

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, makes 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.*

## **i-CONTROL HOLDINGS LIMITED**

### **超智能控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1402)**

## **CHANGE IN USE AND UPDATED TIMELINE FOR UTILISATION OF PROCEEDS FROM PLACING OF NEW SHARES UNDER GENERAL MANDATE**

Reference is made to the announcements of i-Control Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 11 August 2021 and 19 August 2021 in relation to the Placing of new Shares under the General Mandate (the “**Announcements**”). Unless otherwise defined, capitalized terms used herein shall have the same meanings as defined in the Announcements.

### **CHANGE IN USE AND UPDATED TIMELINE FOR UTILISATION OF PROCEEDS**

As disclosed in the Announcements, the net proceeds from the Placing amounted to approximately HK\$27.53 million (the “**Net Proceeds**”), of which as to (i) approximately HK\$12.39 million was intended to be applied for enhancing the development of VCMA solution services business in the PRC to be utilised on or before 31 March 2022; (ii) approximately HK\$12.39 million was intended to be applied for the development of IT+OT business in the PRC to be utilised on or before 31 March 2022; and (iii) as to approximately HK\$2.75 million was intended to be applied for working capital and general corporate purposes. As at the date of this announcement, approximately HK\$0.02 million, HK\$3.12 million and HK\$0.78 million have been respectively utilised under the aforesaid purposes as intended. Accordingly, the unutilised Net Proceeds amounted to approximately HK\$23.61 million (the “**Unutilised Net Proceeds**”) as at the date hereof.

In light of the persisting effect of the COVID-19 pandemic on the business environment in the PRC and the relevant precautionary and quarantine measures in place between Hong Kong and the Mainland, the Board, having considered the business development of the Group, has resolved to change the use of certain part of the Unutilised Net Proceeds.

Set out below is a breakdown of the utilisation of the Net Proceeds up to the date of this announcement and the proposed change of use of the Unutilised Net Proceeds:

	Planned use of Net Proceeds as stated in the Announcements (HK\$' million)	Actual use of Net Proceeds up to the date of this announcement (HK\$' million)	Amount of Unutilised Net Proceeds as at the date of this announcement (HK\$' million)	Proposed change of use of the Unutilised Net Proceeds (HK\$' million)	Revised allocation of the Unutilised Net Proceeds as resolved on the date of this announcement (HK\$' million)	Expected timeline for utilising the Unutilised Net Proceeds
Enhancing the development of VCMA solution services business in the PRC	12.39	0.02	12.37	(8.58)	3.79	on or before 31 March 2023
Development of IT+OT business in the PRC	12.39	3.12	9.27	–	9.27	on or before 31 March 2022
Working capital and general corporate purposes	2.75	0.78	1.97	–	1.97	N/A
Capital contribution to Changzhou Guoyun (as defined hereinbelow)	N/A	N/A	N/A	8.58	8.58	on or before 31 January 2022
<b>Total:</b>	<u>27.53</u>	<u>3.92</u>	<u>23.61</u>	<u>N/A</u>	<u>23.61</u>	<u>N/A</u>

In respect of the Unutilised Net Proceeds allocated for enhancing the development of VCMA solution services business in the PRC (after the revised allocation as set out above), the expected timeframe for utilisation is extended from on or before 31 March 2022 to on or before 31 March 2023 in view of the uncertainty brought about by the continuing COVID-19 pandemic.

## REASONS FOR AND BENEFITS OF THE CHANGE IN USE OF PROCEEDS

The precautionary and quarantine measures in relation to cross border travel between Hong Kong and the Mainland had adversely affected the Group's intended plan of setting up a new office and staff recruitment in Guangdong province of the PRC. The Unutilised Net Proceeds allocated for enhancing the development of VCMA solution services business in the PRC therefore remained idle.

As disclosed in the Company's announcements dated 5 March 2021 and 25 March 2021, Top Luck Development Limited (祥高發展有限公司) (“**Top Luck**”), a wholly-owned subsidiary of the Company, has invested in 4% equity interest of Changzhou Guoyun Green Data Technology Co., Limited\* (常州國雲綠色數據技術有限公司) (“**Changzhou Guoyun**”), a company established in the PRC with limited liability whose intended principal business is operating an internet data centre currently under construction in Changzhou, the PRC (the “**Changzhou IDC**”). As disclosed in the Company's interim report for the six months ended 30 September 2021, the registered capital of Changzhou Guoyun has been increased to RMB350 million for the purpose of funding the development of the Changzhou IDC, with Top Luck's commitment of capital contribution being increased to RMB7 million and the timing for payment of the balance of the contribution to the registered capital in respect of its 4% investment in another sum of RMB7 million (equivalent to approximately HK\$8.58 million) subject to further agreement. To facilitate the procurement of bank financing for the development of the Changzhou IDC, the shareholders' committed contributions have already been paid prior to the date of this announcement and it is expected that the balance of the registered capital shall be paid on or before 31 January 2022.

In light of the above, the Board has resolved to change the intended use of the Unutilised Net Proceeds as set out above for more efficient use of the Group's financial resources. The Board is of the view that the aforesaid reallocation of the Unutilised Net Proceeds is in the interests of the Group and its shareholders as a whole.

If there is any material development on and/or further adjustments on the utilisation of the Net Proceeds, the Company will make further announcement as and when appropriate.

By Order of the Board  
**i-Control Holdings Limited**  
**Zhong Naixiong**  
*Chairman*

Hong Kong, 30 December 2021

*As at the date of this announcement, the executive Directors are Mr. Zhong Naixiong, Mr. Yau Wing Keung, Mr. Tong Sai Wong, Mr. Chan Wing Yiu and Mr. Chan Wing Lun; the non-executive Director is Dr. Wong King Keung; and the independent non-executive Directors are Mr. Fong Chi, Mr. Fung Chan Man Alex, Mr. Lum Pak Sum and Mr. Li Ying Wai Wayne.*

*For the purpose of this announcement, amounts denominated in RMB have been translated into HK\$ at an exchange rate of RMB1.00 = HK\$1.226. No representation is made that any amounts in RMB and HK\$ can be or could have been converted at the relevant dates at the above rate or at any other rates at all.*

\* *For identification purposes only*