

Unless otherwise defined herein, capitalised terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus dated November 30, 2016 (the “**Prospectus**”) issued by Vixtel Technologies Holdings Limited (the “**Company**”).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Hong Kong Securities Clearing Company Limited (“**HKSCC**”) 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 is for information purposes only and does not constitute an offer or an invitation to acquire, purchase or subscribe for the Shares or other securities of the Company. Potential investors should read the Prospectus carefully for detailed information about the Company and the Placing described below before deciding whether or not to invest in the Placing Shares thereby being offered.

Prospective investors of the Placing Shares should note that the Sole Global Coordinator (for itself and on behalf of the Sole Sponsor and the Underwriters) shall have the right to terminate the Underwriting Agreement by notice in writing to the Company with immediate effect if any of the events set forth in “Underwriting – Underwriting arrangements and expenses – Grounds for termination” in the Prospectus occurs at any time at or before 8:00 a.m. (Hong Kong time) on the Listing Date, which is currently expected to be Thursday, December 15, 2016.



Vixtel Technologies Holdings Limited

飛思達科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF PLACING

Number of Placing Shares : 102,800,000 Shares
Placing Price : HK\$0.74 per Placing Share (plus brokerage
fee of 1.0%, SFC transaction levy of
0.0027% and Stock Exchange trading
fee of 0.005%)
Nominal value : HK\$0.01 per Share
Stock code : 8342

Sole Sponsor and Sole Global Coordinator



KGI Capital Asia Limited

Joint Bookrunners



KGI Capital Asia Limited

CROSBY

Joint Lead Managers



KGI Capital Asia Limited

CROSBY



SUMMARY

- The Placing Price is HK\$0.74 per Placing Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).
- Based on the Placing Price of HK\$0.74 per Placing Share, the amount of the net proceeds from the Placing to be received by the Company, after deducting the expenses related to the Placing payable by the Company, is estimated to be approximately HK\$58.4 million. The Company intends to apply such net proceeds from the Placing in a manner set out in the paragraph headed “Placing Price and use of proceeds” below.
- The initial 102,800,000 Placing Shares offered under the Placing were moderately over-subscribed.
- The Offer Size Adjustment Option has not been exercised by the Sole Global Coordinator and has lapsed.
- 102,800,000 Placing Shares have been conditionally allocated to a total of 194 selected professional, institutional and/or other investors. A total of 121 placees have been allotted three board lots of Placing Shares or less, representing approximately 62.37% of the total number of placees under the Placing, and approximately 0.76% of the total number of Placing Shares. A total of 92 placees have been allotted one board lot of Placing Shares, representing approximately 47.42% of the total number of placees under the Placing, and approximately 0.45% of the total number of Placing Shares.
- The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing and their respective ultimate beneficial owners are independent of and not connected with the Company and any of Director, chief executive, substantial shareholder or significant shareholder (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, or any of their respective close associates (as defined under the GEM Listing Rules), and are not any type of person or group of persons referred to in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Placing Shares subscribed by the placees has been financed directly or indirectly by the Company, a Director, chief executive, substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the placees is accustomed to take instructions from a connected person (as defined in the GEM Listing Rules) of the Company in relation to the acquisition, disposal, voting or other disposition of securities in the Company. No placee, individually, has been or will be placed more than 10% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing. The Directors confirm that there will not be any new substantial shareholder of the Company (as defined in the GEM Listing Rules) immediately after completion of the Capitalisation Issue and the Placing.
- Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of at least 25.0% of its total issued share capital at the time when the Shares commence dealings on GEM and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50.0% of the Shares in public hands at the time of the Listing can be beneficially owned by the three largest public Shareholders. The Directors confirm that, immediately after completion of the Capitalisation Issue and the Placing, the public float of the Company will be approximately 25.1% of the enlarged issued share capital of the Company, and not more than 50.0% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders.

- No receipt will be issued for any subscription monies paid for the Placing Shares. The Company will not issue any temporary documents of title.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Thursday, December 15, 2016. The Shares will be traded in board lots of 5,000 Shares each. The stock code for the Shares is 8342.
- **Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

PLACING PRICE AND USE OF PROCEEDS

The Placing Price is HK\$0.74 per Placing Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).

The amount of the net proceeds from the Placing to be received by the Company, after deducting the expenses related to the Placing payable by the Company, is estimated to be approximately HK\$58.4 million. The Company intends to apply such net proceeds for the following purposes:

- approximately 30.0% of the net proceeds, or HK\$17.5 million, to be used to further solidify our leadership in China's APM market by launching new and tailored features and contents, deepening our specialty in provision of products and services to certain industries, enhancing customer experience and broadening customer awareness, cross-selling different products and services to customers, and promoting our brand recognition;
- approximately 40.0% of the net proceeds, or HK\$23.4 million, to be used to continue to strengthen in-house research and development capabilities by recruiting additional software developers and engineers and upgrading our in-house technology infrastructure to support our evolving research and development activities;
- approximately 20.0% of the net proceeds, or HK\$11.7 million, to be used to leverage growth opportunities in China by deepening and expanding our portfolio of products and services and strategically expand into certain overseas markets; and
- approximately 10.0% of the net proceeds, or HK\$5.8 million, to be used to fund general corporate purposes.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING

The 102,800,000 Placing Shares offered under the Placing were moderately over-subscribed and have been conditionally allocated to a total of 194 selected professional, institutional and/or other investors. A total of 121 placees have been allotted three board lots of Placing Shares or less, representing approximately 62.37% of the total number of placees under the Placing, and approximately 0.76% of the total number of Placing Shares. A total of 92 placees have been allotted one board lot of Placing Shares, representing approximately 47.42% of the total number of places under the Placing, and approximately 0.45% of the total number of Placing Shares.

The Offer Size Adjustment Option has not been exercised by the Sole Global Coordinator and has lapsed.

RESULTS OF ALLOCATION

Pursuant to the Placing, 102,800,000 Placing Shares have been conditionally allocated to a total of 194 selected professional, institutional and/or other investors. The distribution of the Placing Shares is set out as follows:

	Aggregate number of Placing Shares allocated	Approximate percentage of the total number of Placing Shares allocated	Approximate percentage of shareholding to the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing
Top placee	15,540,000	15.12%	3.19%
Top 5 placees	43,160,000	41.98%	8.87%
Top 10 placees	59,920,000	58.29%	12.31%
Top 20 placees	78,840,000	76.69%	16.20%

Number of Placing Shares allocated	Number of placees
5,000 to 50,000	132
50,001 to 500,000	28
500,001 to 5,000,000	31
5,000,001 to 10,000,000	1
10,000,001 and above	2
Total	194

The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing and their respective ultimate beneficial owners are independent of and not connected with the Company and any of Director, chief executive, substantial shareholder or significant shareholder (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, or any of their respective close associates (as defined under the GEM Listing Rules), and are not any type of person or group of persons referred to in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Placing Shares subscribed by the placees has been financed directly or indirectly by the Company, a Director, chief executive, substantial shareholder of the

Company or any of its subsidiaries or a close associate of any of them, and none of the placees is accustomed to take instructions from a connected person (as defined in the GEM Listing Rules) of the Company in relation to the acquisition, disposal, voting or other disposition of securities in the Company. No placee, individually, has been or will be placed more than 10.0% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing. The Directors confirm that there will not be any new substantial shareholder of the Company (as defined in the GEM Listing Rules) immediately after completion of the Capitalisation Issue and the Placing.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(2)(b) of the GEM Listing Rules, the Shares in the hands of the public should, as at the time of Listing, be held among at least 100 persons.

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of at least 25.0% of its total issued share capital at the time when the Shares commence dealings on GEM and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50.0% of the Shares in public hands at the time of the Listing can be beneficially owned by the three largest public Shareholders. The Directors confirm that, immediately after completion of the Capitalisation Issue and the Placing, the public float of the Company will be approximately 25.1% of the enlarged issued share capital of the Company, and not more than 50.0% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares in issue or to be issued as mentioned in the Prospectus on GEM and the compliance by the Company with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date (i.e. Thursday, December 15, 2016), or on such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

No receipt will be issued for subscription monies paid for the Placing Shares. The Company will not issue temporary documents of title.

The share certificates issued for the Placing Shares to be distributed via CCASS are expected to be deposited into CCASS on or about Wednesday, December 14, 2016 for credit to the relevant CCASS Participants' or the CCASS investor Participants' stock accounts designated by the Sole Global Coordinator, the placees or their respective agents (as the case may be).

Prospective investors of the Placing Shares should note that the Sole Global Coordinator (for itself and on behalf of the Sole Sponsor and the Underwriters) shall have the right to terminate the Underwriting Agreement by notice in writing to the Company with immediate effect if any of the events set forth in “Underwriting – Underwriting arrangements and expenses – Grounds for termination” in the Prospectus occurs at any time at or before 8:00 a.m. (Hong Kong time) on the Listing Date (i.e. Thursday, December 15, 2016). In the event that the Underwriting Agreement is terminated, the Placing will not become unconditional and lapse and thereafter, all money received will be refunded to subscribers of the Placing Share without interests and the Stock Exchange will be notified immediately. Notice of lapse of the Placing will be published by the Company on the website of the Stock Exchange at www.hkexnews.hk and the Company’s website at www.vixtel.com accordingly.

All share certificates for the Placing Shares will only become valid documents of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its terms at or before 8:00 a.m. (Hong Kong time) on the Listing Date, which is expected to be Thursday, December 15, 2016.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Thursday, December 15, 2016. If there is any change to the expected timetable, an announcement will be published immediately by the Company on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.vixtel.com. The Shares will be traded in board lots of 5,000 Shares each. The stock code for the Shares is 8342.

By order of the Board
Vixtel Technologies Holdings Limited
Yue Yong
Chairman and executive Director

Hong Kong, December 14, 2016

As at the date of this announcement, the executive Directors are Mr. Yue Yong, Mr. Sie Tak Kwan and Mr. Guan Haiqing, the non-executive Director is Mr. Liang Judong, and the independent non-executive Directors are Mr. Cheung Hon Fai, Mr. Lam Kin Man and Mr. Shen Qi.

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 (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the Stock Exchange’s website at www.hkexnews.hk and on the “Latest Company Announcements” page for at least seven days from the date of its posting. This announcement will also be published and remained on the Company’s website at www.vixtel.com.