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IngDan 硬蛋

HATCH THE INTERNET OF THINGS

INGDAN, INC.

硬蛋創新

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 400)

VOLUNTARY ANNOUNCEMENT

PURCHASE OF LAND USE RIGHT

This announcement is made by Ingdan Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

PURCHASE OF LAND USE RIGHT

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that, Shenzhen Comtech Limited (深圳市科通技術股份有限公司) (“**Comtech**”), a subsidiary of the Company, and Shenzhen SDMC Technology Co., Ltd (深圳市華曦達科技股份有限公司) (“**SDMC**”, together with Comtech, the “**Parties**”) have jointly participated in a tender for the land use right and won the bid on January 10, 2023 and entered into a letter of confirmation (成交確認書) (the “**Confirmation Letter**”) with Shenzhen Trading Group Co., Ltd. — Land Mining Rights Business Branch (深圳交易集團有限公司土地礦業權業務分公司) on the same day. The Parties are expected to enter into a land use right agreement (深圳市國有建設用地使用權出讓合同) (the “**Agreement**”) together with the Shenzhen Municipal Bureau of Planning and Natural Resources Baoan Administration (深圳市規劃和自然資源局寶安管理局) within 15 business days to finalize the purchase of the land use right to a plot of land located at Xin’an Street, Bao’an District, Shenzhen, China (中國深圳市寶安區新安街道) with a land site area of 10,302.25 square meters (“**Land**”) for a term of 30 years at an aggregate consideration of RMB129.0 million (the “**Purchase of Land Use Right**”).

In particular, the Purchase of Land Use Right is jointly entered with SDMC, which to the best knowledge, information and belief of the Board having made all reasonable enquiries, is a third party independent from the Company and its connected persons as at the date of this announcement. According to the Confirmation Letter, the land use right of the Land will be owned as to 73.48% by Comtech and 26.52% by SDMC. The Parties will be responsible for their respective portion of the consideration and Comtech will pay approximately RMB94.8 million for the Purchase of Land Use Right. Comtech’s portion of the future development of the Land is expected to be funded by Comtech’s own fund and banking facilities.

REASONS FOR AND BENEFITS OF THE PURCHASE OF LAND USE RIGHT

The Purchase of Land Use Right will accommodate the future development of Comtech and will take advantage of the National “14th Five-Year Plan”, which is focused on the establishment of the upstream and downstream enterprises in the chip R&D, service, sales and application industry chain. The Purchase of Land Use Right implements the long-term planning and development needs of national and provincial strategic emerging industries.

The existing land capacity can no longer meet the R&D needs of Comtech which will, in turn, restrict the long-term development of Comtech. The Purchase of Land Use Right will be able to simultaneously meet the various land demands of Comtech. Strategically located, the Land is restricted to be used for innovative industrial functions such as R&D, creativity, design, pilot testing and sustainable manufacturing, alongside related supporting services. Upon completion, the construction will be used for Comtech’s own R&D and other business operations, and not for resale. The Purchase of Land Use Right will promote the upgrade of various innovative technologies and products of Comtech, and is expected to expand Comtech’s industry influence and international competitiveness through the Land’s spatial proximity and access to economic and commercial opportunities as well as the convenience of exchange and communication.

Having considered the relevant factors, the Board considers that the Purchase of Land Use Right is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As all of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Purchase of Land Use Right are lower than 5%, the transaction contemplated under the Agreement does not constitute a notifiable transaction for the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

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

By order of the Board
Ingdan, Inc.
KANG Jingwei, Jeffrey
*Chairman, Executive Director
and Chief Executive Officer*

Hong Kong, January 10, 2023

As at the date of this announcement, the executive Directors are Mr. KANG Jingwei, Jeffrey, Mr. WU Lun Cheung Allen and Ms. GUO Lihua; and the independent non-executive Directors are Mr. YE Xin, Dr. MA Qiyuan and Mr. HAO Chunyi, Charlie.