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IN TECHNICAL PRODUCTIONS HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8446)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RELATION TO PROPOSED ACQUISITION

This announcement is made by In Technical Productions Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to provide shareholders and potential investors of the Company with the latest business update of the Group.

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 30 November 2022, the Company (the “**Buyer**”), entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Zhong Chan Tou (Shenzhen) Asset Disposal Co., Ltd.* (中產投(深圳)資產處置有限公司) (“**SZ Zhong Chan Tou**”), pursuant to which the Buyer intends to acquire equity interest in SZ Zhong Chan Tou by way of capital injection or transfer of equity interest (the “**Proposed Acquisition**”).

The principal terms of the MOU are as follows:

Date: 30 November 2022 (after trading hours)

Parties: (1) the Buyer; and
(2) SZ Zhong Chan Tou.

To the best of the Directors’ knowledge, information and belief, after having made all reasonable enquiries, SZ Zhong Chan Tou and the ultimate beneficial owner(s) of SZ Zhong Chan Tou are third parties independent of the Company and its connected persons (as defined under the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”)) as at the date of this announcement.

Amount of Equity Interest to be Acquired and Consideration

The (i) amount of equity interest in SZ Zhong Chan Tou to be acquired by the Buyer and (ii) the consideration for the Proposed Acquisition are subject to further negotiations between the parties to the MOU before entering into any Formal Agreement (as defined below).

Exclusivity

During the period of three months from the date of the MOU (the “**Exclusivity Period**”), SZ Zhong Chan Tou will negotiate with the Buyer exclusively on the Proposed Acquisition. During the Exclusivity Period, SZ Zhong Chan Tou will not, and will ensure that its substantial shareholders, subsidiaries, directors, staff, senior management, agents or representatives will not make an offer to and/or negotiate with, participate in any discussions with, or enter into any agreement or understanding with any other third party with respect to the Proposed Acquisition or the MOU.

Due diligence review

Pursuant to the MOU, the Buyer shall be entitled to conduct due diligence review on the business, financial and legal affairs of SZ Zhong Chan Tou upon signing of the MOU. SZ Zhong Chan Tou and its agent shall use their best endeavours to assist the Buyer in completing the due diligence review on SZ Zhong Chan Tou.

Formal Agreement

The Buyer and SZ Zhong Chan Tou shall use their best endeavours to agree on the terms of and enter into a legally binding formal agreement in relation to the Proposed Acquisition (the “**Formal Agreement**”) within the Exclusivity Period.

Termination

The MOU will terminate in the event of:

- (i) the Buyer and SZ Zhong Chan Tou not entering into the Formal Agreement before the expiry of the Exclusivity Period;
- (ii) the Buyer notifying SZ Zhong Chan Tou in writing in accordance with the terms of the MOU that the results of the due diligence review is unsatisfactory;
- (iii) the entering into of the Formal Agreement; or
- (iv) the Buyer and SZ Zhong Chan Tou agree in writing to terminate the MOU.

Non-legally Binding Effect

Save for the provisions as to due diligence review, exclusivity, confidentiality, termination of the MOU, costs and third party rights, the MOU does not constitute a legally binding agreement on the parties to the MOU.

INFORMATION OF SZ ZHONG CHAN TOU

SZ Zhong Chan Tou is a company established in the People's Republic of China (the "PRC") and based in Shenzhen, Guangdong province and is principally engaged in the distressed asset management business, which mainly includes the management and disposal of distressed debt assets acquired from financial institutions and the restructuring of distressed entities and distressed assets and special situation investments in the PRC.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Company is an investment holding company. The Group is principally engaged in the provision of visual display solution services in Hong Kong, the PRC, Taiwan and Macau.

The Board is of the view that the transactions contemplated in the MOU, if materialised, will enable the Group to have equity interest in SZ Zhong Chan Tou. The Board expects that the Group will, through such investment, have access to more financing channels, which will promote the development of the Group's current visual display business. In light of the above, the Board considers that the transactions contemplated under the MOU are in the interests of the Company and its shareholders as a whole.

GENERAL

As at the date of this announcement, the terms and conditions of the Proposed Acquisition are still being negotiated and no legally binding agreement has been entered into. Further announcement(s) will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

As the Proposed Acquisition may or may not proceed, shareholders and potential investors are reminded to exercise caution when dealing in the shares of the Company.

By order of the Board
In Technical Productions Holdings Limited
MA Lie
Chairman and Executive Director

Hong Kong, 30 November 2022

* *for identification purposes only*

As at the date of this announcement, the executive directors of the Company are Mr. Ma Lie, Mr. Yeung Ho Ting Dennis, Mr. Tam Chun Yu and Ms. Zhang Yan Ling; and the independent non-executive directors are Mr. Chen Yue, Mr. Cui Hai Bin, Mr. Ji Gui Bao, Ms. Jiang Yu E and Mr. Li Xiao Hua.

This announcement, for which the Directors of the Company 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 of the Company, 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 of Hong Kong Limited (www.hkexnews.hk) on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.intechproductions.com.