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## **Hi-Level Technology Holdings Limited**

**揚宇科技控股有限公司**

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

**(Stock Code: 8113)**

### **COMPLETION OF THE RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS**

Reference is made to the prospectus of Hi-Level Technology Holdings Limited (the “**Company**”) dated 7 August 2023 (the “**Prospectus**”) and the announcement of the Company dated 23 August 2023 (the “**Announcement**”) in relation to the Rights Issue. Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Prospectus.

#### **RESULTS OF THE RIGHTS ISSUE**

As disclosed in the Announcement, a total of 15 valid applications and acceptances under the PAL in respect of a total of 316,312,074 Rights Shares had been received, representing approximately 48.5% of the total number of the Rights Shares available for subscription under the Rights Issue.

Based on the subscription results, the Rights Issue was undersubscribed by 336,457,926 Rights Shares, representing approximately 51.5% of the total number of the Rights Shares available for subscription under the Rights Issue.

As at the Record Date, there were no Non-Qualifying Shareholders and the number of the NQS Unsold Rights Shares is therefore nil.

## **PLACING OF THE UNSUBSCRIBED RIGHTS SHARES AND COMPENSATORY ARRANGEMENTS**

As disclosed in the Announcement, the 336,457,926 Unsubscribed Rights Shares (the “**Placing Shares**”), representing approximately 51.5% of the total number of the Rights Shares available for subscription under the Rights Issue, were subject to the Compensatory Arrangements and the Company has appointed the Placing Agent to place the Unsubscribed Rights Shares after the Latest Time for Acceptance to independent places on a best effort basis.

As at 4:00 p.m. on Monday, 28 August 2023, being the latest time of the Placing, none of the Unsubscribed Rights Shares were successfully placed. Therefore, there is no Net Gain available for distribution to the No Action Shareholders under the Compensatory Arrangements.

As all the conditions with respect to the Rights Issue had been fulfilled, the Rights Issue became unconditional on Tuesday, 29 August 2023.

## **INTENDED USE OF PROCEEDS FROM THE RIGHTS ISSUE**

As the size of the Rights Issue was reduced, the gross proceeds raised from the Rights Issue were approximately HK\$38.0 million and the net proceeds from the Rights Issue (after deducting all necessary costs and expenses) were approximately HK\$36.8 million. In accordance with the proposed use of proceeds as set out in the section headed “Reasons for the Rights Issue and use of proceeds” in the “Letter from the Board” of the Prospectus, the Company intends to apply the net proceeds from the Rights Issue as follows

- (a) approximately 70% of net proceeds (approximately HK\$25.8 million) for the repayment of outstanding bank borrowings;
- (b) approximately 20% of net proceeds (approximately HK\$7.3 million) for the development of new applications for MCU and electronic paper including sale team recruitment and initial buffer stock ordering; and
- (c) the remaining balance 10% of net proceeds (approximately HK\$3.7 million) as the general working capital of the Group.

## EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDINGS IN THE COMPANY

The following table sets out the shareholding structure of the Company immediately before and after completion of the Rights Issue:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	No. of Shares	%	No. of Shares	%
<i>Controlling Shareholders of the Company</i>				
SAS Investment (Notes 1 and 2)	224,423,000	34.4	448,846,000	46.3
Dr. Yim (Notes 1, 2 and 12)	43,122,861	6.6	86,245,722	8.9
<b>Sub-total of the Controlling Shareholders</b>	<b>267,545,861</b>	<b>41.0</b>	<b>535,091,722</b>	<b>55.2</b>
<i>Directors of SAS Dragon</i>				
Wong Wai Tai (Notes 5 and 12)	3,300,000	0.5	5,000,000	0.5
Tsui Chi Wing, Eric (Notes 9 and 12)	3,233,753	0.5	3,233,753	0.3
Wong Sui Chuen (Notes 10 and 12)	2,531,328	0.4	2,531,328	0.3
Yim Tsz Kit, Jacky (Notes 11 and 12)	300,000	0.05	300,000	0.03
<b>Sub-total of the directors of SAS Dragon</b>	<b>9,365,081</b>	<b>1.4</b>	<b>11,065,081</b>	<b>1.2</b>
<i>Directors of the Company</i>				
Chang Wei Hua (Notes 3 and 13)	76,847,000	11.8	76,847,000	7.9
Wei Wei (Notes 4 and 13)	76,847,000	11.8	76,847,000	7.9
Tong Sze Chung (Notes 6 and 13)	600,144	0.1	600,144	0.1
<b>Sub-total</b>	<b>154,294,144</b>	<b>23.7</b>	<b>154,294,144</b>	<b>15.9</b>
<b>Sub-total of the Concert Group</b>	<b>431,205,086</b>	<b>66.1</b>	<b>700,450,947</b>	<b>72.3</b>
<i>Directors of the Company</i>				
Fung Cheuk Nang, Clement (Note 7)	600,000	0.1	600,000	0.06
Tsoi Chi Ho, Peter (Note 8)	600,000	0.1	600,000	0.06
<b>Sub-total</b>	<b>1,200,000</b>	<b>0.2</b>	<b>1,200,000</b>	<b>0.1</b>
Other Public Shareholders	220,364,914	33.8	267,431,127	27.6
<b>Total</b>	<b>652,770,000</b>	<b>100</b>	<b>969,082,074</b>	<b>100</b>

*Notes:*

- (1) Dr. Yim is the controlling shareholder of SAS Dragon and is interested in approximately 54.7% of the issued shares of SAS Dragon, which in turn owns 100% of the shareholding of SAS Investment. Dr. Yim is an executive Director and the chairman of the Company and an executive director and chairman of SAS Dragon.
- (2) Each of SAS Investment and Dr. Yim has respectively undertaken that where the Rights Issue would result in the public float of the Company not being maintained, they will scale down such number of the Rights Shares to be subscribed and waive its rights to take up such number of Rights Shares before completion of the Rights Issue to ensure the Company's compliance with the minimum public float requirements as set out under Rule 11.23(7) of the GEM Listing Rules upon completion of the Rights Issue.
- (3) Mr. Chang Wei Hua, an executive Director, beneficially owns 600,000 Shares and 76,247,000 Shares are held by Vertex Value Limited, a company incorporated in the British Virgin Islands, which is beneficially owned by Mr. Chang Wei Hua.
- (4) Mr. Wei Wei, an executive Director, beneficially owns 600,000 shares and 76,247,000 shares are held by Victory Echo Holdings Limited, a company incorporated in the British Virgin Islands, which is beneficially owned by Mr. Wei Wei.
- (5) Mr. Wong Wai Tai is an executive director of SAS Dragon and also a non-executive Director of the Company.
- (6) Mr. Tong Sze Chung is an executive Director.
- (7) Mr. Fung Cheuk Nang, Clement is an independent non-executive Director.
- (8) Mr. Tsoi Chi Ho, Peter is an independent non-executive Director.
- (9) Mr. Tsui Chi Wing, Eric is an executive director of SAS Dragon. He is the brother-in-law of Dr. Yim and is the uncle of Mr. Yim Tsz Kit, Jacky.
- (10) Mr. Wong Sui Chuen is an executive director of SAS Dragon.
- (11) Mr. Yim Tsz Kit, Jacky is an executive director of SAS Dragon. He is the son of Dr. Yim and the nephew of Mr. Tsui Chi Wing, Eric.
- (12) Pursuant to class (2) of the definition of the "acting in concert" under the Takeovers Code, a company with any directors (together with their close relatives, related trusts and companies controlled by such directors, close relatives and related trusts) of the company or of its parent are presumed to be acting in concert with others in the same class unless the contrary is established. Given Dr. Yim, Mr. Wong Wai Tai, Mr. Tsui Chi Wing, Eric, Mr. Wong Sui Chuen and Mr. Yim Tsz Kit, Jacky are directors of SAS Dragon, they are presumed to be parties acting in concert with SAS Dragon under this class.

- (13) Pursuant to class (6) of the definition of the “acting in concert” under the Takeovers Code, directors of a company (together with their close relatives, related trusts and companies controlled by such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent are presumed to be acting in concert with others in the same class unless the contrary is established. Given Dr. Yim, Mr. Chang Wei Hua, Mr. Wei Wei and Mr. Tong Sze Chung are directors of the Company, they are presumed to be parties acting in concert with Dr. Yim under this class.

## **DESPATCH OF SHARE CERTIFICATES FOR THE RIGHTS SHARES**

Share certificates in respect of the fully-paid Rights Shares will be despatched to those entitled thereto by ordinary post to their respective registered address at their own risk on Thursday, 31 August 2023.

## **COMMENCEMENT OF DEALINGS OF THE RIGHTS SHARES IN FULLY-PAID FORM**

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Friday, 1 September 2023.

By Order of the Board  
**Hi-Level Technology Holdings Limited**  
**Dr. Yim Yuk Lun, Stanley BBS JP**  
*Chairman*

Hong Kong, 30 August 2023

*As at the date of this announcement, the Board comprises four executive Directors, namely Dr. Yim Yuk Lun, Stanley BBS JP, Mr. Chang Wei Hua, Mr. Wei Wei and Mr. Tong Sze Chung; one non-executive Director Mr. Wong Wai Tai; and three independent non-executive Directors, namely Mr. Shea Chun Lok, Quadrant, Mr. Fung Cheuk Nang, Clement and Mr. Tsoi Chi Ho, Peter.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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 in this announcement misleading.*

*The Directors jointly and severally accept full responsibility for accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for at least 7 days from the date of its posting. This announcement will also be posted on the Company’s website at [www.hi-levelhk.com](http://www.hi-levelhk.com).*