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NEXION TECHNOLOGIES LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8420)

**FULFILMENT OF PROFIT GUARANTEE 2021
IN RELATION TO THE DISCLOSEABLE TRANSACTION
INVOLVING THE ACQUISITION OF THE
ENTIRE ISSUED SHARE CAPITAL OF THE TARGET COMPANY**

Reference is made to the announcements (the “Announcements”) of the Company dated 7 April 2021, 20 April 2021, 5 May 2021 and 15 October 2021 in relation to, among others, the Acquisition of the Sale Shares by the Company from the Vendors and the extension of the fulfilment of the Profit Guarantee 2021 and the Profit Guarantee 2022. Unless otherwise defined or the context otherwise requires, capitalized terms used herein shall have the same meaning as those defined in the Announcements.

FULFILMENT OF PROFIT GUARANTEE 2021

As disclosed in the Announcements, the Tranche 2 Payment shall be settled by the Company subject to the fulfilment of the Profit Guarantee 2021 for the period from 1 January 2021 to 31 March 2022. The Board is pleased to announce that the net profit of the Target Company for the said period with reference to its audited accounts for the relevant period was approximately SGD506,000, which has exceeded the Profit Guarantee 2021 of SGD500,000. Accordingly, the Vendors have fulfilled their obligations in relation to the Profit Guarantee 2021 and thus the Company is required to satisfy the Tranche 2 Payment of SGD1,166,500.00 in accordance with the terms of the Agreement.

Pursuant to the Agreement, upon fulfilment of the Profit Guarantee 2021, the Company is required to satisfy the Tranche 2 Payment of SGD1,166,500.00 by way of payment of SGD291,500.00 in cash with the balance of SGD875,000.00 being satisfied by way of issue of the Consideration Shares. As a result of the fulfilment of the Profit Guarantee 2021, a total of 19,800,000 Consideration Shares, being the Maximum Consideration Shares, for settling the Tranche 2 Payment were allotted and issued to the Vendors at the Issue Price of HK\$0.1822 per Consideration Share under the General Mandate on 1 August 2022. As the number of Consideration Shares issued pursuant to the Tranche 2 Payment is not sufficient to satisfy the consideration amount of SGD875,000.00, the remaining balance was satisfied by way of cash.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The 19,800,000 Consideration Shares for settling the Tranche 2 Payment represent approximately 2.75% of the issued share capital of the Company immediately before the allotment and issue of the Consideration Shares and approximately 2.68% of the enlarged issued share capital of the Company immediately upon the allotment and issue of the Consideration Shares. Set out below is the shareholding structure of the Company immediately before and upon the allotment and issue of the Consideration Shares for settling the Tranche 2 Payment:

	Immediately before the allotment and issue of the Consideration Shares for settling the Tranche 2 Payment		Immediately upon the allotment and issue of the Consideration Shares for settling the Tranche 2 Payment	
	<i>No. of Shares</i>	<i>Approximate percentage</i>	<i>No. of Shares</i>	<i>Approximate percentage</i>
Alpha Sense Investments Limited (<i>Note 1</i>)	154,838,000	21.51%	154,838,000	20.93%
UBS Group AG (<i>Note 2</i>)	134,450,000	18.67%	134,450,000	18.17%
XOX (Hong Kong) Limited (<i>Note 3</i>)	117,848,500	16.37%	117,848,500	15.93%
Kow Kim Song	–	–	14,850,000	2.01%
Hui Kiat Bin	–	–	4,950,000	0.67%
Other public Shareholders	312,863,500	43.45%	312,863,500	42.29%
Total	720,000,000	100%	739,800,000	100%

Notes:

- Alpha Sense Investments Limited is an investment holding company incorporated in the British Virgin Islands and is wholly-owned by Mr. Foo Moo Teng (“**Mr. Foo**”). Mr. Foo has resigned as the chairman, executive Director and chief executive officer of the Company with effect from 31 May 2022. By virtue of the SFO, Mr. Foo is deemed to be interested in the 154,838,000 Shares held by Alpha Sense Investments Limited.
- UBS Group AG is an investment holding company incorporated in Switzerland, the shares of which are listed on SIX Swiss Exchange (stock code: UBSG: SW) and on the New York Stock Exchange (stock code: UBS).
- XOX (Hong Kong) Limited is an investment holding company incorporated in Hong Kong and is wholly-owned by XOX Bhd. XOX Bhd is a company incorporated in Malaysia, the shares of which are listed on Bursa Malaysia (stock code: 0165). By virtue of the SFO, XOX Bhd is deemed to be interested in the 117,848,500 Shares held by XOX (Hong Kong) Limited.

By order of the Board
Nexion Technologies Limited
Ong Gim Hai
Chairman and Executive Director

Hong Kong, 1 August 2022

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Ong Gim Hai; one non-executive Director, namely Mr. Roy Ho Yew Kee; and three independent non-executive Directors, namely Ms. Lim Joo Seng, Mr. Tang Chak Lam Gilbert and Mr. Yeung Chun Yue David.

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 website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at <http://nexion.com.hk>.