

TARGET

Intelligence Report

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**i-CONTROL HOLDINGS LTD:
LOVE'S LABOURS LOST,
THE COST, BEING \$HK138 MILLION**

**Subject To All That Goes Well,
But Only Time Shall, Really, Tell**

Mr Zhong Nai Xiong (鍾乃雄), the Chairman of the Board of Directors of i-Control Holdings Ltd (超智能控股有限公司) (Code: 1402, Main Board, The Stock Exchange of Hongkong Ltd), via Phoenix Time Holdings Ltd, has entered into a Sale and Purchase Agreement with Luxurious Bay Capital Ltd to dispose of his holdings, amounting to 57.12 percent of the entire Issued and Fully Paid-Up Share Capital of i-Control Holdings Ltd.

At Page 40 of the 2024 Annual Report of i-Control Holdings Ltd, under the heading, '**EVENTS AFTER THE REPORTING PERIOD**,' shareholders were informed in the following paragraphs:

'Possible mandatory unconditional cash offer

'Subsequent to the year ended 31 March 2024, on 3 April 2024, Phoenix Time Holdings Limited (the "Vendor"), which is 100% owned by Mr. Zhong Naixiong ("Mr. Zhong"), an executive Director and the controlling shareholder of the Company, Luxurious Bay Capital Limited (the "Offeror"), and Mr. Zhong entered into the sale and purchase agreement (the "Sale and Purchase Agreement"), pursuant to which the Vendor has conditionally agreed to sell and the Offeror has conditionally agreed to acquire the sale shares, being an aggregate of 600,000,000 Shares (representing approximately 57.12% of the issued share capital of the Company), for a total cash consideration of HK\$138,000,000, representing HK\$0.23 per sale share. Further details of the Sale and Purchase Agreement have been disclosed in the joint announcement of the Offeror and the Company dated 26 April 2024 (the "Joint Announcement").

'Pursuant to Rules 26.1 and 13.5 of the Takeovers Code, the Offeror will therefore upon completion be required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned or

agreed to be acquired by the Offeror and the parties acting in concert with it) and for the cancellation of all outstanding share options granted under Share Option Scheme.

'As at the date of this report, completion of the Sale and Purchase Agreement has not yet taken place.

'As disclosed in the Joint Announcement, Mr. Zhong shall resign as an executive Director with effect from the earliest time permitted under the Takeovers Code, the Listing Rules or other applicable rules or regulations or the completion date of the Sale and Purchase Agreement, whichever is later. If the resignation of Mr. Zhong as an executive Director occurs before the date of the AGM (Annual General Meeting), the ordinary resolution in respect of the re-election of Mr. Zhong as an executive Director as set out in the notice of AGM and the accompanying form of proxy will no longer be applicable and will not be put forward for consideration and approval by the Shareholders at the AGM. Further announcement(s) will be made by the Company as and when appropriate.

'Save as above mentioned, the Directors are not aware of any significant event requiring disclosure that has taken place subsequent to 31 March 2024 and up to the date of this annual report.'

Then, on or about Tuesday, July 30, 2024, the following announcement was presented in capital letters:

***'JOINT ANNOUNCEMENT
(1) CLOSE OF MANDATORY UNCONDITIONAL CASH OFFERS BY
DILIGENT CAPITAL LIMITED AND RED SUN CAPITAL LIMITED
FOR AND ON BEHALF OF THE OFFEROR FOR ALL THE ISSUED
SHARES IN I-CONTROL HOLDINGS LIMITED (OTHER THAN THOSE
ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR
AND PARTIES ACTING IN CONCERT WITH IT) AND FOR
THE CANCELLATION OF ALL OUTSTANDING OPTIONS
OF I-CONTROL HOLDINGS LIMITED;
(2) RESULTS AND SETTLEMENT OF THE OFFERS;
(3) PUBLIC FLOAT; AND
(4) CHANGES IN THE COMPOSITION OF THE BOARD
AND BOARD COMMITTEES'***

At Page 108 of the 2024 Annual Report of i-Control Holdings Ltd, at Note 14, '**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**,' under the heading, '**DIVIDEND**,' the following table was introduced:

Dividend recognised as distribution during the year:

	2024	2023
	\$HK'000	\$HK'000
2023 Special dividend – HK1.20 cents per share	12,606	Nil

2023 Final dividend – HK0.50 cents per share	<u>5,253</u>	<u>5,253</u>
	<u>17,859</u>	<u>5,253</u>

‘Dividend of approximately HK\$17,859,000 was paid during the year ended 31 March 2024 (2023: HK\$5,253,000). Subsequent to the end of the reporting period, no dividend has been proposed (2023: a final dividend of HK0.50 cents and a special dividend of HK1.20 cents per share).’

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