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**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  
DESPATCH OF SCHEME DOCUMENT  
IN RELATION TO  
(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  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING OF  
CAPXON INTERNATIONAL ELECTRONIC COMPANY LIMITED**

**Financial Adviser to the Offeror**



**Elstone Capital Limited**

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



**SOMERLEY CAPITAL LIMITED**

**Sommerley Capital Limited**

## **INTRODUCTION**

Reference is made to (i) the joint announcement issued by Capxon International Electronic Company Limited (the “Company”) and Value Management Holding Limited (the “Offeror”) dated 5 June 2020 (the “Joint Announcement”), 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; (ii) the joint announcement of the Company and the Offeror dated 26 June 2020 in relation to the extension of time for the despatch of the Scheme Document; and (iii) the joint announcement issued by the Company and the Offeror dated 27 July 2020 in relation to monthly update on the status and progress in connection with the Proposal. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement.

## **DESPATCH OF THE SCHEME DOCUMENT**

The Scheme Document together with the notices of the Court Meeting and the EGM to be held on Wednesday, 23 September 2020 and the related forms of proxy will be despatched to the Shareholders on Monday, 31 August 2020.

The Scheme Document contains, among other things, information on the Proposal and the Scheme, the expected timetable, the explanatory statement of the Scheme, financial information of the Group, the property valuation report, general information on the Group and the Offeror, the letter from the Board, the recommendations from the Independent Board Committee with respect to the Proposal and the Scheme, the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the notices of the Court Meeting and the EGM.

## **RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising the independent non-executive Directors, namely Mr. Hsieh King-Hu, Miles, Mr. Lu Hong Te and Mr. Tung Chin Chuan, has been established to make recommendations to the Independent Shareholders in respect of the Proposal and the Scheme.

Somerley Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in respect of the Proposal and the Scheme.

Shareholders are urged to read carefully the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser in relation to the Proposal and the Scheme as set out in the letters from the Independent Board Committee and the Independent Financial Adviser as contained in the Scheme Document.

## **COURT MEETING AND EGM**

The Court Meeting is scheduled to be held at 10:00 a.m. on Wednesday, 23 September 2020 at United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong. Scheme Shareholders whose names appear in the register of members of the Company as at

Wednesday, 23 September 2020 shall be entitled to attend and vote, in person or by proxy, at the Court Meeting, provided that, for the purpose of satisfying the voting requirements imposed by the Takeovers Code, only the votes in respect of the Scheme Shares of Independent Shareholders present and voting either in person or by proxy, will be counted.

The EGM is scheduled to be held at 11:30 a.m. (or immediately after the conclusion or adjournment of the Court Meeting) on the same day and at the same venue as the Court Meeting. All Shareholders (including the Offeror Concert Parties) whose names appear in the register of members of the Company as at Wednesday, 23 September 2020 shall be entitled to attend and vote, in person or by proxy, at the EGM.

Notices of the Court Meeting and the EGM are set out in the Scheme Document.

An announcement will be jointly made by the Company and the Offeror in relation to the results of the Court Meeting and the EGM on Wednesday, 23 September 2020.

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

For the purpose of determining the entitlements of holders of the Scheme Shares to attend and vote at the Court Meeting and Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Friday, 18 September 2020 to Wednesday, 23 September 2020 (both days inclusive) and during such period, no transfer of Shares will be effected. In order to qualify to vote at the Court Meeting and the EGM, all transfers accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited (the “Share Registrar”), the Company’s branch share registrar in Hong Kong, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong by 4:30 p.m. (Hong Kong time) on Thursday, 17 September 2020.

### **CONDITIONS OF THE PROPOSAL**

Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable. All of the Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date (or such later date as the Offeror and the Company may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive), failing which the Proposal and the Scheme will lapse. Assuming that the Conditions are satisfied or validly waived (as applicable), it is expected that the Scheme will become effective on or around Wednesday, 21 October 2020 (Cayman Islands time), and the listing of Shares is expected to be withdrawn from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules with effect from 4:00 p.m. on Friday, 23 October 2020.

Further announcements will be made in accordance with the requirements of the Takeovers Code and the Listing Rules to give details of, among others, (i) the results of the Court Meeting and the EGM and, if all the resolutions are passed at those meetings, (ii) the result of the Grand Court hearing of the petition for the sanction of the Scheme, (iii) the Effective Date, and (iv) the date of withdrawal of the listing of the Shares on the Stock Exchange.

## 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)

Latest time for lodging transfers of Shares in order to qualify for entitlement to attend and vote at the Court Meeting and the EGM . . . . . 4:30 p.m. on Thursday  
17 September 2020

Register of members of the Company closed for determining entitlement to attend and vote at the Court Meeting and the EGM (*Note 1*) . . . . . Friday, 18 September 2020 to  
Wednesday, 23 September 2020  
(both days inclusive)

Latest time for lodging forms of proxy in respect of:

- Court Meeting (*Note 2*) . . . . . 10:00 a.m. on Monday,  
21 September 2020
- EGM (*Note 2*) . . . . . 11:30 a.m. on  
Monday, 21 September 2020

Meeting Record Date . . . . . Wednesday, 23 September 2020

Court Meeting (*Notes 2 and 3*) . . . . . 10:00 a.m. on  
Wednesday, 23 September 2020

EGM (*Notes 2 and 3*) . . . . . 11:30 a.m. on Wednesday,  
23 September 2020 (or immediately after the  
conclusion or adjournment of the Court Meeting)

Announcement of the results of the Court Meeting and the EGM posted on the website of the Stock Exchange . . . . . no later than 7:00 p.m. on  
Wednesday, 23 September 2020

Expected latest time for trading of Shares on the Stock Exchange . . . . . 4:10 p.m. on  
Monday, 5 October 2020

Grand Court hearing of the petition for the sanction of the Scheme (*Note 5*) . . . . . Thursday, 8 October 2020  
(*Cayman time*)

Announcement of (1) the results of the Grand Court hearing for the petition for the sanction of the Scheme, (2) the expected Effective Date and (3) the expected date of withdrawal of listing of the Shares on the Stock Exchange posted on the website of 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 4*) . . . . . from Wednesday, 14 October 2020 onwards

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

Effective Date (*Note 5*) . . . . . 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 6*) . . . . . 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 entitlements of the Scheme Shareholders to attend and vote at the Court Meeting and of the Shareholders to attend and vote at the EGM. For the avoidance of doubt, this period of closure is not for determining entitlements under the Scheme.
2. The **pink** form of proxy in respect of the Court Meeting and the **white** form of proxy in respect of the EGM should be completed and signed in accordance with the instructions respectively printed thereon and should be lodged with the Share Registrar at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong by the times and dates stated above. The **pink** form of proxy for use at the Court Meeting and the **white** form of proxy for use at the EGM must be lodged no later than the time and date stated above in order for them to be valid. The completion and return of a form of proxy for the Court Meeting and/or the EGM will not preclude a member from attending and voting in person at the relevant meeting or any adjournment thereof if he so wishes. In the event that the member attends and votes at the relevant meeting or any adjournment thereof after having lodged his form of proxy, the returned form of proxy shall be deemed to have been revoked by operation of law.

3. If a tropical cyclone warning signal No. 8 or above or “extreme conditions” caused by super typhoons is or is expected to be hoisted or a black rainstorm warning signal is or is expected to be in force at any time after 7:00 a.m. on the date of the Court Meeting and the EGM, the Court Meeting and the EGM will be postponed. The Company will post an announcement on the respective websites of the Stock Exchange and the Company to notify the members of the date, time and venue of the rescheduled meetings.
4. 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.
5. 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.
6. 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.

**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, 31 August 2020

*As at the date of this 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 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 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 announcement, the omission of which would make any statement in this announcement misleading.*

*As at the date of this 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 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 announcement (other than that 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 announcement, the omission of which would make any statement in this announcement misleading.*