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The logo for CapXon, featuring the word "CapXon" in white serif font on a blue rectangular background.

**VALUE MANAGEMENT
HOLDING LIMITED**
價值管理控股有限公司

*(Incorporated in the British Virgin Islands
with limited liability)*

**CAPXON INTERNATIONAL
ELECTRONIC COMPANY LIMITED**
凱普松國際電子有限公司

*(Incorporated in the Cayman Islands with
limited liability)*
(Stock Code: 0469)

**JOINT ANNOUNCEMENT
PROPOSAL FOR THE PRIVATISATION OF
CAPXON INTERNATIONAL ELECTRONIC COMPANY LIMITED
BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 86 OF THE COMPANIES LAW
(1) EFFECTIVE DATE OF THE SCHEME
(2) WITHDRAWAL OF LISTING OF
CAPXON INTERNATIONAL ELECTRONIC COMPANY LIMITED
AND
(3) DESPATCH OF CHEQUES**

Financial Adviser to the Offeror

The logo for Elstone, featuring the Chinese characters "千里碩" in gold and grey, followed by a stylized graphic of three vertical bars of increasing height, and the word "ELSTONE" in grey below.

Independent Financial Adviser to the Independent Board Committee

The logo for Somerville Capital Limited, featuring a stylized gold and grey symbol resembling a double 'S' or a chevron, followed by the text "SOMERLEY CAPITAL LIMITED" in grey.

INTRODUCTION

Reference is made to (i) the announcement dated 5 June 2020 jointly issued by Capxon International Electronic Company Limited (the “**Company**”) and Value Management Holding Limited (the “**Offeror**”) in relation to the Proposal; (ii) the announcement dated 26 June 2020 jointly issued by the Company and the Offeror in relation to the extension of time for the despatch of the Scheme Document (as defined below); (iii) the composite scheme document dated 31 August 2020 jointly issued by the Company and the Offeror in relation to, among other things, the proposed privatisation of the Company by the Offeror by way of a scheme of arrangement under Section 86 of the Companies Law and the proposed withdrawal of the listing of the Shares (the “**Scheme Document**”); (iv) the announcement dated 23 September 2020 jointly issued by the Company and the Offeror in relation to, among other things, the results of the Court Meeting and the EGM; and (v) the announcement dated 9 October 2020 jointly issued by the Company and the Offeror in relation to, among other things, the sanction of the Scheme by the Grand Court (the “**Court Sanction Announcement**”). Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Scheme Document.

EFFECTIVE DATE OF THE SCHEME

As set out in the Court Sanction Announcement, the Scheme was sanctioned without modification by the Grand Court at the petition hearing held on Thursday, 8 October 2020 (Cayman Islands time). The reduction of the number of issued Shares in the share capital of the Company resulting from the cancellation and extinguishment of the Scheme Shares (the “**Capital Reduction**”) was also confirmed by the Grand Court on the same day at the same hearing.

An official copy of the order of the Grand Court sanctioning the Scheme and confirming the Capital Reduction was delivered to the Registrar of Companies in the Cayman Islands for registration pursuant to Section 86(3) of the Companies Ordinance on Wednesday, 21 October 2020 (Cayman Islands time).

Accordingly, all of the Conditions of the Scheme as set out in the section headed “Conditions of the Proposal” in the Explanatory Statement of the Scheme Document were fulfilled and the Scheme became effective on Wednesday, 21 October 2020 (Cayman Islands time).

WITHDRAWAL OF THE LISTING OF THE SHARES

The withdrawal of the listing of the Shares on the Stock Exchange will become effective from 4:00 p.m. on Friday, 23 October 2020.

DESPATCH OF CHEQUES

Cheques for payment of the Cancellation Price under the Scheme will be despatched to the Scheme Shareholders as soon as possible but in any event on or before Friday, 30 October 2020.

By order of the board of
Value Management Holding Limited
Ms. Chou Chiu Yueh
Director

By order of the board of
Capxon International Electronic Company Limited
Mr. Lin Chin Tsun
Director

Hong Kong, 22 October 2020

As at the date of this joint announcement, the directors of the Offeror are Mr. Lin Chin Tsun and Ms. Chou Chiu Yueh.

The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises four executive Directors, namely Mr. Lin Chin Tsun (Chairman and President), Ms. Chou Chiu Yueh (Vice President), Mr. Lin Yuan Yu (Chief Executive Officer) and Ms. Lin I Chu, one non-executive Director, namely Ms. Liu Fang Chun and three independent non-executive Directors, namely Mr. Hsieh King-Hu, Miles, Mr. Lu Hong Te and Mr. Tung Chin Chuan.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror and the Offeror Concert Parties) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.