

Neither this announcement nor any copy thereof may be released into or distributed directly or indirectly in the United States or any other jurisdiction where such release or distribution might be unlawful.

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

This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933 (the “US Securities Act”), and may not be offered or sold in the United States unless registered under the US Securities Act or pursuant to an exemption from, or in a transaction not subject to, registration under the US Securities Act. The Company has no intention to register under the US Securities Act any of the securities referred to herein or to conduct a public offering of securities in the United States.



INTRON TECHNOLOGY HOLDINGS LIMITED

英恒科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1760)

**PLACING OF NEW SHARES
UNDER GENERAL MANDATE**

Placing Agent



BNP PARIBAS

The Board is pleased to announce that on 26 January 2021 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which and subject to the terms and conditions therein, the Company agreed to appoint the Placing Agent, and the Placing Agent agreed to act as placing agent for the purpose of procuring on a best efforts basis, as agent of the Company, Places to purchase up to 45,000,000 Placing Shares at the Placing Price on the terms and subject to the conditions set out in the Placing Agreement.

The number of the Placing Shares represents: (a) approximately 4.33% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 4.15% of the enlarged total number of Shares in issue upon the completion of the Placing (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Placing other than the issue of the Placing Shares by the Company).

The Placing Price represents: (i) a discount of approximately 19.86% to the closing price of HK\$8.51 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; (ii) a premium of approximately 5.83% to the average closing price of HK\$6.444 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement; and (iii) a premium of approximately 22.20% to the average closing price of HK\$5.581 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the date of the Placing Agreement.

The gross proceeds from the Placing are expected to be approximately HK\$306.90 million and the net proceeds (after deducting all applicable costs and expenses, including commission and levies) will be approximately HK\$302.75 million. On this basis, the net price per Placing Share will be approximately HK\$6.73. The Company intends to apply the net proceeds from the Placing in the manner detailed in the section headed “Reasons for the Placing and Use of Proceeds” in this announcement.

The Placing Shares are to be issued under the General Mandate granted to the Directors pursuant to resolutions of the shareholders of the Company passed on 28 May 2020. As such, the allotment and issue of the Placing Shares is not subject to additional Shareholders’ approval.

Application will be made to the Stock Exchange for approval for the listing of, and permission to deal in, the Placing Shares.

Completion of the transactions contemplated under the Placing Agreement are subject to such agreement not being terminated in accordance with the terms thereof. In addition, completion of the Placing is subject to the satisfaction of conditions precedent under the Placing Agreement. Therefore, the Placing may or may not proceed to completion. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and other securities of the Company.

PLACING OF NEW SHARES

The Board is pleased to announce that on 26 January 2021 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which and subject to the terms and conditions therein, the Company agreed to appoint the Placing Agent, and the Placing Agent agreed to act as placing agent for the purpose of procuring on a best efforts basis, as agent of the Company, Placees to purchase up to 45,000,000 Placing Shares at the Placing Price on the terms and subject to the conditions set out in the Placing Agreement. The principal terms of the Placing Agreement are summarised below:

Date: 26 January 2021

Parties: (i) the Company; and
(ii) Placing Agent

The Placing Shares

The Placing Shares representing approximately 4.33% of the total number of Shares in issue as at the date of this announcement, and approximately 4.15% of the enlarged total number of Shares in issue upon the completion of the Placing (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the Placing other than the issue by the Company of the Placing Shares). The aggregate nominal value of the Placing Shares will be HK\$450,000.

The Placing Shares shall, when fully paid, rank *pari passu* in all respects with the other Shares in issue or to be issued by the Company as at the date of the Placing Agreement including the rights to all dividends and other distributions declared, made or paid at any time on or after the Completion Date.

The Placing Agent

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 prior to the entering into of the Placing Agreement.

Placees

It is expected that the Placing Shares will be placed to not fewer than six Placees who shall be professional, institutional or other investors (i) independent of and (ii) not connected with the Company, the connected persons of the Company and their respective associates, and who and whose ultimate beneficial owners are Independent Third Parties.

Placing Price

The Placing Price is HK\$6.82 per Placing Share, which represents:

- (i) a discount of approximately 19.86% to the closing price of HK\$8.51 per Share as quoted on the Stock Exchange on the date of the Placing Agreement;
- (ii) a premium of approximately 5.83% to the average closing price of HK\$6.444 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement; and
- (iii) a premium of approximately 22.20% to the average closing price of HK\$5.581 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price of the Shares, the recent trading volume of the Shares and the prospects of the Group and was negotiated on an arm's length basis between the Company and the Placing Agent. The Board (including the independent non-executive Directors) considers that the Placing Price and the terms of the Placing Agreement are fair and reasonable and that the Placing is in the interests of the Company and the Shareholders as a whole.

Conditions and Completion of the Placing

Completion of the Placing is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting or agreeing to grant listing of and permission to deal in the Placing Shares (subject only to the allotment and issue of such Shares and/or despatch of the relevant share certificates);
- (b) such listing approval not being subsequently revoked or suspended at any time prior to 9:30 a.m. on the Completion Date;
- (c) trading in the Shares on the Stock Exchange not being suspended for any single period of more than 2 consecutive Business Days during any time after the publication of this Announcement but prior to the Completion Date;
- (d) on the Completion Date, there being no breach of any of the warranties, representations and undertakings given by the Company under the Placing Agreement as if made on the Completion Date with reference to the then circumstances and the Company having performed in all of its obligations hereunder to be performed on or before Completion Date; and
- (e) delivery of a completion certificate in the form set out in the Placing Agreement.

If any of the conditions has not been fulfilled or waived (in respect of conditions (c) to (e)) on or before 3 February 2021 (or such other date as the Placing Agent may agree in writing with the Company), the obligations 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 the Placing, save for, among others, any rights and obligations of the parties in respect of any antecedent breaches of the Placing Agreement.

Completion of the Placing is expected to take place on or before 3 February 2021 (or such later time and/or date as the Company and the Placing Agent may agree in writing).

Termination

The Placing Agent may, by written notice to the Company, terminate the Placing Agreement, if at any time prior to 9:30 a.m. on the Completion Date:

- (a) there develops, occurs or comes into force:
 - (i) any significant event, development or change or prospective change (whether or not permanent or forming part of a series of event, developments or changes occurring or continuing before, on and/or after the date hereof) in local, national or international monetary, economic, financial, fiscal, industrial, regulatory, political or military conditions, securities market conditions or currency exchange rates or foreign exchange rates or foreign exchange controls, including without limitation, any outbreak or escalation of hostilities, declaration by Hong Kong, the PRC, the United Kingdom, the United States, the European Union (or any member thereof) or any other jurisdiction(s) relevant to the Group and/or the Placing of a national emergency or other calamity or crisis;
 - (ii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise;
 - (iii) any material adverse change in conditions of local, national or international securities markets;
 - (iv) any new law or regulation or material 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, which in the sole opinion of the Placing Agent prejudices or is likely to prejudice materially the success of the Placing or dealings in the Placing Shares or makes it or is likely to make it impracticable or inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated herein;
 - (v) a material change or development involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong, the PRC or any other jurisdictions relevant to the Group and/or the Placing;

- (vi) any litigation or claim being instigated by any third party which would have a material adverse impact against any member of the Group; or
 - (vii) any event, a series of events beyond the reasonable control of the Placing Agent (including acts of government, strikes, lock-outs, fire, flooding, acts of God, outbreak of diseases (excluding COVID-19), escalation or adverse mutation of diseases (including, without limitation, COVID-19)); or
- (b) it comes to the notice of the Placing Agent that any of the representations, warranties or undertakings of the Company contained in the Placing Agreement is untrue or inaccurate, or has been breached or not complied with and such breach or non-compliance would have material adverse impact against any member of the Group 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 the representations and warranties untrue or incorrect in any material respect or there has been a breach by the Company of any other provision of the Placing Agreement; or
- (c) any change or any development involving a prospective change in the general affairs, condition, results of operations or prospects, earnings, business, properties, management, stockholders' equity or in the financial or trading position of the Company and/or any other member of the Group which in the sole and absolute opinion of the Placing Agent is materially adverse to the success of the Placing or otherwise as to make it impracticable, inadvisable or inexpedient to proceed with the Placing.

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

Lock-up Arrangements of the Company

The Company undertakes to the Placing Agent that (except for (a) the allotment and issue of the Placing Shares pursuant to the Placing Agreement; and (b) the grant of shares options under the share option scheme adopted by the Company on 22 June 2018, or any issue of shares pursuant to the exercise of any options granted or to be granted under such share option scheme) for the period of 90 days from Completion Date it will not allot or issue, or agree to allot or issue Shares or other securities of the Company or grant or agree to grant any options, warrants or other rights to subscribe for or convertible or exchangeable into Shares or other securities of the Company or repurchase Shares or other securities of the Company (either conditionally or unconditionally, or directly or indirectly, or otherwise) or announce any intention to do so during the 90 days immediately following the Completion Date unless the prior written consent of the Placing Agent has been obtained.

GENERAL MANDATE

The Placing Shares are to be issued under the General Mandate.

As at the date of this announcement, the number of new Shares that can be allotted and issued by the Company under the General Mandate is 207,195,000 Shares. As at the date of this announcement, no Shares have been allotted and issued pursuant to the General Mandate. The remaining balance of the General Mandate is therefore sufficient for the issue and allotment of the Placing Shares.

APPLICATION FOR LISTING

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

REASONS FOR THE PLACING AND USE OF PROCEEDS

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing are expected to be approximately HK\$306.90 million and the net proceeds (after deducting all applicable costs and expenses, including commission and levies) will be approximately HK\$302.75 million. On this basis, the net price per Placing Share will be approximately HK\$6.73.

The Group focuses on developing automotive components engineering solutions for key automotive manufacturers in China.

The Directors consider that the Placing is a good opportunity to raise equity capital for the Company, which is proposed to be used to further develop the Group's service platform in areas of new energy vehicle (NEV) and advanced driver assistance system (ADAS), specifically:

- (a) to further strengthen the Group's research and development capabilities including (i) developing software platform towards intelligent driving solutions; (ii) further developing software systems and electronic controls solutions for automotive electric vehicle; (iii) application of higher power semiconductor solutions; and (iv) further developing the Group's testing and validation centre for intelligent driving; and
- (b) to fund the Group's general working capital and other general corporate purposes.

The Directors are of the view that the Placing would strengthen the financial position of the Group and provide additional working capital to the Group. The Directors consider that the terms of the Placing Agreement is fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there being no other changes in the share capital of the Company from the date of this announcement up to completion of the Placing, set out below is the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Placing.

	As at the date of this announcement		Immediately upon completion of the Placing	
	No. of Shares	Approx. %	No. of Shares	Approx. %
Mr. Luk Wing Ming ⁽¹⁾ and Mr. Chan Cheung Ngai ⁽²⁾	732,330,000	70.51%	732,330,000	67.58%
Mr. Chan Ming ⁽³⁾	2,000,000	0.19%	2,000,000	0.18%
Mr. Ng Ming Chee ⁽³⁾	2,000,000	0.19%	2,000,000	0.18%
Places	—	—	45,000,000	4.15%
Other Shareholders	302,244,900	29.11%	302,244,900	27.89%
Total	<u>1,038,574,900</u>	<u>100.00%</u>	<u>1,083,574,900</u>	<u>100.00%</u>

Notes:

1. Mr. Luk Wing Ming is an executive Director, a co-CEO of the Company and the chairman of the Board. He owned 50.0% of Magnate Era Limited, 50.0% of Zenith Benefit Investments Limited and 100.0% of Treasure Map Ventures Limited (all being corporate controlling shareholders). He is deemed under the SFO to be interested in the entirety of 657,330,000 Shares directly held by the aforesaid three holding companies, representing approximately 63.29% of the total number of Shares in issue at the date of this announcement, and approximately 60.66% of the enlarged total number of Shares in issue upon the completion of the Placing.
2. Mr. Chan Cheung Ngai is an executive Director and a co-CEO of the Company. He owned 50.0% of Magnate Era Limited, 50.0% of Zenith Benefit Investments Limited and 100.0% of Heroic Mind Limited (all being corporate controlling shareholders). He is deemed under the SFO to be interested in the entirety of 657,330,000 Shares directly held by the aforesaid three holding companies, representing approximately 63.29% of the total number of Shares in issue at the date of this announcement, and approximately 60.66% of the enlarged total number of Shares in issue upon the completion of the Placing.
3. Each of Mr. Chan Ming and Mr. Ng Ming Chee is an executive Director.

FUND RAISING DURING THE PAST TWELVE MONTHS

The Company has not conducted any other fund raising activity through the issue of equity securities in the past twelve months immediately before the date of this announcement.

Completion of the transactions contemplated under the Placing Agreement is subject to such agreement not being terminated in accordance with the terms thereof. In addition, completion of the Placing is subject to the satisfaction of conditions precedent under the Placing Agreement. Therefore, the Placing may or may not proceed to completion. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and other securities of the Company.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	any day, excluding Saturdays, on which banks in Hong Kong are generally open for business;
“Company”	Intron Technology Holdings Limited 英恒科技控股有限公司, a company with limited liability incorporated on 3 January 2017 under the laws of the Cayman Islands
“Completion Date”	the second Business Day immediately after the date of the written notice to be given from the Company to the Placing Agent of the fulfilment of condition (a) as set out in the paragraph headed “Conditions and Completion of the Placing” of this announcement or such other date as the Company and the Placing Agent may agree in writing
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors pursuant to resolutions of the shareholders of the Company passed on 28 May 2020 to allot, issue and deal with up to 207,195,000 Shares
“Group”	the Company and its subsidiaries from time to time
“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)”	person(s) who is(are) third party(ies) who are not its connected persons of the Company (as defined in the Listing Rules)
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited

“Placee(s)”	the subscriber(s) of the Placing Shares pursuant to the Placing
“Placing”	the offer by way of private placing of the Placing Shares by or on behalf of the Placing Agent to selected Placees upon the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	BNP Paribas Securities (Asia) Limited, a licensed corporation permitted to carry on business in Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
“Placing Agreement”	the Placing Agreement dated 26 January 2021 entered into between the Company and the Placing Agent in respect of the Placing
“Placing Price”	HK\$6.82 per Placing Share
“Placing Shares”	45,000,000 new Shares to be issued by the Company and to be placed pursuant to the Placing Agreement
“PRC”	the People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, Macau and Taiwan
“Share(s)”	share(s) with a nominal value of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US”	the United States of America
“%”	per cent.

For presentation purpose, percentage figures presented in this announcement have been rounded to the nearest two decimal places.

By Order of the Board
INTRON TECHNOLOGY HOLDINGS LIMITED
LUK WING MING
Chairman and Executive Director

Hong Kong, 26 January 2021

As at the date of this announcement, the Board comprises Mr. Luk Wing Ming as Chairman and Executive Director, Mr. Chan Cheung Ngai, Mr. Chan Ming and Mr. Ng Ming Chee as Executive Directors; and Mr. Jiang Yongwei, Mr. Yu Hong and Mr. Tsui Yung Kwok as Independent Non-executive Directors.