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CONFIDENCE INTELLIGENCE HOLDINGS LIMITED

信 懇 智 能 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1967)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent to the Company



金利豐證券
KINGSTON SECURITIES

THE PLACING

On 13 June 2025 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure, on a best effort basis, not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 50,000,000 Placing Shares at the Placing Price of HK\$0.27 per Placing Share during the Placing Period.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum number of 50,000,000 Placing Shares represent (i) approximately 20% of the existing issued share capital of the Company as at the date of the Placing Agreement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$500,000.

The Placing Price of HK\$0.27 per Placing Share represents (i) a discount of approximately 19.4% to the closing price of HK\$0.335 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 15.9% to the average closing price of HK\$0.321 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

Assuming all the Placing Shares are successfully placed by the Placing Agent, it is expected that the maximum gross proceeds and net proceeds from the Placing (after deducting the placing related expenses) will be approximately HK\$13.5 million and HK\$13.1 million respectively.

The Placing Shares will be allotted and issued pursuant to the General Mandate and is sufficient for the allotment and issue of the Placing Shares, as such, the Placing is not subject to further approval of the Shareholders.

The Placing is conditional upon, among other things, the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares.

Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment of the conditions precedent under the Placing Agreement. As the Completion may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

On 13 June 2025 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure, on a best effort basis, not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 50,000,000 Placing Shares at the Placing Price of HK\$0.27 per Placing Share during the Placing Period.

THE PLACING AGREEMENT

Date

13 June 2025 (after trading hours)

Issuer

The Company

Placing Agent

Kingston Securities Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of the Placing Agreement, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Placees

The Placing Agent will act as agent of the Company to procure not less than six Placees to subscribe for the Placing Shares on a best effort basis. The Placee(s) shall be independent professional, institutional or other investors or any of their respective subsidiaries or associates procured by the Placing Agent as contemplated under the Placing Agreement and is (i) Independent Third Party; and (ii) none of the Placee(s) will, immediately upon the Completion, become a substantial Shareholder (as defined in the Listing Rules) of the Company.

The Placing Agent will use its best endeavours to procure that the Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.

Placing Shares

As at the date of this announcement, the Company has 250,000,000 Shares in issue. Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of Placing, the maximum number of 50,000,000 Placing Shares represent (i) approximately 20% of the existing issued share capital of the Company as at the date of the Placing Agreement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$500,000.

The Placing Shares shall rank *pari passu* in all respects among themselves and with the Shares in issue and be free from all liens, charges, encumbrances and third-party rights together with all rights attaching thereto as at the Completion Date, including but not limited to the rights to receive all future dividends and other distributions thereafter declared, made or paid.

Placing Price

The Placing Price of HK\$0.27 per Placing Share represents (i) a discount of approximately 19.4% to the closing price of HK\$0.335 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 15.9% to the average closing price of HK\$0.321 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The net Placing Price (after deducting the related costs and expenses incurred in the Placing) is approximately HK\$0.261 per Share.

The Placing Price was determined with reference to the prevailing market prices of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing Agreement (including the Placing Price) are fair and reasonable and that the Placing is in the interests of the Company and the Shareholders as a whole.

Conditions precedent of the Placing Agreement

- (a) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Placing Shares; and
- (b) all necessary consents and approvals to be obtained on the part of the placing agent and the Company in respect of the Placing Agreement and the transactions contemplated hereunder having been obtained.

The parties shall use their respective reasonable endeavours to procure the fulfillment of the condition referred to in (b). In the event any of the conditions precedent is not fulfilled and/or waived (other than (a), which cannot be waived) on or before 21 calendar days from the date of the Placing Agreement (i.e., 3 July 2025) (or such later date as may be agreed between the parties hereto in writing) (the “**Long Stop Date**”), all rights, obligations and liabilities of the parties hereto shall cease and determine and neither of the parties shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement, save for in respect of any antecedent breach under the Placing Agreement prior to such termination.

Completion of the Placing

Conditional upon the satisfaction of the conditions precedent as set out in the Placing Agreement above (or waived as the case may be), Completion shall take place at 4:00 p.m. on the Completion Date.

Termination

Unless otherwise agreed between the Company and the Placing Agent, the Placing Agent’s appointment shall terminate upon the earlier of (a) Completion; (b) the Long Stop Date if the conditions precedents of the Placing Agreement have not been satisfied (or waived as the case may be); and (c) termination of the Placing by the Placing Agent in accordance with the terms and conditions of the Placing Agreement.

The Placing Agent reserves its rights to terminate the Placing Agreement by notice in writing given to the Company at any time prior to 9:00 a.m. on the Completion Date, if in the absolute opinion of the Placing Agent, the success of the Placing would be materially and adversely affected by any force majeure events as below.

- (i) 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 Group as a whole; or

- (ii) 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 hereof) 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
- (iii) 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.

If, at or prior to 9:00 a.m. on the Completion Date,

- (i) the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under the Placing Agreement; or
- (ii) any suspension in the trading of the Shares on the Stock Exchange for more than ten consecutive trading days; or
- (iii) the Placing Agent becomes aware that any of the representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate or would in any respect be untrue or inaccurate if repeated, the Placing Agent shall determine whether such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Group taken as a whole, or will otherwise likely to have a material prejudicial effect on the Placing, or
- (iv) any litigation or claim being instigated against any member of the Group, which has or may have an adverse effect on the business or financial position of the Group and which in the Placing Agent's absolute opinion would adversely affect the success of the Placing; or
- (v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole,

the Placing Agent shall be entitled (but not bound) by notice in writing to the Company to elect to treat such matter or event as releasing and discharging the Placing Agent from its obligations under the Placing Agreement.

If notice is given pursuant to the paragraph 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 antecedent breaches under the Placing Agreement prior to such termination.

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

Placing Commission

The Placing Agent will charge the Company a placing commission of 1.5% of the amount equal to the Placing Price multiplied by the actual number of the Placing Shares being placed by the Placing Agent.

The placing commission was determined after arm's length negotiations between the Company and the Placing Agent. The Directors consider that the placing commission in respect of the Placing is fair and reasonable based on the current market condition.

GENERAL MANDATE TO ALLOT AND ISSUE THE PLACING SHARES

The Placing Shares will be allotted and issued under the General Mandate. As at the date of the Placing Agreement, the General Mandate has not been utilized. Since the General Mandate was granted and the maximum number of new Shares that could be issued by the Company under the General Mandate is 50,000,000 Shares, as such, the General Mandate is sufficient for the allotment and issue of the Placing Shares and the Placing is not subject to further approval of the Shareholders.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in the business of offering comprehensive assembling and production services of printed circuit board assembly (the “PCBAs”) in the People's Republic of China, integrating research and design, selection and procurement of raw materials, assembling of PCBAs, quality control, testing, logistics and aftersales services.

Assuming all the Placing Shares are successfully placed by the Placing Agent, it is expected that the maximum gross proceeds and net proceeds from the Placing (after deducting the placing commission, professional fees and all related expenses which were borne by the Company) will be approximately HK\$13.5 million and HK\$13.1 million respectively.

The Company intends to use the net proceeds from the Placing as to (i) approximately HK\$4.4 million for acquisition of new machinery for assembly and production of PCBAs at the production plant in Shenzhen; (ii) approximately HK\$3.3 million for the repayment of bank borrowing; and (iii) the remaining of approximately HK\$5.4 million for other general working capital of the Group.

The Directors are of the view that (i) the Placing can facilitate the transformation of the existing production line, enhancing production efficiency; (ii) the Placing represents a good opportunity to raise additional funds through the equity market to strengthen the Group's financial and cash flow position by reducing liabilities so that the Group have sufficient financial resources to meet any future development and obligations and to broaden the Shareholder base of the Company; (iii) the Placing will not increase the interest burden as compared with debt financing; and (iv) the Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agent. Accordingly, the Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price) are fair and reasonable and that the Placing is in the interests of the Company and the Shareholders as a whole.

EQUITY FUND-RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past 12 months prior to 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 table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately upon the allotment and issue of the Placing Shares (assuming the Placing Shares are placed in full and there will be no change in the total number of issued Shares between the date of this announcement and up to the Completion Date):

| Shareholders | As at the date of this announcement | | Immediately upon the allotment and issue of the Placing Shares (assuming the Placing Shares are placed in full and there will be no change in the total number of issued Shares between the date of this announcement and up to the Completion Date) | |
|--|-------------------------------------|---------------|--|---------------|
| | Number of Shares | Approximate % | Number of Shares | Approximate % |
| Mr. Li Hao (“ Mr. Li ”) ^(Note 1) | 99,881,250 | 39.95 | 99,881,250 | 33.29 |
| Mr. Zhang Bizhong (“ Mr. Zhang ”) ^(Note 2) | 27,543,750 | 11.02 | 27,543,750 | 9.18 |
| <i>Public Shareholders</i> | | | | |
| Placees | – | – | 50,000,000 | 16.67 |
| Other public Shareholders | 122,575,000 | 49.03 | 122,575,000 | 40.86 |
| Total | <u>250,000,000</u> | <u>100.00</u> | <u>300,000,000</u> | <u>100.00</u> |

Notes:

- These Shares are held by Skyflying Company Limited (the “**Skyflying**”). Skyflying is wholly owned by Mr. Li. Mr. Li is also the sole director of Skyflying.
- These Shares are held by Realtime Limited (the “**Realtime**”). Realtime is wholly owned by Mr. Zhang. Mr. Zhang is also the sole director of Realtime.

GENERAL

An application will be made by the Company to the Stock Exchange for the grant of listing of, and permission to deal in the Placing Shares.

Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment of the conditions precedent under the Placing Agreement. As the Completion may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

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| “AGM” | the annual general meeting of the Company held on 27 May 2024 |
| “associates” | has the meaning ascribed to it in the Listing Rules |
| “Board” | the board of Directors |
| “Business Day(s)” | any day (other than a Saturday, Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted or extreme conditions is announced in Hong Kong) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours |
| “Company” | Confidence Intelligence Holdings Limited, a company incorporated in Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1967) |
| “Completion” | the completion of the Placing in accordance with the terms and condition set out in the Placing Agreement |
| “Completion Date” | a date falling on the fourth Business Day after the day on which all the conditions precedent of the Placing Agreement have been fulfilled (or such later date as may be agreed between the parties in writing) |
| “connected person” | has the meaning ascribed to it in the Listing Rules |

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| “Director(s)” | director(s) of the Company |
| “General Mandate” | the general mandate granted by the Shareholders to the Directors at the AGM to allot, issue or deal with 50,000,000 Shares, being 20% of the number of issued Shares as at the date of the AGM |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | Hong Kong Special Administrative Region of the People’s Republic of China |
| “Independent Third Party(ies)” | third parties independent of the Company and its connected persons (as defined under the Listing Rules) |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Placee(s)” | independent professional, institutional or other investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent or its agent(s) to subscribe for any of the Placing Shares pursuant to the Placing Agreement |
| “Placing” | the placing of the Placing Shares under and in accordance with the Placing Agreement |
| “Placing Agent” | Kingston Securities Limited, a licensed corporation to carry on business in Type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Placing Agreement” | the conditional placing agreement entered into between the Company and the Placing Agent dated 13 June 2025 in relation to the Placing |
| “Placing Price” | HK\$0.27 per Placing Share |
| “Placing Period” | the period commencing upon the execution of the Placing Agreement and terminating on 3 July 2025 (or such later time and date as the Company and the Placing Agent may agree in writing) |

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|--------------------|---|
| “Placing Share(s)” | a total of up to 50,000,000 new Shares to be placed pursuant to the Placing Agreement, and each a “Placing Share” |
| “Share(s)” | ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | The Code on Takeovers and Mergers and Share buy-backs of the Securities and Futures Commission of Hong Kong |
| “%” | per cent. |

By order of the Board
Confidence Intelligence Holdings Limited
Li Hao
Chairman

Hong Kong, 13 June 2025

As at the date of this announcement, the executive Directors are Mr. Li Hao, Mr. Zhang Bizhong, Mr. Xu Shizhen, Ms. Li Biqiong and Mr. Hao Xiangjun, and the independent non-executive Directors are Mr. Chow Kit Ting, Ms. Mu Lingxia and Mr. Huang Jianfei.