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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**

**(1) 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**

**(2) PROPOSED WITHDRAWAL OF LISTING OF  
CAPXON INTERNATIONAL ELECTRONIC COMPANY LIMITED**

**(3) RESULTS OF THE COURT MEETING AND THE EGM**

**(4) EXPECTED LATEST TIME FOR TRADING IN THE SHARES ON  
THE STOCK EXCHANGE**

**AND**

**(5) CLOSURE OF REGISTER OF MEMBERS OF CAPXON  
INTERNATIONAL ELECTRONIC COMPANY LIMITED**

**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 capital letters below.

**Elstone Capital Limited**

**Independent Financial Adviser to the Independent Board Committee**



**SOMERLEY CAPITAL LIMITED**

**Somerley Capital Limited**

## **RESULTS OF THE COURT MEETING AND THE EGM**

On Wednesday, 23 September 2020, the resolution to approve the Scheme was approved by the Independent Shareholders present and voting either in person or by proxy at the Court Meeting.

On Wednesday, 23 September 2020, (i) the special resolution to approve the reduction of the share capital of the Company by cancelling and extinguishing the Scheme Shares; and (ii) the ordinary resolution to approve, simultaneously with the cancellation and extinguishment of the Scheme Shares referred to in (i), the restoration of the number of issued Shares to the amount prior to the cancellation and extinguishment of the Scheme Shares by issuing such number of new Shares which is equivalent to the number of Scheme Shares cancelled and extinguished, credited as fully paid, to the Offeror, were approved by the Shareholders present and voting either in person or by proxy at the EGM.

## **EXPECTED LATEST TIME FOR TRADING IN THE SHARES ON THE STOCK EXCHANGE**

The expected latest time for trading in the Shares on the Stock Exchange is 4:10 p.m. on Monday, 5 October 2020.

## **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlements of the Scheme Shareholders under the Scheme, the register of members of the Company will be closed from Wednesday, 14 October 2020 (or such other date as the Shareholders may be notified by way of an announcement) onwards. No transfer of Shares will be effected from such date onwards.

## **INTRODUCTION**

Reference is made to the composite scheme document dated 31 August 2020 jointly issued by Capxon International Electronic Company Limited (the “**Company**”) and Value Management Holding Limited (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**”). Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Scheme Document.

## **RESULTS OF THE COURT MEETING**

The Court Meeting was held at United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong at 10:00 a.m. on Wednesday, 23 September 2020 for the purpose of considering and, if thought fit, passing the resolution to approve the Scheme as set out in the notice of the Court Meeting dated 31 August 2020.

In compliance with both Section 86 of the Companies Law and Rule 2.10 of the Takeovers Code, the approval required to be obtained at the Court Meeting in respect of the Scheme would be regarded as obtained if:

- (i) the Scheme is approved (by way of poll) by a majority in number of the Independent Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Independent Shareholders present and voting either in person or by proxy at the Court Meeting;
- (ii) the Scheme is approved (by way of poll) by the Independent Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by Independent Shareholders that are voted either in person or by proxy at the Court Meeting; and
- (iii) the number of votes cast (by way of poll) by Independent Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by all Independent Shareholders.

The poll results in respect of the resolution to approve the Scheme at the Court Meeting were as follows:

|                                                                                                                                                                | <b>Number of votes</b><br><i>(Approximate %) (Note 2)</i> |                |                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|----------------|----------------|
|                                                                                                                                                                | <b>Total</b>                                              | <b>For</b>     | <b>Against</b> |
| Number of Independent Shareholders who attended and voted <i>(Note 1)</i>                                                                                      | 33<br>(100.00%)                                           | 26<br>(78.79%) | 7<br>(21.21%)  |
| Number of Shares held by the Independent Shareholders who were present and voting                                                                              | 110,958,515                                               | 110,645,195    | 313,320        |
| – Approximate percentage of the total number of votes attaching to the Shares held by the Independent Shareholders who were present and voting <i>(Note 2)</i> | (100.00%)                                                 | (99.72%)       | (0.28%)        |
| – Approximate percentage of the total number of votes attaching to all Shares held by all Independent Shareholders (being 250,065,502 Shares) <i>(Note 2)</i>  | (44.37%)                                                  | (44.25%)       | (0.13%)        |

*Notes:*

- (1) In accordance with the direction from the Grand Court, for the purpose of calculating the “majority in number”, HKSCC Nominees Limited was permitted to vote once for or once against the Scheme in accordance with the majority instructions received from CCASS Participants (as defined under the General Rules of CCASS).
- (2) The percentage figures are rounded to two decimal places.

Accordingly, at the Court Meeting:

- (i) the resolution to approve the Scheme was duly passed (by way of poll) by a majority in number of the Independent Shareholders representing not less than three-fourths in value of the Scheme Shares held by the Independent Shareholders present and voting either in person or by proxy at the Court Meeting;
- (ii) the resolution to approve the Scheme was duly passed (by way of poll) by the Independent Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by Independent Shareholders that are voted either in person or by proxy at the Court Meeting; and
- (iii) the number of votes cast (by way of poll) by Independent Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting was not more than 10% of the votes attaching to all Scheme Shares held by all Independent Shareholders.

Therefore, both Section 86 of the Companies Law and Rule 2.10 of the Takeovers Code have been complied with.

As at the date of the Court Meeting and the date of this joint announcement, the total number of Shares in issue was 844,559,841 Shares and the total number of Shares entitling the Independent Shareholders to attend and vote for or against the Scheme at the Court Meeting was 250,065,502 Shares, representing approximately 29.61% of the issued share capital of the Company.

As at the date of the Court Meeting, the Offeror held 374,585,006 Shares (representing approximately 44.35% of the issued share capital of the Company); the Offeror Concert Parties held in aggregate 219,909,333 Shares (representing approximately 26.04% of the issued share capital of the Company); and the Offeror and the Offeror Concert Parties held in aggregate 594,494,339 Shares (representing approximately 70.39% of the issued share capital of the Company). All such Shares did not form part of the Scheme Shares and were not voted on the Scheme at the Court Meeting.

There were no Shares entitling the holders thereof to attend where such holders were required to abstain from voting in favour of the Scheme pursuant to Rule 13.40 of the Listing Rules.

Save as disclosed above and that only the Independent Shareholders were entitled to vote at the Court Meeting, no Shareholder was required to abstain from voting at the Court Meeting in accordance with the Companies Law, the Takeovers Code and/or the Listing Rules, nor did any person indicate in the Scheme Document that he intended to abstain from voting on or to vote against the Scheme at the Court Meeting.

In accordance with the direction from the Grand Court, for the purpose of calculating the “majority in number”, HKSCC Nominees Limited was permitted to vote once for or once against the Scheme in accordance with the majority instructions received from CCASS Participants (as defined under the General Rules of CCASS). A total number of 16 CCASS Participants holding 109,484,503 Shares voted in favour of the resolution to approve the Scheme and a total number of 4 CCASS Participants holding 300,000 Shares voted against the resolution to approve the Scheme at the Court Meeting. Accordingly, as the majority instructions received from the CCASS Participants were to vote in favour of the resolution to approve the Scheme, HKSCC Nominees Limited was counted as one member voting for the Scheme for the purpose of calculating the “majority in number”. The number of votes cast in favour of the Scheme and the number of CCASS Participants on whose instructions they were cast and the number of votes cast against the Scheme and the number of CCASS Participants on whose instructions they were cast will be disclosed to the Grand Court and may be taken into account in deciding whether or not the Grand Court should exercise its discretion to sanction the Scheme.

Tricor Investor Services Limited, the branch share registrar of the Company, acted as the scrutineer for the vote-taking at the Court Meeting.

## RESULTS OF THE EGM

The EGM was held at United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong at 11:30 a.m. on Wednesday, 23 September 2020 for the purpose of considering and, if thought fit, passing the special and ordinary resolutions (the “**Resolutions**”) as set out in the notice of the EGM dated 31 August 2020.

The poll results in respect of the Resolutions proposed at the EGM were as follows:

|                            |                                                                                                                                                     | <b>Number of votes</b><br><i>(Approximate %)</i> |                         |                    |
|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|-------------------------|--------------------|
|                            |                                                                                                                                                     | <b>Total</b>                                     | <b>For</b>              | <b>Against</b>     |
| <b>Special resolution</b>  |                                                                                                                                                     |                                                  |                         |                    |
| 1.                         | To consider and approve, amongst others, the reduction of the issued share capital of the Company by cancelling and extinguishing the Scheme Shares | 715,525,308<br>(100.0%)                          | 715,209,308<br>(99.96%) | 316,000<br>(0.04%) |
| <b>Ordinary resolution</b> |                                                                                                                                                     |                                                  |                         |                    |
| 2.                         | To consider and approve, amongst others, the increase of the number of issued ordinary shares in the share capital of the Company                   | 715,525,308<br>(100.0%)                          | 715,209,308<br>(99.96%) | 316,000<br>(0.04%) |

Accordingly, at the EGM:

- (i) the special resolution to approve and give effect to the reduction of the number of issued Shares in the share capital of the Company by cancelling and extinguishing the Scheme Shares was duly passed by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the EGM; and
- (ii) the ordinary resolution to, simultaneously with the cancellation and extinguishment of the Scheme Shares referred to in (i) above, increase the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by an application of the reserve created as a result of the aforesaid cancellation and extinguishment of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished as a result of the Scheme, credited as fully paid, to be allotted and issued to the Offeror was duly approved by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM.

As at the date of the EGM and as at the date of this joint announcement, the total number of Shares in issue was 844,559,841 Shares and all Shareholders were entitled to attend and vote at the EGM. There were no Shares entitling the holders thereof to attend where such holders were required to abstain from voting in favour of the Resolutions at the EGM pursuant to Rule 13.40 of the Listing Rules. No Shareholder was required to abstain from voting at the EGM in accordance with the Companies Law, the Takeovers Code and/or the Listing Rules, nor did any person indicate in the Scheme Document that he intended to abstain from voting on or to vote against the Resolutions at the EGM.

Tricor Investor Services Limited, the branch share registrar of the Company, acted as the scrutineer for the vote-taking at the EGM.

## **CURRENT STATUS OF CONDITIONS OF THE PROPOSAL**

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Shareholders, subject to the fulfilment or waiver (as applicable) of the Conditions on or before the Long Stop Date. As at the date of this joint announcement, Conditions (1), (2) and (3) have been fulfilled. None of the other Conditions as set out in the section headed “Conditions of the Proposal” in the Explanatory Statement of the Scheme Document, including among others, the sanction of the Scheme (with or without modifications) by the Grand Court and its confirmation of the reduction of the number of issued Shares in the share capital of the Company, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration, have been fulfilled or waived. Subject to such Conditions being fulfilled or waived (as applicable), the Scheme is expected to become effective on Wednesday, 21 October 2020 (Cayman Islands time).

## **PROPOSED WITHDRAWAL OF THE LISTING OF THE SHARES**

Subject to the Scheme becoming effective, the withdrawal of the listing of the Shares on the Stock Exchange is expected to take place with effect from 4:00 p.m. on Friday, 23 October 2020. The Company has applied to the Stock Exchange for the withdrawal of the listing of the

Shares from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules. As at the date of this joint announcement, the Stock Exchange has approved the application for the withdrawal of the listing of the Shares subject to the Scheme becoming effective.

### **EXPECTED LATEST TIME FOR TRADING IN THE SHARES ON THE STOCK EXCHANGE**

The expected latest time for trading in the Shares on the Stock Exchange is 4:10 p.m. on Monday, 5 October 2020.

### **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining the entitlements of the Scheme Shareholders under the Scheme, the register of members of the Company will be closed from Wednesday, 14 October 2020 (or such other date as the Shareholders may be notified by way of an announcement) onwards. No transfer of Shares will be effected from such date onwards.

In order to qualify for entitlements under the Scheme, the Scheme Shareholders should ensure that the transfer of Shares to them are lodged with the Share Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration in their names or in the names of their nominees no later than 4:30 p.m. (Hong Kong time) on Tuesday, 13 October 2020.

### **EXPECTED TIMETABLE**

The timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offeror and the Company. Unless otherwise specified, all times and dates refer to Hong Kong local time and dates.

**Hong Kong time**  
*(unless otherwise stated)*

|                                                                                                                                                                                                                                                                                                         |                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| Expected latest time for trading of<br>Shares on the Stock Exchange . . . . .                                                                                                                                                                                                                           | 4:10 p.m. on Monday,<br>5 October 2020           |
| Grand Court hearing of the petition for<br>the sanction of the Scheme ( <i>Note 2</i> ). . . . .                                                                                                                                                                                                        | Thursday, 8 October 2020<br><i>(Cayman time)</i> |
| Announcement of (1) the results of the Grand Court<br>hearing for the petition for the sanction of the Scheme,<br>(2) the expected Effective Date and (3) the expected<br>date of withdrawal of listing of the Shares on<br>the Stock Exchange posted on the website of<br>the Stock Exchange . . . . . | Friday, 9 October 2020                           |

Latest time for lodging transfers of Shares  
in order to qualify for entitlements under the Scheme . . . . . 4:30 p.m. on Tuesday,  
13 October 2020

Register of members of the Company closed for determining  
entitlement to qualify under the Scheme (*Note 1*) . . . . . from Wednesday,  
14 October 2020 onwards

Scheme Record Date . . . . . Wednesday, 21 October 2020

Effective Date (*Note 2*) . . . . . Wednesday, 21 October 2020  
(*Cayman time*)

Announcement of (1) the Effective Date and  
(2) the withdrawal of listing of the Shares  
on the Stock Exchange posted on  
the website of the Stock Exchange. . . . . no later than 8:30 a.m. on  
Thursday, 22 October 2020

Withdrawal of listing of the Shares  
on the Stock Exchange becomes effective . . . . . 4:00 p.m. on Friday,  
23 October 2020

Cheques for the cash payment under the Proposal  
to be despatched (*Note 3*) . . . . . on or before Friday,  
30 October 2020

*Notes:*

1. The register of members of the Company will be closed during such period for the purpose of determining the Scheme Shareholders, who are qualified for entitlements under the Scheme.
2. When all the conditions to the Proposal are satisfied or waived (as applicable), a copy of the order of the Grand Court sanctioning the Scheme will be delivered to the Registrar of Companies in the Cayman Islands for registration pursuant to Section 86(3) of the Companies Law, at which point it shall become effective and binding on the Offeror, the Company and all Scheme Shareholders.
3. Cheques for entitlements of Scheme Shareholders will be despatched by ordinary post addressed to Scheme Shareholders at their respective addresses as appearing in the register of members of the Company as at the Scheme Record Date or, in the case of joint holders, at the address appearing in the register of members of the Company as at the Scheme Record Date of the joint holder whose name then stands first in the register of members of the Company in respect of the relevant joint holding as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) following the Effective Date. Cheques shall be posted at the risk of the addressees and none of the Offeror, the Company, Elstone, the Independent Financial Adviser and the Share Registrar and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal shall be responsible for any loss or delay in transmission.



## GENERAL

Immediately before 5 June 2020 (being the commencement date of the offer period (within the meaning of the Takeovers Code)) and as at the date of this joint announcement, the total number of issued Shares held or beneficially owned by the Offeror and the Offeror Concert Parties was 594,494,339 Shares, representing approximately 70.39% of the total number of issued Shares immediately before 5 June 2020 and as at the date of this joint announcement.

None of the Offeror and the Offeror Concert Parties had acquired or agreed to acquire any Shares or any convertible securities, warrants, options, or derivatives in respect of the Shares during the offer period.

As at the date of this joint announcement, none of the Offeror and the Offeror Concert Parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

## WARNINGS:

**Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme are subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective.**

**Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

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, 23 September 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.*