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

**(Stock Code: 3878)**

## **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

### **Placing Agent**



潮商證券有限公司  
ChaoShang Securities Limited  
SFC Licensed Corporation (CE No.: BGH629)

### **THE PLACING AGREEMENT**

On 26 July 2021 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure, on a best endeavours basis, not less than six Placees, who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 79,600,000 Placing Shares at a price of HK\$0.25 per Placing Share.

The maximum number of 79,600,000 Placing Shares represent (i) 19.9% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.6% of the issued share capital of the Company as enlarged by the allotment and issue of the maximum number of Placing Shares (assuming there is no other change in the issued share capital of the Company from the date of this announcement and up to completion of the Placing). The maximum aggregate nominal value of the Placing Shares under the Placing (assuming the Placing Shares are placed in full) will be HK\$796,000.

Assuming the maximum number of Placing Shares is placed, the gross proceeds from the Placing will be approximately HK\$19,900,000 and the net proceeds will be approximately HK\$19,402,500. On such basis, the net issue price will be approximately HK\$0.24 per Placing Share. It is intended that the net proceeds from the Placing will be utilised for the general working capital of the Group.

The Placing Price of HK\$0.25 per Placing Share was determined after arm's length negotiations between the Company and the Placing Agent and represents (i) a discount of approximately 19.4% to the closing price of HK\$0.31 per Share as quoted on the Stock Exchange on 26 July 2021, being the date of the Placing Agreement; and (ii) a discount of approximately 15.0% to the average closing price of HK\$0.294 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the date of the Placing Agreement.

The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM held on 10 September 2020. The allotment and issue of the Placing Shares is not subject to Shareholders' approval.

**Since completion of the Placing is subject to the fulfilment of the conditions as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## THE PLACING

On 26 July 2021 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement in relation to the Placing. Details of the Placing Agreement are set out below:

### THE PLACING AGREEMENT

Date: 26 July 2021 (after trading hours of the Stock Exchange)

Issuer: the Company

Placing Agent: ChaoShang Securities Limited

The Placing Agent has conditionally agreed to procure, on a best endeavours basis, not less than six Placees to subscribe for up to 79,600,000 Placing Shares. The Placing Agent may carry out the Placing itself and/or through the agency of such other agents as the Placing Agent may agree with the Company. The Placing Agent will receive a placing commission of 2.5% of the aggregate Placing Price for the Placing Shares actually placed by the Placing Agent pursuant to its obligations under the Placing Agreement. Such placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and was determined with reference to the prevailing market conditions.

### Placees

The Placing Shares are to be placed on a best endeavours basis to not less than six Placees, who and whose ultimate beneficial owners shall be Independent Third Parties. The Placing Agent will use its best endeavours to ensure that none of the Placees would, immediately upon completion of the Placing, become a substantial shareholder (within the meaning of the Listing Rules) of the Company or acting in concert (within the meaning of the Takeovers Code) with other Placees in relation to the control of the Company.

## **Placing Price**

The Placing Price of HK\$0.25 per Placing Share represents:

- a) a discount of approximately 19.4% to the closing price of HK\$0.31 per Share as quoted on the Stock Exchange on 26 July 2021, being the date of the Placing Agreement; and
- b) a discount of approximately 15.0% to the average closing price of approximately HK\$0.294 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price was determined after arm's length negotiation between the Company and the Placing Agent with reference to the prevailing market prices of the Shares. The Directors consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

## **Placing Shares**

The maximum number of 79,600,000 Placing Shares represent (i) 19.9% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.6% of the issued share capital of the Company as enlarged by the allotment and issue of the maximum number of Placing Shares (assuming there is no other change in the issued share capital of the Company from the date of this announcement and up to completion of the Placing). The maximum aggregate nominal value of the Placing Shares under the Placing (assuming the Placing Shares are placed in full) will be HK\$796,000.

## **Ranking of the Placing Shares**

The Placing Shares will rank, when issued and fully paid, *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

## **Condition of the Placing**

Completion of the Placing is conditional upon the granting by the Listing Committee or the Division of listing of, and permission to deal in, by the Stock Exchange of all of the Placing Shares and other approval as may be required for the Placing.

If the above condition is not satisfied on or before 5:00 p.m. on the Long Stop Date (or such later date as may be agreed between the Placing Agent and the Company), all rights, obligations and liabilities of the Placing Agent and the Company under the Placing Agreement in relation to the Placing shall cease and terminate and neither of the parties shall have any claim against the others in respect of the Placing save for any antecedent breach and/or any rights or obligations which may have accrued under the Placing Agreement prior to such termination.

## **Completion**

Completion of the Placing shall take place at 4:00 p.m. on the fourth Business Day following the date on which the above condition is satisfied (or such later date as may be agreed between the Company and the Placing Agent in writing).

## **Termination and force majeure**

The Placing Agent, may in its reasonable opinion after consultation with the Company, be entitled by notice in writing to the Company given prior to 8:00 a.m. on the Completion Date to terminate the Placing Agreement if:

- (1) the success of the Placing would be materially and adversely affected by any force majeure events (as defined below). For this purpose, a “force majeure event” refers to
  - (a) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company and its subsidiaries (the “**Group**”) as a whole; or
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of the Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudices the success of the Placing of the Shares by potential investor(s) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or
  - (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction or trading in securities) occurs which affect the success of the Placing (such success being the placing of the Shares to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing.
- (2) there is any breach of the warranties, representations and undertakings given by the Company in this Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (3) any statement contained in the Previous Announcements has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing.

Upon termination of the Placing Agreement as described above, the Placing Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any rights or obligations which may have accrued under the Placing Agreement prior to such termination.

The Directors are not aware of the occurrence of any of the above events as at the date of this announcement.

**Since completion of the Placing is subject to the fulfilment of the conditions as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

### **GENERAL MANDATE TO ALLOT AND ISSUE THE PLACING SHARES**

The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM. Under the General Mandate, the Company is authorised to allot and issue up to 80,000,000 Shares until the revocation, variation or expiration of the General Mandate. No new Shares have been allotted and issued under the General Mandate as at the date of this announcement. Accordingly, the allotment and issue of the Placing Shares is not subject to Shareholders' approval.

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

### **REASONS FOR THE PLACING AND USE OF PROCEEDS**

The Group is a specialist foundation contractor and focuses on design-and-build foundation projects in the Hong Kong private sector.

The Directors consider that the Placing represents a good opportunity for the Company to strengthen the Group's financial position, and enlarge shareholders' base of the Company which may in turn enhance the liquidity of the Shares, and provide working capital to the Group to meet any financial obligations of the Group.

Assuming the maximum number of Placing Shares is placed, the gross proceeds and net proceeds (after deduction of commission and other expenses of the Placing) from the Placing will be approximately HK\$19,900,000 and HK\$19,402,500 respectively, representing a net issue price of approximately HK\$0.24 per Placing Share. The Directors intend to use the net proceeds for general working capital of the Group.

The Directors consider that the Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agent and the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## FUND RAISING ACTIVITIES INVOLVING ISSUE OF SECURITIES IN THE PAST 12 MONTHS

The Company has not conducted any fund raising activities involving issue of its securities in the past 12 months immediately preceding the date of this announcement.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Placing (assuming the maximum number of the Placing Shares is placed and there is no other change in the issued share capital of the Company before the completion of the Placing) are set out below:

Name of shareholder	As at the date of this announcement		Immediately after completion of the Placing (assuming all the Placing Shares are fully placed)	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Vic Group Holdings Limited ("VGH") (Note 1)	210,000,000	52.5	210,000,000	43.8
On Group Holdings Limited ("OGH") (Note 2)	90,000,000	22.5	90,000,000	18.8
<b>Public Shareholders</b>	–	–	–	–
Placees	–	–	79,600,000	16.6
Other Public Shareholders	100,000,000	25	100,000,000	20.8
<b>Total</b>	<u>400,000,000</u>	<u>100</u>	<u>479,600,000</u>	<u>100</u>

Notes:

1. VGH is a company incorporated in the BVI with limited liability and wholly and beneficially owned by Mr. Chow Kwok Chun ("Mr. Chow"), being the Chairman of the Board and an executive Director. Accordingly Mr. Chow is deemed to be interested in all the Shares held by VGH under the SFO.
2. OGH is a company incorporated in the BVI with limited liability and wholly and beneficially owned by Mr. Tsang Hing Kuen ("Mr. Tsang"), being an executive Director. Accordingly Mr. Tsang is deemed to be interested in all the Shares held by OGH under the SFO.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

## DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“AGM”	the annual general meeting of the Company held on 10 September 2020 at which, among other things, the General Mandate was granted to the Directors
“associates”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday and Sunday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“Company”	Vicon Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 3878)
“Completion Date”	the fourth Business Day following the day on which the condition set out in the Placing Agreement is satisfied (or such later date as maybe agreed between the Company and the Placing Agent)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors at the AGM to allot, issue or grant additional 80,000,000 new Shares, representing 20% of the number of issued Shares as at the date of the AGM
“Group”	collectively, the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons or their respective associates
“Long Stop Date”	26 August 2021 or such later date as the Company and the Placing Agent may agree in writing
“Placee(s)”	any person or entity procured by the Placing Agent or its agent(s) to subscribe for any Placing Share
“Placing”	the proposed offer by way of private placing of the Placing Shares by or through the Placing Agent to the Placee(s), on a best endeavours basis, on the terms and subject to the condition set out in the Placing Agreement
“Placing Agent”	ChaoShang Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) regulated activity under the SFO
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 26 July 2021 in relation to the Placing under the General Mandate
“Placing Price”	HK\$0.25 per Placing Share
“Placing Share(s)”	a maximum of 79,600,000 new Shares to be placed pursuant to the Placing Agreement
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Announcements”	all announcements, circulars, interim and annual reports issued by the Company to the Stock Exchange and/or the shareholders of the Company since the publication of the announcement of the Company relating to the annual results of the Company for the year ended 31 March 2021
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company



“Shareholder(s)” holder(s) of the Share(s)  
“Stock Exchange” The Stock Exchange of Hong Kong Limited  
“%” per cent

By Order of the Board  
**VICON HOLDINGS LIMITED**  
**CHOW Kwok Chun**  
*Chairman*

Hong Kong, 26 July 2021

*As at the date of this announcement, the executive Directors are Mr. CHOW Kwok Chun, Mr. TSANG Hing Kuen and Mr. LIU Jin Fai and the independent non-executive Directors are Mr. IP Ka Ki, Professor KUANG Jun Shang and Mr. TSE Ka Ching Justin.*