nichetech

NICHE-TECH GROUP LIMITED
駿碼科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8490)

VOLUNTARY ANNOUNCEMENT
MEMORANDUM OF UNDERSTANDING ON COOPERATION

This announcement is made by the Company on a voluntary basis to inform the Shareholders and potential investors of the Company of the latest development of the Group.

The Board is pleased to announce that on 11 September 2019, the Company has entered into a non-legally binding MOU with the Client and Professor Hong for the evaluation of the Raw Materials and the Product, and the manufacture of the Product.

Under the MOU, the Parties will negotiate and finalise a formal Cooperation Agreement in relation to the Cooperation under which (i) the Company will manufacture the Product; (ii) Professor Hong will assess and test the quality of the Raw Materials; and (iii) the Client will conduct evaluation on the reliability of the Product.

The Cooperation will provide the Group with valuable know-how of the development of the Product by leveraging the Group's experience in the bonding wire production as well as the technologies and knowledge of the Client and Professor Hong. The Company believes once the Cooperation Agreement is formalised and the production of the Product commences, it will allow the Group to broaden its product portfolio in the bonding wire segment and therefore it will be in the interest of the Company and the Shareholders as a whole.

There is no assurance that the Cooperation Agreement will be entered into. Shareholders and potential investors of the Company should exercise with caution when dealing in the securities of the Company. The Company will make further announcement(s) on the Cooperation as and when appropriate in accordance with the GEM Listing Rules.

MOU

The Board is pleased to announce that on 11 September 2019, the Company has entered into a non-legally binding MOU with the Client and Professor Hong for the evaluation of the Raw Materials and the Product, and the manufacture of the Product.

The MOU shall remain in effect until (i) the entering into a formal Cooperation Agreement within two years from the date of the MOU; (ii) a party violates the MOU without rectification upon notice within a certain period; or (iii) a party giving 30 days prior notice in writing to terminate the MOU.

SCOPE OF COOPERATION

Under the MOU, the Parties will negotiate and finalise a formal Cooperation Agreement in relation to the Cooperation under which the Company will manufacture the Product; Professor Hong will assess and test the quality of the Raw Materials; and the Client will conduct evaluation on the reliability of the Product.

INFORMATION ON THE CLIENT

The Client is a limited liability company incorporated in Taiwan which is principally engaged in packaging and testing of semiconductors. The Client is wholly owned by a company which is a publicly traded company listed on the Taiwan Stock Exchange Corporation and is one of the leading providers of semiconductor manufacturing services in assembly and test.

INFORMATION ON PROFESSOR HONG

Professor Hong joined National Cheng Kung University (國立成功大學) in 2002, and is currently a professor of the Department of Materials Science and Engineering (材料科學及工程學系). He has specialised in research and development in materials science for more than 17 years.

REASONS FOR AND BENEFIT OF THE COOPERATION

The Cooperation will provide the Group with valuable know-how of the development of the Product by leveraging the Group's experience in the bonding wire production as well as the technologies and knowledge of the Client and Professor Hong. The Company believes once the Cooperation Agreement is formalised and the production of the Product commences, it will allow the Group to broaden its product portfolio in the bonding wire segment and therefore it will be in the interest of the Company and the Shareholders as a whole.

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DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

"Board"	the board of Directors
"Company"	Niche-Tech Group Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the GEM (Stock Code: 8490)
"Client"	a company incorporated in Taiwan with limited liability, which principally engaged in packaging and testing of semiconductors, a third party independent of and not connected with the Company and its connected persons
"Cooperation"	the manufacture and evaluation on the reliability of the Product; and the assessment and test of the quality of the Raw Materials
"Cooperation Agreement"	an agreement to be entered into between the Company, the Client and Professor Hong pursuant to the MOU, in relation to the Cooperation
"Director(s)"	director(s) of the Company
"GEM"	the GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the GEM
"Group"	the Company and its subsidiaries
"MOU"	a memorandum of understanding dated 11 September 2019 entered into among the Company, the Client and Professor Hong in relation to the Cooperation
"Parties"	the Client, the Company and Professor Hong, collectively
"Product"	a specialised uncoated copper alloy wire to be developed and manufactured by the Group for the Client
"Professor Hong"	a professor of Department of Materials Science and Engineering at National Cheng Kung University (國立成功大學材料科學及工程學系), a third party independent of and not connected with the Company and its connected persons

"Raw Materials"	the raw materials of the Product
"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

By Order of the Board
Niche-Tech Group Limited
Chow Bok Hin Felix
Executive Chairman and Executive Director

Hong Kong, 12 September 2019

As at the date of this announcement, the executive Directors are Mr. Chow Bok Hin Felix, Professor Chow Chun Kay Stephen and Mr. Shi Yiwu, non-executive Director is Mr. Ma Yung King Leo, and the independent non-executive Directors are Professor Ng Wang Wai Charles, Mr. Tai Chun Kit and Mr. Poon Lai Yin Michael.

This announcement will remain on the GEM's website at http://www.hkgem.com on the "Latest Listed Company Information" page for a minimum period of seven days from the date of its publication. This announcement will also be published on the Company's website at http://www.nichetech.com.hk.