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Pan Asia Data Holdings Inc.

聯洋智能控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1561)

SUBSCRIPTIONS OF NEW SHARES UNDER GENERAL MANDATE

On 6 August 2021 (after trading hours of the Stock Exchange), the Company entered into the Subscription Agreements with the Subscribers pursuant to which the Subscribers have conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 15,000,000 Subscription Shares at a price of HK\$2.00 per Subscription Share.

The 15,000,000 Subscription Shares represent approximately 2.01% of the existing issued share capital of the Company as at the date of this announcement and approximately 1.97% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The gross proceeds raised from the Subscriptions will be approximately HK\$30.0 million, and the net proceeds, after deduction of all relevant expenses, will be approximately HK\$29.9 million, which are intended to be used for the Group's development of new business (such as marketing and client development, amongst others) and general working capital purposes (such as overhead, inventory and debt management, amongst others).

An application will be made to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

As completion of the Subscriptions is subject to the fulfilment of certain conditions set out in the Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

THE SUBSCRIPTIONS

Introduction

On 6 August 2021 (after trading hours of the Stock Exchange), the Company entered into six Subscription Agreements, each between the Company and one of the Subscribers pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue a total of 15,000,000 Subscription Shares at a price of HK\$2.00 per Subscription Share.

The Subscription Agreements

Date: 6 August 2021 (after trading hours of the Stock Exchange)

Parties:

Each of the Subscription Agreements is on substantially the same terms (save for the number of Subscription Shares) and is between:

- (i) the Company; and
- (ii) one of the Subscribers

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries,

- (a) each of the Subscribers (and their ultimate beneficial owners) is an Independent Third Party;
- (b) none of the Subscribers (and their ultimate beneficial owners) will become substantial shareholders of the Company immediately following the Subscriptions; and
- (c) none of the Subscribers (and their ultimate beneficial owners) is a party acting in concert with (i) any other of them; (ii) the Company, the directors, chief executives or substantial shareholders of the Company or its subsidiaries; (iii) the controlling shareholder of the Company or any party acting or presumed to be acting in concert with it; or any of their respective associates, for the purposes of the Code on Takeovers and Mergers.

The Subscription Shares

The 15,000,000 Subscription Shares represent approximately 2.01% of the existing issued share capital of the Company as at the date of this announcement and approximately 1.97% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

Subscription Price

The Subscription Price of HK\$2.00 per Subscription Share was arrived at after arm's length negotiation between the Company and the Subscribers with reference to the market condition and the prevailing market price of the Shares.

The Subscription Price represents:

- (i) a discount of approximately 13.04% to the closing price of HK\$2.30 per Share as quoted on the Stock Exchange on 6 August 2021, being the closing price on the date of the Subscription Agreements; and
- (ii) a discount of approximately 8.68% to the average of the closing prices of HK\$2.19 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Subscription Agreements.

General Mandate to issue the Subscription Shares

The Subscription Shares will be allotted and issued pursuant to the General Mandate and none of the Subscriptions is subject to Shareholders' approval. The Directors authorised to allot, issue or otherwise deal with up to 149,296,733 new Shares under the General Mandate. As at the date of this announcement, apart from the Subscription Shares no new Shares have been issued or agreed to be issued under the General Mandate.

Ranking

The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects with the Shares in issue as at the date of issue of the Subscription Shares.

Lock-up undertaking

Pursuant to the Subscription Agreements, each of the Subscribers undertakes amongst other things that it will not, without the prior written consent from the Company, sell, transfer or otherwise dispose of the Subscription Shares for a period of ten (10) months from the Completion Date.

Application for listing

An application will be made to the Stock Exchange to grant the listing of, and permission to deal in, the Subscription Shares.

Conditions

Completion of the Subscriptions is conditional only upon the Stock Exchange granting listing of and permission to deal in the relevant Subscription Shares. The Subscription Agreements are not conditional on each other.

In the event that the condition of any Subscription Agreement are not fulfilled on or prior to 26 August 2021 or such later date as may be agreed in writing between the Company and the relevant Subscriber, the obligations of the Company and that Subscribers under the relevant Subscription Agreements shall terminate and neither of the parties shall have any claim against the other for costs, damages, compensation or otherwise in respect of the relevant Subscriptions.

Completion

Subject to the fulfilment of the condition of the Subscriptions, Completion is expected to take place at or before 4:00 p.m. on the Completion Date or such other time as the Company and the relevant Subscriber may agree (subject to compliance with the Listing Rules).

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising activities involving the issue of equity securities within the 12 months immediately prior to the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE

The table below summarises the shareholding structure of the Company: (i) as at the date of this announcement and (ii) immediately upon Completion:

Name of Shareholder	As at the date of this announcement		Immediately upon completion of the Subscriptions	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Timenew Limited (“Timenew”) (Note 1)	366,762,714	49.13%	366,762,714	48.16%
Lian Yang Investment Limited	76,096,789	10.19%	76,096,789	9.99%
Dr. Li Zhong Yuan (Note 2)	60,989,286	8.17%	60,989,286	8.01%
A Director (Note 3)	2,456,000	0.33%	2,456,000	0.32%
The Subscribers	—	—	15,000,000	1.97%
Other public Shareholders	<u>240,178,876</u>	<u>32.18%</u>	<u>240,178,876</u>	<u>31.55%</u>
Total	<u><u>746,483,665</u></u>	<u><u>100.00%</u></u>	<u><u>761,483,665</u></u>	<u><u>100.00%</u></u>

Notes:

1. Timenew is legally owned as to 51% and 49% by Mr. Li Xiao Ru and Dr. Li Zhong Yuan, who was an executive Director until 30 July 2021, and is beneficially owned by Mr. Li Xiao Ru.
2. These Shares comprise 60,989,286 Shares held directly and indirectly by Dr. Li Zhong Yuan.
3. These Shares comprise 2,456,000 Shares held by Ms. Liu Rong Rong who is an executive Director.

REASONS FOR THE SUBSCRIPTIONS AND USE OF PROCEEDS

The Group is presently principally engaged in three businesses: (1) provision of information and data services, (2) third-party payment services and (3) manufacturing customized liquid and powder coatings. The Directors consider that the Subscriptions represent an opportunity to raise capital for the Company while broadening the Shareholder base of the Company. Accordingly, the Directors (including the independent non-executive Directors) consider the Subscription Agreements are fair and reasonable and the Subscriptions are in the interest of the Company and the Shareholders as a whole.

The gross proceeds raised from the Subscriptions will be approximately HK\$30.0 million, and the net proceeds, after deduction of all relevant expenses, will be approximately HK\$29.9 million, which are intended to be used for the Group's development of new business (such as marketing and client development, amongst others) and general working capital purposes (such as overhead, inventory and debt management, amongst others).

The net Subscription Price will be approximately HK\$1.99 per Share.

As completion of the Subscriptions is subject to the fulfilment of certain conditions set out in the Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (excluding a Saturday, Sunday or public holiday) on which banks generally are open for business in Hong Kong
“Company”	Pan Asia Data Holdings Inc. (聯洋智能控股有限公司), 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: 1561)
“Completion”	in respect of a Subscription Agreement, the completion of the relevant Subscription Agreements
“Completion Date”	the actual date of completion of the Subscriptions pursuant to the relevant Subscription Agreements
“connected person”	the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate to issue and deal with Shares granted to the Directors by the Shareholders pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 30 June 2021
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party”	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is/are third party(ies) independent of the Company and the connected persons of the Company (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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
“Subscriber”	a subscriber under a Subscription Agreement
“Subscriptions”	the subscriptions for the Subscription Shares by a Subscriber pursuant to the relevant Subscription Agreement
“Subscription Agreements”	the agreements dated 6 August 2021 each between the Company and one of the Subscribers
“Subscription Price”	the subscription price of HK\$2.00 per Subscription Share
“Subscription Shares”	an aggregate of 15,000,000 Shares to be subscribed by the Subscribers pursuant to the Subscription Agreements
“%”	per cent.

By Order of the Board
Pan Asia Data Holdings Inc.
Mr. Gu Zhongli
Chairman

Hong Kong, 6 August 2021

At the date of this announcement, the Board comprises Mr. Gu Zhongli (Chairman), Ms. Liu Rong Rong, Mr. Charles Simon and Mr. Jin Peiyi as executive Directors; and Mr. Li Gong, Mr. Wang Jianping and Dr. Shi Ping as independent non-executive Directors.