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NET-A-GO TECHNOLOGY COMPANY LIMITED

網譽科技有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1483)

CHANGE IN USE OF PROCEEDS FROM THE PLACING

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Reference is made to (i) the announcement of the Company dated 23 March 2021 in relation to the Placing; (ii) the announcement of the Company dated 15 April 2021 in relation to the completion of the Placing; and (iii) the announcement of the Company dated 30 April 2021 in relation to the termination of the memorandum of understanding (the “**MOU**”) for a possible acquisition and capital injection into Beijing Yunling Technology Co., Ltd. (北京雲聆科技有限公司) (the “**Possible Acquisition**”) (the “**Termination Announcement**”). The net proceeds received by the Company from the Placing (the “**Net Proceeds**”), after deducting the underwriting fees and commissions and other expenses payable by the Company in connection with the Placing, were approximately HK\$149.5 million.

Reference is made to the announcement of the Company dated 8 April 2022 in relation to the connected transaction in relation to the acquisition of 90% of the issued share capital of the target company and the change in use of proceeds from the Placing, pursuant to which the proceeds of approximately HK\$33.1 million from the placing were reallocated for the Acquisition.

In order to better utilise the financial resources of the Company and to capture favourable investment opportunities, the Board has reviewed and resolved to reallocate the remaining unutilised Net Proceeds of approximately HK\$60.7 million from the Placing as working capital for development of meat trading business and upfront expenses for further development of logistics chain business.

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As stated in the Termination Announcement, the MOU was terminated with effect from 30 April 2021 and the parties to the MOU decided not to proceed with the Possible Acquisition. The Board has therefore decided to apply the Net Proceeds for other possible investments in high-growth business in PRC which will generate a stable and constant stream of income to the Group and create long term value for the Shareholders. As at the date of this announcement, the Group had utilised approximately HK\$88.8 million of the Net Proceeds and the unutilised Net Proceeds amounted to approximately HK\$60.7 million. Details of the revised allocation and the further revised allocation of the Net Proceeds are set out as follows:

	Revised allocation of the Net Proceeds on 8 April 2022 <i>HK\$ million</i>	Utilised amount of the Net Proceeds as at the date of this announcement <i>HK\$ million</i>	Unutilised Net Proceeds as at the date of this announcement <i>HK\$ million</i>	Further revised allocation of the Unutilised Net Proceeds <i>HK\$ million</i>	Expected date of full utilisation of the unutilised Net Proceeds
Operating costs and expenses of the initial stages of the new environmental maintenance projects	41.7	41.7	–	–	–
General working capital of the Group	14.0	14.0	–	–	–
Investments in high growth businesses in the PRC, including high technology, software consulting and internet service related business	60.7	–	60.7	–	–
Development of meat trading business and further development of logistics chain business	–	–	–	60.7	December 2022
Investment in the Acquisition	33.1	33.1	–	–	–
Total	149.5	88.8	60.7	60.7	

Reason for the Change in Use of Proceeds from the Placing

The Board is of the view that the reallocation of the unutilised Net Proceeds as disclosed above will enable better utilisation of the unutilised Net Proceeds, bring income and profit growth to the Group, which is beneficial to the long-term business development of the Group.

The Board confirms that there is no material change in the business nature of the Group, and considers that the proposed change in the use of the Net Proceeds will not have any material adverse impact on the operations of the Group and is in the best interests of the Company and its Shareholders as a whole.

DEFINITIONS

In this announcement, unless the context otherwise requires, the expressions below have the following meanings:

“Acquisition”	the proposed acquisition of the Equity Interests by Aerospace Huatai from Shanghai Benemae pursuant to the Sale and Purchase Agreement, as described in the announcement of the Company dated 8 April 2022
“Board”	the board of Directors
“Company”	Net-A-Go Technology Company Limited (網譽科技有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1483)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Listing Rules”	the Rules Governing the Listing of Securities on Main Board of the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Placing”	the placing of 90,000,000 new Shares by the Company as described in the announcement of the Company dated 23 March 2021
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.01 in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board of
Net-A-Go Technology Company Limited
Sang Kangqiao
Chairman and Executive Director

Hong Kong, 4 July 2022

As at the date of this announcement, the Executive Directors are Mr. Sang Kangqiao, Mr. Xu Wenze and Mr. Cui Peng; and the Independent Non-executive Directors are Mr. Xu Zhihao, Mr. Lam Ka Tak and Mr. Wong Sincere.