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NEXION TECHNOLOGIES LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8420)

**DISCLOSEABLE TRANSACTIONS
ACQUISITION OF PROPERTIES IN SINGAPORE**

The Board is pleased to announce that on 20 October 2017, the Purchaser accepted (1) the 1st Option offered by the 1st Vendor under the 1st Option Letter to purchase the 1st Property at a consideration of S\$1,526,840.00 (equivalent to approximately HK\$8,702,988.00); and (2) the 2nd Option offered by the 2nd Vendor under the 2nd Option Letter to purchase the 2nd Property at a consideration of S\$1,550,000.00 (equivalent to approximately HK\$8,835,000.00).

Each of the 1st Vendor and the 2nd Vendor is an Independent Third Party. The 1st Vendor and the 2nd Vendor are independent to each other.

As one or more of the applicable percentage ratios (as defined under Chapter 19 of the GEM Listing Rules) in respect of the 1st Acquisition and 2nd Acquisition, individually and in aggregate, is more than 5% but less than 25%, the 1st Acquisition and 2nd Acquisition, individually and in aggregate, constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements but is exempt from the Shareholders' approval requirement under the Chapter 19 of GEM Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 20 October 2017, the Purchaser accepted (1) the 1st Option offered by the 1st Vendor under the 1st Option Letter to purchase the 1st Property at a consideration of S\$1,526,840.00 (equivalent to approximately HK\$8,702,988.00); and (2) the 2nd Option offered by the 2nd Vendor under the 2nd Option Letter to purchase the 2nd Property at a consideration of S\$1,550,000.00 (equivalent to approximately HK\$8,835,000.00).

Each of the 1st Vendor and the 2nd Vendor is an Independent Third Party. The 1st Vendor and the 2nd Vendor are independent to each other.

TERMS OF 1ST OPTION LETTER

A summary of the principal terms of the 1st Option Letter are set out below:

The 1st Option Letter

Date of acceptance and exercise of the 1st Option by the Purchaser: 20 October 2017.

1st Vendor: JG Real Estate Pte Ltd., a company incorporated in the Singapore with limited liability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the 1st Vendor and the ultimate beneficial owner(s) of the 1st Vendor are Independent Third Parties.

Purchaser: Nexion Investment Pte. Ltd., an indirect wholly-owned subsidiary of the Company.

Property to be acquired: the 1st Property, i.e. the office unit located at 18 Howard Road #10-03, Novelty Bizcentre, Singapore 369585, with a gross floor area of 1,862 square feet.

The 1st Property is sold subject to existing tenancy.

As at the date of this announcement, the 1st Property is being rented to an Independent Third Party at a monthly rental of S\$3,551.40, exclusive of GST under an existing tenancy agreement for a period of 2 years from 22 July 2017 to 21 July 2019 (both days inclusive); and the Purchaser has no intention to rent out the 1st Property and the Group plans to use the 1st Property as its headquarter and a R&D centre after the expiration of the said tenancy agreement.

1st Option: Pursuant to the 1st Option Letter, the 1st Vendor has offered an option to purchase the 1st Property in consideration of the 1st Option Money paid by the Purchaser on the date of the 1st Option Letter.

The 1st Option shall expire on 30 October 2017 and will become null and void if not accepted and exercised by the Purchaser on or before 30 October 2017, in which event the 1st Option Money shall be forfeited by the 1st Vendor absolutely.

Payment terms:

The consideration for the sale and purchase of the 1st Property is S\$1,526,840.00 (equivalent to approximately HK\$8,702,988.00) and is payable by the Purchaser in cash in the following manner:

- (i) the 1st Option Money of S\$15,268.40 (equivalent to approximately HK\$87,029.88) was paid by the Purchaser on the date of the 1st Option Letter;
- (ii) the balance of deposit of S\$61,073.60 (equivalent to approximately HK\$348,119.52) was paid by the Purchaser at the acceptance and exercise of the 1st Option on 20 October 2017; and
- (iii) the balance of S\$1,450,498.00 (equivalent to approximately HK\$8,267,838.60) will be payable by the Purchaser at completion which shall take place on or before 9 January 2018.

The consideration for the 1st Acquisition was determined after arm's length negotiations and with reference to comparable sales transactions of similar properties in similar location of the 1st Property.

Tax:

The 1st Acquisition is subject to Stamp Duty.

Other conditions:

The 1st Property is to be sold on an "as is where is" basis.

Completion of the 1st Acquisition is subject to standard conditions for similar property transactions in Singapore, including but not limited to:

- (a) the Purchaser's solicitors receiving satisfactory replies to their legal requisitions and applications to the various governmental departments in Singapore in relation to the 1st Acquisition; and
- (b) where applicable, the Purchaser obtaining written approval from the Controller of Residential Property in Singapore for the 1st Acquisition.

If the above conditions (a) or (b) is not fulfilled on or before completion, the Purchaser may rescind the 1st Acquisition at its option and in such event the 1st Vendor shall refund all monies paid by the Purchaser without interest.

Completion: Completion of the sale and purchase of the 1st Property will take place on or before 9 January 2018.

Commission: Nil.

TERMS OF 2ND OPTION LETTER

A summary of the principal terms of the 2nd Option Letter are set out below:

The 2nd Option Letter

Date of acceptance and exercise of the 2nd Option by the Purchaser: 20 October 2017.

2nd Vendor: SMOT Pte Ltd., a company incorporated in the Singapore with limited liability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the 2nd Vendor and the ultimate beneficial owner(s) of the 2nd Vendor are Independent Third Parties.

Purchaser: Nexion Investment Pte. Ltd., an indirect wholly-owned subsidiary of the Company.

Property to be acquired: the 2nd Property, i.e. the office unit located at 18 Howard Road #10-04, Novelty Bizcentre, Singapore 369585, with a gross floor area of 1,862 square feet.

The 2nd Property is sold subject to existing tenancy.

As at the date of this announcement, the 2nd Property is being rented to an Independent Third Party at a monthly rental of S\$3,300.00, inclusive of GST under an existing tenancy agreement for a period of 1 year from 15 May 2017 to 14 May 2018 (both days inclusive); and the Purchaser has no intention to rent out the 2nd Property and the Group plans to use the 2nd Property as its headquarter and a R&D centre after the expiration of the said tenancy agreement.

2nd Option:

Pursuant to the 2nd Option Letter, the 2nd Vendor has offered an option to purchase the 2nd Property in consideration of the 2nd Option Money paid by the Purchaser on the date of the 2nd Option Letter.

The 2nd Option shall expire on 31 October 2017 and will become null and void if not accepted and exercised by the Purchaser on or before 31 October 2017, in which event the 2nd Option Money shall be forfeited by the 2nd Vendor absolutely.

Payment terms:

The consideration for the sale and purchase of the 2nd Property is S\$1,550,000.00 (equivalent to approximately HK\$8,835,000.00) and is payable by the Purchaser in cash in the following manner:

- (i) the 2nd Option Money of S\$15,500.00 (equivalent to approximately HK\$88,350.00) was paid by the Purchaser on the date of the 2nd Option Letter;
- (ii) the balance of deposit of S\$62,000.00 (equivalent to approximately HK\$353,400.00) was paid by the Purchaser at the acceptance and exercise of the option under the 2nd Option Letter on 20 October 2017; and
- (iii) the balance of S\$1,472,500.00 (equivalent to approximately HK\$8,393,250.00) will be payable by the Purchaser at completion which shall take place on or before 14 February 2018.

The consideration for the 2nd Acquisition was determined after arm's length negotiations and with reference to comparable sales transactions of similar properties in similar location of the 2nd Property.

Agent:

ERA Realty Network Pte Ltd., a company incorporated in the Singapore with limited liability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the agent and the ultimate beneficial owner(s) of the agent are Independent Third Parties.

Tax: The 2nd Acquisition is subject to Stamp Duty.

Other conditions: The 2nd Property is to be sold on an "as is where is" basis.

Completion of the 2nd Acquisition is subject to standard conditions for similar property transactions in Singapore, including but not limited to:

- (a) the Purchaser's solicitors receiving satisfactory replies to their legal requisitions and applications to the various governmental departments in Singapore in relation to the 2nd Acquisition; and
- (b) where applicable, the Purchaser obtaining written approval from the Controller of Residential Property in Singapore for the 2nd Acquisition.

If the above conditions (a) or (b) is not fulfilled on or before completion, the Purchaser may rescind the 2nd Acquisition at its option and in such event the 2nd Vendor shall refund all monies paid by the Purchaser without interest.

Completion: Completion of the sale and purchase of the 2nd Property shall take place on or before 14 February 2018.

Commission: The commission will be borne by the 2nd Vendor.

INFORMATION OF THE PURCHASER, THE 1ST VENDOR AND THE 2ND VENDOR

The Purchaser is an indirect wholly-owned subsidiary of the Company and the principal activity of the Group is focusing on the provision of cyber infrastructure and cyber security solutions, including mainly system integration, threat management and cloud infrastructure.

The 1st Vendor is a company incorporated in the Singapore with limited liability. It is principally engaged in the business of financial service activities.

The 2nd Vendor is a company incorporated in the Singapore with limited liability. It is principally engaged in the business of financial service activities.

REASONS FOR AND BENEFITS OF THE 1ST ACQUISITION AND THE 2ND ACQUISITION

The Group's goal is to achieve sustainable growth in current business and further strengthen its overall competitiveness in its industry. To achieve its goals, the Directors plan to leverage on the Group's competitive strengths. One of the Company's planned strategies is to expand the Company's headquarters and establishing a R&D centre in Singapore to accommodate additional functions and facilities as well as additional staff members through the 1st Acquisition and the 2nd Acquisition. The Group plans to establish a testing centre, demonstration laboratory and training centre in the 1st Property and the 2nd Property after the expiration of the respective existing tenancy agreement.

After considering the aforesaid factors, the Board (including the independent non-executive Directors) considers that the 1st Acquisition and the 2nd Acquisition and the respective terms of the 1st Option Letter and the 2nd Option Letter are on normal commercial terms, fair and reasonable and in the interests of the Group and the Shareholders as a whole.

FUNDING ARRANGEMENT

The Group intends to finance the considerations of the 1st Acquisition and the 2nd Acquisition by the proceeds of the Initial Listing and internal resources.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under Chapter 19 of the GEM Listing Rules) in respect of the 1st Acquisition and 2nd Acquisition, individually and in aggregate, is more than 5% but less than 25%, the 1st Acquisition and 2nd Acquisition, individually and in aggregate, constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements but is exempt from the Shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

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

“1st Acquisition”	the acquisition of the 1st Property by the Purchaser from the 1st Vendor contemplated under the 1st Option Letter;
“1st Option”	the option to purchase the 1st Property offered by the 1st Vendor to the Purchaser under the 1st Option Letter;

“1st Option Letter”	the option letter dated 15 October 2017 issued by the 1st Vendor to the Purchaser pursuant to which the 1st Vendor has offered the Purchaser an option to purchase the 1st Property in accordance with the terms and conditions set out in the 1st Option Letter;
“1st Option Money”	the option money which has been paid on the date of the 1st Option Letter, and shall be deemed to be part of the consideration of the 1st Acquisition, if applicable;
“1st Property”	the office unit located at 18 Howard Road #10-03, Novelty Bizcentre, Singapore 369585, with a gross floor area of 1,862 square feet;
“1st Vendor”	JG Real Estate Pte. Ltd., a company established in the Singapore with limited liability;
“2nd Acquisition”	the acquisition of the 2nd Property by the Purchaser from the 2nd Vendor contemplated under the 2nd Option Letter;
“2nd Option”	the option to purchase the 2nd Property offered by the 2nd Vendor to the Purchaser under the 2nd Option Letter;
“2nd Option Letter”	the option letter dated 17 October 2017 issued by the 2nd Vendor to the Purchaser pursuant to which the 2nd Vendor has offered the Purchaser an option to purchase the 2nd Property in accordance with the terms and conditions set out in the 2nd Option Letter;
“2nd Option Money”	the option money which has been paid on the date of the 2nd Option Letter, and shall be deemed to be part of the consideration of the 2nd Acquisition, if applicable;
“2nd Property”	the office unit located at 18 Howard Road #10-04, Novelty Bizcentre, Singapore 369585, with a gross floor area of 1,862 square feet;
“2nd Vendor”	SMOT Pte. Ltd., a company established in the Singapore with limited liability;
“Board”	the board of Directors;
“Company”	Nexion Technologies Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the GEM;

“connected persons”	has the meaning ascribed to it under the GEM Listing Rules;
“Director(s)”	director(s) of the Company;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM;
“Group”	the Company and its subsidiaries;
“GST”	Goods and Service Tax in Singapore;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s), who/which, to the best of our Directors’ knowledge, information and belief, having made all reasonable enquiries, is/are independent of our Company and our connected persons;
“Initial Listing”	the listing of shares of the Company on GEM on 16 June 2017;
“PRC”	the People’s Republic of China;
“Purchaser”	Nexion Investment Pte. Ltd., an indirect wholly-owned subsidiary of the Company;
“R&D”	research and development;
“Singapore”	the Republic of Singapore;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stamp Duty”	stamp duty in Singapore, representing 1% on the first S\$180,000, 2% on the next S\$180,000 and 3% on the remaining amount of the purchase price or market value of the property, whichever is higher;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“S\$” Singapore dollar, the lawful currency of Singapore; and

“%” per cent.

By order of the Board
Nexion Technologies Limited
Foo Moo Teng
Chairman and Executive Director

Hong Kong, 20 October 2017

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Foo Moo Teng and Mr. Edgardo Osillada Gonzales II; and three independent non-executive Directors, namely Mr. Park Jee Ho, Ms. Lim Joo Seng and Mr. Chan Ming Kit.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page and the website of the Company at <http://nexion.com.hk/> for at least 7 days from the date of its publication.

For use in this announcement and for illustration purposes only, conversion of S\$ into HK\$ is based on the approximate exchange rate of HK\$5.7 to S\$1. No representation is made that any amount in S\$ or HK\$ could be converted at such rate or any other rates.