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**Immaculate Diamonds Limited**  
*(Incorporated in British Virgin Islands with limited liability)*



**PERFECT GROUP**  
保發集團

**PERFECT GROUP INTERNATIONAL HOLDINGS LIMITED**  
保發集團國際控股有限公司  
*(Incorporated in the Cayman Islands with limited liability)*  
(Stock Code: 3326)

**JOINT ANNOUNCEMENT**  
**(1) PROPOSAL FOR THE PRIVATISATION OF**  
**PERFECT GROUP INTERNATIONAL HOLDINGS LIMITED**  
**BY THE OFFEROR**  
**BY WAY OF A SCHEME OF ARRANGEMENT**  
**UNDER SECTION 86 OF THE COMPANIES ACT OF**  
**THE CAYMAN ISLANDS**  
**(2) PROPOSED WITHDRAWAL OF LISTING**  
**(3) ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE**  
**AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER**  
**AND**  
**(4) RESUMPTION OF TRADING IN SHARES**

**Financial Adviser to the Offeror**



**Zhongtai International Capital Limited**

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



## INTRODUCTION

On 30 May 2025, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of the scheme of arrangement under section 86 of the Companies Act. The Scheme will involve the cancellation and extinguishment of the Scheme Shares and, in consideration, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share cancelled, and the withdrawal of the listing of the Shares from the Stock Exchange.

## TERMS OF THE PROPOSAL

Subject to the satisfaction or waiver (where applicable) of the Conditions and the Scheme becoming effective, all Scheme Shares will be cancelled and the Scheme Shareholders will be entitled to receive from the Offeror:

For every Scheme Share cancelled ..... HK\$0.25 in cash

On 24 March 2025, the Board proposed the payment of a final dividend of HK\$0.01 per Share for the year ended 31 December 2024. The annual general meeting of the Company was held on 2 June 2025, at which, the resolution was passed for the approval of the payment of final dividend for the year ended 31 December 2024. Further announcement will be made by the Company in respect of, among others, the date of payment of the dividend. Save for the final dividend of the Company of HK\$0.01 per Share for the year ended 31 December 2024, which will not be deducted from the Cancellation Price, if, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

**The Cancellation Price will not be increased, and the Offeror does not reserve the right to do so. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.**

## **CONDITIONS OF THE PROPOSAL AND THE SCHEME**

The Proposal and the Scheme will only become effective and binding on the Company and all of the Scheme Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (a) the approval of the Scheme (by way of poll) by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting, either in person or by proxy, at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) at the Court Meeting by the Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Scheme Shareholders that are cast either in person or by proxy at the Court Meeting and the number of votes cast by Disinterested Scheme 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 the Disinterested Scheme Shareholders;
- (c) the passing of (i) a special resolution by a majority of at least 75% of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to any reduction of the issued share capital of the Company as a result of cancelling and extinguishing the Scheme Shares and (ii) an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the issue to the Offeror of such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished as a result of the Scheme and the application of the credit arising in the Company's books of accounts as a result of the cancellation and extinguishment of the Scheme Shares in paying up in full at par value the new Shares issued to the Offeror;
- (d) the sanction of the Scheme (with or without modification) by the Grand Court and if necessary its confirmation of any reduction of the issued share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of (and if necessary, minutes approved by) the Grand Court for registration;
- (e) all Approvals which are (i) required in connection with the Proposal by (1) the Applicable Laws or (2) any licenses, permits or contractual obligations of the Company; and (ii) material in the context of the Group (taken as a whole), having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification up to and as at the Effective Date;

- (f) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal);
- (g) all the Applicable Laws having been complied with and no legal or regulatory requirement having been imposed by any Authority which is not expressly provided for, or is in addition to the requirements expressly provided for, in the Applicable Laws in connection with the Proposal which are material in the context of the Group (taken as a whole), in each case up to and as at the Effective Date; and
- (h) since the Announcement Date, there having been no adverse change to the business, financial or trading position of the Group taken as a whole, to an extent that is material in the context of the Proposal or the Scheme.

The Conditions set out in paragraphs (a) to (d) and (e)(i)(1) above cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (e) to (h) (other than (e)(i)(1)) in whole or in part. The Company does not have the right to waive any of the Conditions. All of the above 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 Executive may consent and the Grand Court may direct), failing which the Scheme will not become effective and the Proposal will lapse.

In respect of Condition (e)(i)(2), each of the Company and/or the Offeror is not aware of any such approvals other than those stipulated in a loan facility agreement entered into by the Company with a licensed bank in Hong Kong as at the Announcement Date. As the loan facility has never been utilised by the Company, the Company intends to discuss with the bank for the variation of the terms of the facility agreement, failing which, the Offeror is prepared to waive such condition.

As at the Announcement Date and based on the information available to the Offeror and the Company, other than the Approvals listed in the Conditions in paragraphs (a) to (d) (inclusive), the variation of the terms in Condition (e)(i)(2) mentioned above and the approval by the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange, the Offeror and the Company are not aware of any other Approvals which are required as set out in the Condition in paragraph (e) above, and the Offeror and the Company are also not aware of any other circumstances which may result in any of the Conditions in paragraphs (e) to (h) (inclusive) not being satisfied. In particular, as at the Announcement Date, the Company is not aware of any Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry as set out in the Condition in paragraph (f).

## **IRREVOCABLE UNDERTAKINGS**

On 3 June 2025, the Offeror received the respective Irrevocable Undertakings from each of the IU Shareholders (comprising Classic Amber, Richemont Asset Management and Cachet Asset Management), pursuant to which each of the IU Shareholders has undertaken to, among other things, (i) for Classic Amber, (a) to vote in favour at the Court Meeting and (b) exercise (or procure the exercise of) all voting rights attached to the IU Shares held or owned by it at the EGM in favour of all the resolutions to approve the Proposal and any matters in connection with the Proposal, (ii) for each of Richemont Asset Management and Cachet Asset Management, (a) abstain from voting at the Court Meeting and (b) exercise (or procure the exercise of) all voting rights attached to the IU Shares held or owned by it at the EGM in favour of all the resolutions to approve the Proposal and any matters in connection with the Proposal (where applicable). Each of the IU Shareholders also undertook that it will not, on or before the Effective Date, and other than in connection with the Scheme, sell, transfer, charge, encumber, create or grant any option, right, warrant or lien over or otherwise dispose of, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the legal, beneficial or economic consequences of ownership of, or grant any proxy or enter into any voting agreement or similar arrangement with respect to the voting of, or permit any such action to occur in respect of, all or any of the IU Shares or any interest therein.

The Irrevocable Undertakings, being binding irrevocable undertakings, will terminate and the above obligations of the IU Shareholders under the Irrevocable Undertakings will cease to be binding if the Scheme does not become effective, lapses or is withdrawn in accordance with its terms.

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the Announcement Date:

- (i) the issued share capital of the Company comprises 1,335,078,000 Shares;
- (ii) the Offeror beneficially owns, controls or has direction over 729,000,000 Shares, representing approximately 54.60% of the issued Shares;
- (iii) the Offeror Concert Parties beneficially own, control or have direction over 306,827,782 Shares, representing approximately 22.98% of the issued Shares;
- (iv) the Offeror, Mr. Kan and their respective concert parties hold an aggregate of 1,035,827,782 Shares, representing approximately 77.59% of the issued Shares;
- (v) the Disinterested Scheme Shareholders hold an aggregate of 299,250,218 Shares representing approximately 22.41% of the issued Shares;

- (vi) the Scheme Shares, comprising 519,585,000 Shares, represent approximately 38.92% of the issued Shares;
- (vii) the Offeror Group holds an aggregate of 815,493,000 Shares, representing approximately 61.08% of the issued Shares. These Shares will not form part of the Scheme Shares and will not be cancelled and extinguished upon the Scheme becoming effective. The Shares held by Classic Sapphire, Classic Emerald, Cachet Asset Management and Richemont Asset Management (which are concert parties of Mr. Kan and therefore the Offeror) will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective;
- (viii) Zhongtai Capital is the financial adviser to the Offeror in connection with the Proposal. Accordingly, Zhongtai Capital is presumed to be acting in concert with the Offeror in relation to the Company in accordance with class (5) of the definition of “acting in concert” under the Takeovers Code. As at the Announcement Date, Zhongtai Capital does not hold any Shares; and
- (ix) there are no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares.

Assuming there is no other change in shareholding of the Company before completion of the Proposal, the Offeror Group will hold 100% of the issued Shares upon the Scheme becoming effective.

## **TOTAL CONSIDERATION AND FINANCIAL RESOURCES**

On the basis of the Cancellation Price of HK\$0.25 per Scheme Share and 519,585,000 Scheme Shares being in issue as at the Announcement Date and assuming that there is no other change in the shareholding of the Company before the Scheme Record Date, the Scheme Shares are in aggregate valued at HK\$129,896,250, which represents the amount of cash required for the Scheme.

The Offeror’s payment obligations to the Scheme Shareholders in respect of the Cancellation Price in cash pursuant to and in accordance with the Scheme shall be fulfilled by the Offeror. The Offeror intends to finance the cash required for the cancellation and extinguishment of the Scheme Shares with the Offeror’s internal cash resources.

Zhongtai Capital has been appointed as financial adviser to the Offeror in respect of the Proposal and is satisfied that sufficient financial resources are available to the Offeror for discharging its obligations in respect of the cash consideration payable under the Proposal.



## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, which comprises Dr. Ng Wang Pun Dennis, Ms. Ng Sin Kiu and Mr. Wong Wai Keung Frederick, all being independent non-executive Directors, has been established by the Board in accordance with Rule 2.1 of the Takeovers Code to make a recommendation to the Disinterested Scheme Shareholders as to whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the EGM.

VS Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the terms of the Proposal and the Scheme. The appointment of VS Capital has been approved by the Independent Board Committee. The advice of the Independent Financial Adviser and recommendation of the Independent Board Committee will be included in the Scheme Document and despatched to the Shareholders in due course.

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

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished (with the equivalent number of new Shares being simultaneously issued and credited as fully paid to the Offeror) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect from the Effective Date.

## **IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

If the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or otherwise lapses or is withdrawn, there are restrictions under Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with the Offeror in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or otherwise lapses or is withdrawn announce an offer or possible offer for the Company, except with the consent of the Executive.

## **DESPATCH OF THE SCHEME DOCUMENT**

The Scheme Document including, among other things: (i) further details of the Proposal and the Scheme; (ii) an explanatory statement as required under the Companies Act and the Grand Court Rules; (iii) the expected timetable relating to the Proposal; (iv) the recommendations of the Independent Board Committee; (v) the letter of advice from the Independent Financial Adviser; and (vi) the notices of the Court Meeting and the EGM together with proxy forms in relation to the same, will be despatched to the Scheme Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Grand Court Rules and other applicable laws and regulations.

Under Rule 8.2 of the Takeovers Code, the Scheme Document should be despatched to the Shareholders within 21 days of the Announcement Date, that is, on or before 30 June 2025. The Scheme Document may only be despatched to the Shareholders after the Grand Court has, at a Directions Hearing to be held on a date to be fixed by the Grand Court, directed the holding of the Court Meeting.

As additional time is required to procure the holding of the Directions Hearing and to finalise the information to be included in the Scheme Document, an application will be made with the Executive for its consent to extend the latest time for the despatch of the Scheme Document. Further announcement(s) will be made by the Company and the Offeror as and when appropriate in accordance with the Takeovers Code.

## **RESUMPTION OF TRADING IN SHARES**

At the request of the Company, trading in the Shares on the Stock Exchange has been halted from 9:00 a.m. on 2 June 2025 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on Tuesday, 10 June 2025.

## **WARNINGS**

**Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. 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.**



**This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of the applicable laws and regulations. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any approval or other response to the Proposal should be made only on the basis of information in the Scheme Document and the individual circumstances of the Shareholder making the decision.**

**The availability of the Proposal to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas Shareholders will be contained in the Scheme Document.**

## ***NOTICE TO OVERSEAS SHAREHOLDERS***

*This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of applicable law. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any acceptance, approval, rejection or other response to the Proposal should be made only on the basis of information in the Scheme Document or any other document by which the Proposal is made.*

*The availability of the Proposal to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not so resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas Shareholders will be contained in the Scheme Document. Persons who are not resident in Hong Kong should consult their professional advisors if in doubt.*

## **NOTICE TO US INVESTORS**

*The Proposal is being made to cancel the securities of a Cayman Islands exempted company by means of a scheme of arrangement provided for under the laws of Cayman Islands and is subject to Hong Kong disclosure requirements which are different from those of the United States.*

*A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Securities Exchange Act of 1934, as amended. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement which differ from the disclosure and procedural requirements applicable under the US federal securities laws.*

*The receipt of cash pursuant to the Proposal by a US holder of Scheme Shares as consideration for the cancellation and extinguishment of his/her/its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each holder of Scheme Shares is urged to consult his/her/its independent professional adviser immediately regarding the tax consequences of the Proposal applicable to him/her/it.*

*It may be difficult for US holders of Scheme Shares to enforce their rights and claims arising out of the US federal securities laws, since the Offeror and the Company are located in a country other than the United States, and some or all of their officers and directors may be residents of a country other than the United States. US holders of Scheme Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.*

## **INTRODUCTION**

On 30 May 2025, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of the scheme of arrangement under section 86 of the Companies Act. The Scheme will involve the cancellation and extinguishment of the Scheme Shares and, in consideration, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share cancelled and the withdrawal of listing of the Shares on the Stock Exchange.

If the Proposal is approved and implemented, under the Scheme, all Scheme Shares will be cancelled on the Effective Date. Contemporaneously with the cancellation and extinguishment of the Scheme Shares, the share capital of the Company will be maintained at the amount immediately prior to the cancellation and extinguishment of the Scheme Shares by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of new Shares as is equal to the number of Scheme Shares cancelled. The reserve created in

the Company's books of account as a result of the cancellation and extinguishment of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror.

## **TERMS OF THE PROPOSAL**

### **The Scheme**

Subject to the satisfaction or waiver (where applicable) of the Conditions and the Scheme becoming effective, all Scheme Shares will be cancelled and the Scheme Shareholders will be entitled to receive from the Offeror:

For every Scheme Share cancelled ..... HK\$0.25 in cash

### **Comparison of value**

The Cancellation Price of HK\$0.25 represents:

- (a) a premium of approximately 61.29% over the closing price of HK\$0.155 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 61.29% over the average closing price of approximately HK\$0.155 per Share as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Day;
- (c) a premium of approximately 62.34% over the average closing price of approximately HK\$0.154 per Share as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- (d) a premium of approximately 58.23% over the average closing price of approximately HK\$0.158 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day; and
- (e) a discount of approximately 45.30% to the audited consolidated net asset value per Share of approximately HK\$0.457 as at 31 December 2024, based on (i) the audited net asset value attributable to owners of the Company of approximately HK\$609,939,000 as at 31 December 2024 and (ii) 1,335,078,000 Shares in issue as at the Announcement Date.

The Cancellation Price has been determined after taking into account, among other things, the outlook of the Company and the historical trading prices of the Shares on the Stock Exchange in the past year.

## **Highest and lowest prices**

During the six-month period ended on and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.193 on 18 February 2025, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.152 on 7 May 2025 and 14 May 2025.

## **Dividend payment by the Company**

On 24 March 2025, the Board proposed the payment of a final dividend of HK\$0.01 per Share for the year ended 31 December 2024. The annual general meeting of the Company was held on 2 June 2025, at which, the resolution was passed for the approval of the payment of dividend for the year ended 31 December 2024. Further announcement will be made by the Company in respect of, among others, the date of payment of the dividend.

As at the Announcement Date, save for the final dividend of the Company for the year ended 31 December 2024, the Company has not declared any dividend which remains unpaid, and the Company does not intend to declare and/or pay any dividend before the Effective Date or the date on which the Scheme is not approved, or the Proposal otherwise lapses or is withdrawn (as the case may be).

Save for the final dividend of the Company of HK\$0.01 per Share for the year ended 31 December 2024, which will not be deducted from the Cancellation Price, if, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

## **No increase in the Cancellation Price**

**The Cancellation Price will not be increased, and the Offeror does not reserve the right to do so. Shareholders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.**

## Conditions of the Proposal and the Scheme

The Proposal and the Scheme will only become effective and binding on the Company and all of the Scheme Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (a) the approval of the Scheme (by way of poll) by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at Court Meeting, present and voting either in person or by proxy at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) at the Court Meeting by the Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Scheme Shareholders that are cast either in person or by proxy at the Court Meeting and the number of votes cast by Disinterested Scheme 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 the Disinterested Scheme Shareholders;
- (c) the passing of (i) a special resolution by a majority of at least 75% of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to any reduction of the issued share capital of the Company as a result of cancelling and extinguishing the Scheme Shares and (ii) an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the issue to the Offeror of such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished as a result of the Scheme and the application of the credit arising in the Company's books of accounts as a result of the cancellation and extinguishment of the Scheme Shares in paying up in full at par value the new Shares issued to the Offeror;
- (d) the sanction of the Scheme (with or without modification) by the Grand Court and if necessary its confirmation of any reduction of the issued share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of (and if necessary, minutes approved by) the Grand Court for registration;
- (e) all Approvals which are (i) required in connection with the Proposal by (1) the Applicable Laws or (2) any licenses, permits or contractual obligations of the Company; and (ii) material in the context of the Group (taken as a whole), having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification up to and as at the Effective Date;

- (f) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal);
- (g) all the Applicable Laws having been complied with and no legal or regulatory requirement having been imposed by any Authority which is not expressly provided for, or is in addition to the requirements expressly provided for, in the Applicable Laws in connection with the Proposal which are material in the context of the Group (taken as a whole), in each case up to and as at the Effective Date; and
- (h) since the Announcement Date, there having been no adverse change to the business, financial or trading position of the Group taken as a whole, to an extent that is material in the context of the Proposal or the Scheme.

The Conditions set out in paragraphs (a) to (d) and (e)(i)(1) above cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (e) to (h) (other than (e)(i)(1)) in whole or in part. The Company does not have the right to waive any of the Conditions. All of the above 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 Executive may consent and the Grand Court may direct), failing which the Scheme will not become effective and the Proposal will lapse.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Proposal or the Scheme if the circumstances which give rise to the right to invoke such Condition are of material significance to the Offeror in the context of the Proposal or the Scheme.

In respect of Condition (e)(i)(2), the Company and/or the Offeror is not aware of any such approvals other than those stipulated in a loan facility agreement entered into by the Company with a licensed bank in Hong Kong as at the Announcement Date. As the loan facility has never been utilised by the Company, the Company intends to discuss with the bank for the variation of the terms of the facility agreement, failing which, the Offeror is prepared to waive such condition.

As at the Announcement Date and based on the information available to the Offeror and the Company, other than the Approvals listed in the Conditions in paragraphs (a) to (d) (inclusive), the variation of the terms in Condition (e)(i)(2) mentioned above and the approval by the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange, the Offeror and the Company are not aware of any other Approvals which are required as set out in the Condition in paragraph (e) above, and the Offeror and the



Company are also not aware of any other circumstances which may result in any of the Conditions in paragraphs (e) to (h) (inclusive) not being satisfied. In particular, as at the Announcement Date, the Company is not aware of any Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry as set out in the Condition in paragraph (f).

If approved, the Scheme will be binding on the Company and all the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

**Warning: Shareholders and/or potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and/or 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, licensed securities dealer, registered institution in securities, bank manager, solicitor or other professional advisers.**

## **TOTAL CONSIDERATION AND FINANCIAL RESOURCES**

As at the Announcement Date, there are 1,335,078,000 Shares in issue, and there are 519,585,000 Scheme Shares (representing approximately 38.92% of the issued share capital of the Company) in issue. There are no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares.

On the basis of the Cancellation Price of HK\$0.25 per Scheme Share and 519,585,000 Scheme Shares being in issue as at the Announcement Date and assuming that there is no other change in the shareholding of the Company before the Scheme Record Date, the Scheme Shares are in aggregate valued at HK\$129,896,250, which represents the amount of cash required for the Scheme.

The Offeror's payment obligations to the Scheme Shareholders in respect of the Cancellation Price in cash pursuant to and in accordance with the Scheme shall be fulfilled by the Offeror. The Offeror intends to finance the cash required for the cancellation and extinguishment of the Scheme Shares with the Offeror's internal cash resources.

Zhongtai Capital has been appointed as financial adviser to the Offeror in respect of the Proposal and is satisfied that sufficient financial resources are available to the Offeror for discharging its obligations in respect of the cash consideration payable under the Proposal.

## **IRREVOCABLE UNDERTAKINGS**

On 3 June 2025, the Offeror received the respective Irrevocable Undertakings from each of the IU Shareholders (comprising Classic Amber, Richemont Asset Management and Cachet Asset Management), pursuant to which each of the IU Shareholders has undertaken to, among other things, (i) for Classic Amber, (a) to vote in favour at the Court Meeting and (b) exercise (or procure the exercise of) all voting rights attached to the IU Shares held or owned by it at the EGM in favour of all the resolutions to approve the Proposal and any matters in connection with the Proposal, (ii) for each of Richemont Asset Management and Cachet Asset Management, (a) abstain from voting at the Court Meeting and (b) exercise (or procure the exercise of) all voting rights attached to the IU Shares held or owned by it at the EGM in favour of all the resolutions to approve the Proposal and any matters in connection with the Proposal (where applicable). Each of the IU Shareholders also undertook that it will not, on or before the Effective Date, and other than in connection with the Scheme, sell, transfer, charge, encumber, create or grant any option, right, warrant or lien over or otherwise dispose of, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the legal, beneficial or economic consequences of ownership of, or grant any proxy or enter into any voting agreement or similar arrangement with respect to the voting of, or permit any such action to occur in respect of, all or any of the IU Shares or any interest therein.

All the issued shares of Cachet Asset Management are owned by Ms. Chow who is also the sole shareholder of Richemont Asset Management. Cachet Asset Management is the investment advisor of Mr. Kan, therefore, Ms. Chow, Cachet Asset Management and Richemont Asset Management are deemed to be the Offeror Concert Parties pursuant to Class (5) of the definition of “acting in concert” under the Takeovers Code. In accordance with the requirements of the relevant laws and regulations (including the Takeovers Code), each of Cachet Asset Management and Richemont Asset Management will abstain from voting on the Scheme at the Court Meeting. As at the Announcement Date, Richemont Asset Management and Cachet Asset Management hold an aggregate of 89,339,782 Shares representing approximately 6.69% of the total Shares in issue, which will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective.

The Irrevocable Undertakings, being binding irrevocable undertakings, will terminate and the above obligations of the IU Shareholders under the Irrevocable Undertakings will cease to be binding if the Scheme does not become effective, lapses or is withdrawn in accordance with its terms.

As at Announcement Date, information on the IU Shareholders is set out as follows:

### **Classic Amber**

Classic Amber is a company incorporated in the British Virgin Islands with limited liability, and Mr. Jacky Luo is the ultimate and sole beneficial shareholder of it. As at the Announcement Date, Classic Amber is interested in an aggregate of 101,232,000 Shares, representing approximately 7.58% of the issued share capital of the Company, all of such 101,232,000 Shares held by Classic Amber are subject to the Irrevocable Undertaking of Classic Amber. Save for the Irrevocable Undertaking from Classic Amber, there is no agreement, arrangement or understanding between Classic Amber and Mr. Jacky Luo on one part and the Offeror and Mr. Kan on the other part with respect to the Company. Classic Amber and Mr. Jacky Luo on one part and the Offeror and Mr. Kan on the other part are not acting in concert and do not fall under any of the classes of presumptions of acting in concert under the Takeovers Code.

### **Richemont Asset Management**

Richemont Asset Management is a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is owned by Ms. Chow. As at the Announcement Date, Richemont Asset Management is interested in an aggregate of 87,426,997 Shares, representing approximately 6.55% of the issued share capital of the Company, all of such 87,426,997 Shares held by Richemont Asset Management are subject to the Irrevocable Undertaking of Richemont Asset Management.

### **Cachet Asset Management**

Cachet Asset Management is a company incorporated in Hong Kong with limited liability, all the issued shares of which are owned by Ms. Chow. As at the Announcement Date, Cachet Asset Management is interested in an aggregate of 1,912,785 Shares, representing approximately 0.14% of the issued share capital of the Company, all of such 1,912,785 Shares held by Cachet Asset Management are subject to the Irrevocable Undertaking of Cachet Asset Management.

## **INFORMATION ON CLASSIC SAPPHIRE AND CLASSIC EMERALD**

As at Announcement Date, information on Classic Sapphire and Classic Emerald (both a concert party of the Offeror and Mr. Kan) is set out as follows:

### **Classic Sapphire**

Classic Sapphire is a company incorporated in the British Virgin Islands with limited liability, the issued shares of which are owned as to 50% by Mr. Kan and 50% by Mr. Chan Wing Sum. As at the Announcement Date, Classic Sapphire is interested in 100,620,000 Shares, representing approximately 7.54% of the issued share capital of the Company.

## **Classic Emerald**

Classic Emerald is a company incorporated in the British Virgin Islands with limited liability, the issued shares of which are owned as to 100% by Mr. Chung Chi Keung. As at the Announcement Date, Classic Emerald is interested in 30,375,000 Shares, representing approximately 2.28% of the issued share capital of the Company.

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the Announcement Date:

- (a) the issued share capital of the Company comprises 1,335,078,000 Shares;
- (b) the Offeror beneficially owns, controls or has direction over 729,000,000 Shares, representing approximately 54.60% of the issued Shares;
- (c) the Offeror Concert Parties beneficially own, control or have direction over 306,827,782 Shares, representing approximately 22.98% of the issued Shares;
- (d) the Offeror, Mr. Kan and their respective concert parties hold an aggregate of 1,035,827,782 Shares, representing approximately 77.59% of the issued Shares;
- (e) the Disinterested Scheme Shareholders legally or beneficially own, control or have direction over a total of 299,250,218 Shares, representing approximately 22.41% of the issued Shares;
- (f) the Scheme Shareholders legally or beneficially own, control or have direction over a total of 519,585,000 Shares, representing approximately 38.92% of the issued Shares;
- (g) Zhongtai Capital is the financial adviser to the Offeror in connection with the Proposal. Accordingly, Zhongtai Capital is presumed to be acting in concert with the Offeror in relation to the Company in accordance with Class (5) of the definition of “acting in concert” under the Takeovers Code. As at the Announcement Date, Zhongtai Capital does not hold any Shares;
- (h) there are no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares;
- (i) there are no convertible securities, warrants or options in respect of the Shares held, controlled or directed by the Offeror and the Offeror Concert Parties;

- (j) neither the Offeror nor any of the Offeror Concert Parties have entered into any outstanding derivative in respect of the securities in the Company; and
- (k) neither the Offeror nor any of the Offeror Concert Parties have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

All Scheme Shares will be cancelled and extinguished in consideration for the Cancellation Price in cash upon the Scheme becoming effective.

The table below sets out the shareholding structure of the Company as at the Announcement Date and immediately upon completion of the Proposal, assuming that there is no other change in the shareholding of the Company before the Effective Date.

Shareholders	As at the Announcement Date		Immediately upon completion of the Proposal	
	Number of Shares	Approximate % of total Shares	Number of Shares	Approximate % of total Shares
<b>Offeror (Note 1 and 5)</b>				
— Offeror	729,000,000	54.60	1,248,585,000	93.53
<b>Offeror Concert Parties</b>				
— King Jewel (Notes 2 and 5)	57,339,000	4.29	57,339,000	4.29
— Mr. Kan (Note 5)	29,154,000	2.18	29,154,000	2.18
— Classic Sapphire (Note 3)	100,620,000	7.54	—	—
— Richemont Asset Management (Note 4)	87,426,997	6.55	—	—
— Cachet Asset Management (Note 4)	1,912,785	0.14	—	—
— Classic Emerald (Note 6)	30,375,000	2.28	—	—
<b>Sub-total of Offeror and Offeror Concert Parties</b>	<b>1,035,827,782</b>	<b>77.59</b>	<b>1,335,078,000</b>	<b>100.00</b>
<b>Independent non-executive Director</b>				
Dr. Ng Wang Pun Dennis (Note 7)	738,000	0.06	—	—
<b>Other Shareholders</b>	197,280,218	14.78	—	—
<b>Classic Amber</b>	101,232,000	7.58	—	—
<b>Total number of Scheme Shares (Note 8)</b>	<b>519,585,000</b>	<b>38.92</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>1,335,078,000</b>	<b>100.00</b>	<b>1,335,078,000</b>	<b>100.00</b>

*Notes:*

1. The entire issued share capital of the Offeror is ultimately and beneficially owned by Mr. Kan who is deemed to be interested in the Shares held by the Offeror by virtue of the SFO.
2. The entire issued share capital of King Jewel is ultimately and beneficially owned by Mr. Kan who is deemed to be interested in the Shares held by King Jewel by virtue of the SFO.
3. The issued share capital of Classic Sapphire is owned as to 50% by Mr. Kan and 50% by Mr. Chan Wing Sum. Mr. Kan is deemed to be interested in the Shares held by Classic Sapphire by virtue of the SFO. As at the Announcement Date, the 100,620,000 Shares held by Classic Sapphire will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective.
4. All the shares in issue of Richemont Asset Management and Cachet Asset Management are owned by Ms. Chow. Cachet Asset Management is the investment advisor of Mr. Kan, therefore, Ms. Chow, Cachet Asset Management and Richemont Asset Management are deemed to be the Offeror Concert Parties pursuant to Class (5) of the definition of “acting in concert” under the Takeovers Code. The Shares held by Cachet Asset Management are not part of the investment fund invested by Mr. Kan. As at the Announcement Date, Richemont Asset Management and Cachet Asset Management hold an aggregate of 89,339,782 Shares, which will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective.
5. The Shares held by the Offeror Group as at the Announcement Date will not form part of the Scheme Shares and will not be cancelled or extinguished upon completion of the Proposal.
6. Mr. Chung Chi Keung is the sole shareholder of Classic Emerald which is the holder of these Shares. Mr. Chung Chi Keung is deemed to be interested in these Shares by virtue of the SFO. As at the Announcement Date, Mr. Chung Chi Keung is an executive Director. Mr. Chung is presumed to be acting in concert with Mr. Kan under class (6) of the definition of “acting in concert” under the Takeovers Code. As at the Announcement Date, Classic Emerald holds 30,375,000 Shares, which will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective.
7. Dr. Ng Wang Pun Dennis is interested in these Shares in his personal capacity. As at the Announcement Date, Dr. Ng Wang Pun Dennis is an independent non-executive Director. As there is no agreement, arrangement or understanding between Dr. Ng Wang Pun Dennis on the one hand, and the Offeror on the other, Dr. Ng Wang Pun Dennis is not regarded as acting in concert with the Offeror and the Shares held by him will form part of the Scheme Shares held by the Disinterested Scheme Shareholders.
8. All Shares, other than those Shares held by the Offeror Group, will form part of the Scheme Shares.
9. The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures to two decimal places.



## REASONS FOR AND BENEFITS OF THE PROPOSAL

### For Scheme Shareholders

The Offeror sees the Scheme as a unique opportunity to unlock significant value for the Scheme Shareholders. The Proposal is an opportunity for the Scheme Shareholders to monetise their Shares amidst challenging and uncertain market conditions.

The principal businesses of the Group are (a) designing, manufacturing and sales of high-end fine jewellery (the “**Jewellery Business**”); (b) investment in and the development and sales of properties for the Group’s integrated and comprehensive industry park located in Foshan, Guangdong Province of the PRC (the “**Property Business**”); and (c) sales of electricity generated from the photovoltaic power generation system and the provision of energy storage service (the “**Energy Business**”). The Jewellery Business has been hit by the weakened global macroeconomic environment and heightened geopolitical tensions. The Group has already downsized its operation in the PRC as the market showed no sign of significant recovery in 2024. The global market of the Jewellery Business has also been facing challenges, particularly the US market. The continuing geopolitical tensions between China and the US, coupled with the high tariff on exports imposed by the US administration, have created a highly uncertain and challenging market environment for the Jewellery Business. Regarding the Property Business, the Group has commenced the delivery of the completed units to its buyers since the second half of 2018 and the vast majority of the revenue from the possible sale of properties has already been recognised by the Group. In light of the weak market sentiment of the PRC property market, the Group does not have any new property development project on hand nor any plan to commence or acquire any new project. As such, no significant revenue is expected from the Property Business, and the Property Business will primarily rely on revenue generated from the sale of remaining units and car parks held by the Group and income from property management business in the coming few years. In addition, the Energy Business has only a short period of operation, and its scale is relatively small compared to the Group’s other business segments. Due to the keen market competition in the PRC, it is expected that the pace of growth of Energy Business will be restricted. Based on the above, it is unrealistic to expect the Group to attain steady growth in terms of profitability. In fact, the Group recorded a significant decline in net profit and a reduction of dividend payout by 50% to HK\$0.01 per Share in FY2024. The Offeror is of the view that privatisation and delisting of the Shares from the Stock Exchange allows the Company to focus on formulating and implementing long-term strategy to cope with this turbulent time.

The Proposal provides Scheme Shareholders with an opportunity to realise their investments in the Company for cash at an attractive premium to the prevailing trading prices of the Shares. As set out in the section headed “TERMS OF THE PROPOSAL” of this joint announcement, the Cancellation Price represents a premium of approximately 61.29%, 62.34% and 58.23% over the average closing price of approximately HK\$0.155, HK\$0.154

and HK\$0.158 per Share for the 5, 10 and 30 trading days, respectively, up to and including the Last Trading Date. Moreover, the Cancellation Price represents an approximate premium of approximately 64.47% over the lowest closing price of HK\$0.152 per Share in the past six months; and a premium of approximate 29.53% to the highest closing price of HK\$0.193 per Share in the past six months.

The trading liquidity of the Shares has been low. The average daily trading volume of the Shares for the approximate one-month period, three-month period and six-month period up to and including the Last Trading Day were approximately 25,800 Shares, 49,950 Shares and 55,688 Shares per trading day, representing only approximately 0.0019%, 0.0037% and 0.0042%, respectively, of the 1,335,078,000 Shares in issue as at the Announcement Date, and approximately 0.0086%, 0.0167% and 0.0186%, respectively of the 299,250,218 Shares held by Disinterested Scheme Shareholders as at the Announcement Date. The low trading liquidity of the Shares could make it difficult for the Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares, or to dispose of a large number of Shares if an event that has an adverse impact on the Share price occurs. The low liquidity in the trading of the Shares has also affected the Company's ability to raise funds from the equity market, which makes the Company's current listing platform no longer an effective fund-raising platform for the Company's business and future growth.

### **For the Offeror and the Company**

The Company has not conducted any equity fund raising activities in recent years due to the relatively low liquidity in the trading of the Shares as aforesaid and the downward trend of the trading price of the Shares in the past years. Under such circumstances, the Company is unable to fully utilise its current listing platform as a source of funding for its long-term growth. It is expected that continued listing of the Shares may not provide any meaningful benefit to the Company in the near future.

The Proposal is expected to permit the Offeror to make strategic decisions focusing on the long-term growth and benefits, free from the pressure of market expectations, share price fluctuations and compliance requirements which arise from the Company being a publicly listed company. The Proposal, which entails the delisting of the Company, is also expected to reduce the administrative costs and management resources associated with maintaining the Company's listing status and compliance with regulatory requirements. It could also provide more flexibility for the Group to achieve long-term commercial development and free the Company from the pressure of share price fluctuations and additional costs and expenses that may arise from the Company being a publicly listed company.

## INTENTION OF THE OFFEROR WITH REGARD TO THE GROUP

Following the implementation of the Proposal, the Offeror intends that the Group will continue to carry on its current business. The Offeror has no intention of making any major changes to the business of the Group, including any major redeployment of fixed assets or making any material change to the continued employment of employees of the Group, other than those in the ordinary course of business of the Group. The Offeror will continue to monitor the Group's performance and implement appropriate strategies for the Group and its business.

## INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange with the stock code 3326. The principal businesses of the Group are (a) designing, manufacturing and sales of high-end fine jewellery (primarily mounted with diamonds) as well as metal refining and purifying process for jewellery; (b) investment in and the development and sales of properties for the Group's integrated and comprehensive industry park located at 1st Ring Road South Extension Foshan, Guangdong Province, the PRC as an integrated and comprehensive industry park; and (c) sales of electricity generated from the photovoltaic power generation system and provision of energy storage service.

The following is a summary of the audited financial results of the Group for each of the two years ended 31 December 2024 as extracted from the published financial statements of the Group for the relevant years.

	<b>Year ended 31 December 2024 HK\$'000 (audited)</b>	<b>Year ended 31 December 2023 HK\$'000 (audited)</b>
Revenue	<b>273,492</b>	348,711
(Loss)/Profit before income tax	<b>(1,655)</b>	43,259
Profit for the year	<b>9,859</b>	34,158

As at 31 December 2023 and 2024, the audited net assets attributable to owners of the Company amounted to approximately HK\$642,667,000 and HK\$609,939,000, respectively.

## **INFORMATION ON THE OFFEROR**

The Offeror is a company incorporated in the British Virgin Islands with limited liability and has been one of the controlling shareholders of the Company since the Listing. The entire issued share capital of the Offeror is ultimately and beneficially owned by Mr. Kan.

As at the Latest Practicable Date, the Offeror held 729,000,000 Shares and 54.60% of the issued share capital of the Company. Immediately upon the Scheme becoming effective, the Company and its subsidiaries will continue to be subsidiaries of the Offeror.

As at the Announcement Date, the sole director of the Offeror is Mr. Kan. Mr. Kan is the chairman of the Board and an executive Director of the Company, and is the spouse of Ms. Shek Mei Chun, an executive Director of the Company.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee, which comprises Dr. Ng Wang Pun Dennis, Ms. Ng Sin Kiu and Mr. Wong Wai Keung Frederick, all being independent non-executive Directors, has been established by the Board in accordance with Rule 2.1 of the Takeovers Code to make a recommendation to the Disinterested Scheme Shareholders as to whether the terms of the Proposal and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the EGM.

VS Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the terms of the Proposal and the Scheme. The appointment of VS Capital has been approved by the Independent Board Committee. The advice of the Independent Financial Adviser and recommendation of the Independent Board Committee will be included in the Scheme Document and despatched to the Shareholders in due course.

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

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished (with the equivalent number of new Shares being simultaneously issued and credited as fully paid to the Offeror) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect from the Effective Date.

## **IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

If the Scheme is not approved or does not become effective, or the Proposal otherwise lapses or is withdrawn, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or otherwise lapses or is withdrawn, there are restrictions under Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with the Offeror in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may within 12 months from the date on which the Scheme is not approved or otherwise lapses or is withdrawn announce an offer or possible offer for the Company, except with the consent of the Executive.

## **COSTS OF THE SCHEME**

If the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal, and the Scheme is not approved, all expenses incurred by the Company in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

## **OVERSEAS SHAREHOLDERS**

The making and implementation of the Proposal to Scheme Shareholders who are not resident in Hong Kong may be affected by the applicable laws and regulations of the relevant jurisdictions. Any Scheme Shareholders who are not resident in Hong Kong should inform themselves about and observe any applicable legal and regulatory requirements in their own jurisdictions.

It is the responsibility of any overseas Scheme Shareholders wishing to take any action in relation to the Proposal to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, compliance with the necessary formalities and the payment of any issue, transfer or other taxes due from such shareholder in such jurisdiction.

Any acceptance by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their respective advisers, including Zhongtai Capital, the financial adviser to the Offeror, that those laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the despatch or receipt of the Scheme Document by overseas Scheme Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Offeror or the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Offeror or the Company or their respective shareholders), the Scheme Document may not be despatched to such overseas Scheme Shareholders. Such overseas Scheme Shareholders will not be prohibited to exercise their voting rights at the Court Meeting and/or the EGM. For that purpose, the Company will apply for a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Scheme Document to such overseas Scheme Shareholders. In granting the waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such Scheme Shareholders.

## **TAXATION ADVICE**

The Scheme Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications relating to the Proposal and the Scheme. It is emphasised that none of the Offeror, the Offeror Concert Parties, the Company, Zhongtai Capital nor any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility (other than in respect of themselves, if applicable) for any taxation effects on, or liabilities of, any other persons as a result of their acceptance or rejection of the Proposal.

## **DESPATCH OF THE SCHEME DOCUMENT**

The Scheme Document including, among other things, (i) further details of the Proposal and the Scheme; (ii) an explanatory statement as required under the Companies Act and the Grand Court Rules; (iii) the expected timetable relating to the Proposal; (iv) the recommendations of the Independent Board Committee; (v) the letter of advice from the Independent Financial Adviser; and (vi) the notices of the Court Meeting and the EGM together with proxy forms in relation to the same, will be despatched to the Scheme Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Grand Court Rules and other applicable laws and regulations.

Under Rule 8.2 of the Takeovers Code, the Scheme Document should be despatched to the Shareholders within 21 days of the Announcement Date, that is, on or before 30 June 2025. The Scheme Document may only be despatched to the Shareholders after the Grand Court has, at a Directions Hearing to be held on a date to be fixed by the Grand Court, directed the holding of the Court Meeting.



As additional time is required to procure the holding of the Directions Hearing and to finalise the information to be included in the Scheme Document, an application will be made with the Executive for its consent to extend the latest time for the despatch of the Scheme Document. Further announcement(s) will be made by the Company and the Offeror as and when appropriate in accordance with the Takeovers Code.

## **VOTING AT THE COURT MEETING AND THE EGM**

Shares held by the Offeror Group will not form part of the Scheme Shares and will not be cancelled under the Proposal. Shares held by Classic Sapphire, Richemont Asset Management and Cachet Asset Management will form part of the Scheme Shares but they will not vote on the Scheme at the Court Meeting.

Save for the relevant Offeror Concert Parties who/which are Scheme Shareholders and have undertaken to abstain from voting in the Court Meeting, all Scheme Shareholders as at the Meeting Record Date will be entitled to attend and vote at the Court Meeting to approve the Scheme, provided that only the votes of the Disinterested Scheme Shareholders will be taken into account in determining whether Condition (b) under the section headed “Conditions of the Proposal and the Scheme” above and Rule 2.10 of the Takeovers Code are satisfied.

As at the Announcement Date, the Offeror holds 729,000,000 Shares in the Company and the Offeror Concert Parties hold an aggregate of 306,827,782 Shares, totalling 1,035,827,782 Shares in aggregate, representing approximately 77.59% of the total number of Shares in issue. As the Offeror and the Offeror Concert Parties are not Disinterested Scheme Shareholders, each of the Offeror and the Offeror Concert Parties will not vote on the Scheme at the Court Meeting.

All Shareholders as at the Meeting Record Date will be entitled to vote on (i) the special resolution to be proposed at the EGM to approve and give effect to the Reduction; and (ii) the ordinary resolution to maintain the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished as a result of the Scheme and the application of the credit arising in the Company’s books of accounts as a result of the cancellation and extinguishment of the Scheme Shares in paying up in full at par value the new Shares issued to the Offeror.

## **GENERAL**

As at the Announcement Date:

- (a) the Company has no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) other than its issued 1,335,078,000 Shares;

- (b) save as disclosed in the section headed “Shareholding Structure of the Company” above, neither the Offeror, Mr. Kan nor the Offeror Concert Parties owns, controls or directs any existing holding of voting rights and rights over the Shares;
- (c) save for the Irrevocable Undertaking given by Classic Amber, none of the Offeror, Mr. Kan and their respectively concert parties has received any irrevocable commitment to vote for or against the Proposal at the Court Meeting. Both Richemont Asset Management and Cachet Asset Management undertook in the Irrevocable Undertakings that they will abstain from voting in the Court Meeting;
- (d) save for the Proposal and the Irrevocable Undertakings, there is no agreement or arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the Shares or shares of the Offeror, and its concert parties which might be material to the Proposal;
- (e) there is no agreement or arrangement to which any of the Offeror, Mr. Kan or their respectively concert parties is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a Condition to the Proposal;
- (f) there is no understanding, arrangement or agreement which constitutes a “special deal” (as defined in Rule 25 of the Takeovers Code) between any Scheme Shareholder, on the one hand, and (i) any member of the Offeror Group or parties acting in concert with any of them; or (ii) the Company or any of the subsidiaries or associated companies of the Company, on the other hand; and
- (g) save for the Cancellation Price payable under the Scheme, none of the Offeror, Mr. Kan or their respectively concert parties has paid and will pay any other consideration, compensation or benefit in whatever form to the Scheme Shareholders or persons acting in concert with them in relation to the cancellation and extinguishment of the Scheme Shares.

## DISCLOSURE OF DEALINGS

During the six months prior to the Announcement Date, the Company has repurchased a total of 1,167,000 Shares on the Stock Exchange and the details are set out below:

Date of Repurchase	No. of Shares	Price Per Share	
		Highest HK\$	Lowest HK\$
26 March 2025	267,000	0.185	0.184
25 March 2025	900,000	0.18	0.179

Save for the above, none of the Offeror and any person acting in concert with it have dealt for value in the Shares during the six months prior to the Announcement Date.

The respective associates (as defined in the Takeovers Code) of the Offeror and the Company, including shareholders holding 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of each of the foregoing, are hereby reminded to disclose their dealings in the relevant securities of the Company.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

## **RESUMPTION OF TRADING IN SHARES**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended from 9:00 a.m. on Monday, 2 June 2025 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on Tuesday, 10 June 2025.

## **WARNINGS**

**Shareholders and potential investors should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. 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.**

**This joint announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of the applicable laws and regulations. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any approval or other response to the Proposal should be made only on the basis of information in the Scheme Document and the individual circumstances of the Shareholder making the decision.**

**The availability of the Proposal to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas Shareholders will be contained in the Scheme Document.**

## **DEFINITIONS**

In this joint announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“acting in concert”	has the meaning given to it in the Takeovers Code, and “persons acting in concert” shall be construed accordingly
“Announcement Date”	9 June 2025, being the date of this joint announcement
“Applicable Laws”	with respect to any person, any laws, rules, regulations, guidelines, directives, treaties, judgements, decrees, orders or notices of any Authority that is applicable to such person
“Approvals”	licenses, approvals, permits, consents, permissions, clearances and registrations
“Authority”	any relevant government, administrative or regulatory body, or court, tribunal, arbitrator or governmental agency or authority or department (including any relevant securities exchange) and whether supranational, national, regional or local

“Board”	the board of Directors
“Cachet Asset Management”	Cachet Asset Management Limited, a company incorporated in Hong Kong with limited liability, all the shares in issue are owned by Ms. Chow
“Cancellation Price”	the cancellation price of HK\$0.25 per Scheme Share
“Classic Amber”	Classic Amber Holdings Limited, a company incorporated in British Virgin Islands with limited liability, the entire issued share capital of which is ultimately and beneficially owned by Mr. Jacky Luo
“Classic Emerald”	Classic Emerald Holdings Limited, a company incorporated in British Virgin Islands with limited liability, the entire issued share capital of which is ultimately and beneficially owned by Mr. Chung Chi Keung
“Classic Sapphire”	Classic Sapphire Holdings Limited, a company incorporated in British Virgin Islands with limited liability, the issued shares of which are beneficially owned as to 50% by Mr. Kan and as to 50% by Mr. Chan Wing Sum
“Companies Act”	the Companies Act (2025 Revision) of the Cayman Islands, as consolidated and revised from time to time
“Company”	Perfect Group International Holdings Limited (保發集團國際控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 3326)
“Condition(s)”	the condition(s) to the Proposal as set out in the section headed “Conditions of the Proposal and the Scheme” of this joint announcement
“controlling shareholder(s)”	has the meaning given to it in the Listing Rules
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof

“Despatch Date”	the date of despatch of the Scheme Document
“Directions Hearing”	a directions hearing of the Grand Court for the purpose of giving direction as to the holding of the Court Meeting
“Director(s)”	the director(s) of the Company
“Disinterested Scheme Shareholders”	all Shareholders, other than the Offeror, Mr. Kan and the Offeror Concert Parties
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Act
“EGM”	an extraordinary general meeting of the Company to be held promptly after the conclusion or adjournment of the Court Meeting for the purpose of approving, among other things, any reduction of the share capital of the Company, the issue of the new Shares, the use of the reserve arising in the Company’s books of account from the cancellation of the Scheme Shares and the implementation of the Scheme
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong or any delegate of the Executive Director
“Grand Court”	the Grand Court of the Cayman Islands
“Grand Court Rules”	the rules of the Grand Court (2023 Revision) as consolidated and revised from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company comprising the following independent non-executive Directors: Dr. Ng Wang Pun, Dennis, Ms. Ng Sin Kiu, Mr. Wong Wai Keung Frederick established by the Board to make a recommendation to the Disinterested Scheme Shareholders in respect of the Proposal and the Scheme



“Independent Financial Adviser” or “VS Capital”	VS Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, and the independent financial adviser to the Independent Board Committee in relation to the Proposal and the Scheme
“Irrevocable Undertakings”	the deeds of irrevocable undertakings given by the IU Shareholders, each received by the Offeror on 3 June 2025 respectively
“IU Shareholders”	collectively, Classic Amber, Richemont Asset Management and Cachet Asset Management
“IU Shares”	the Shares held by the IU Shareholders which are subject to the Irrevocable Undertakings
“King Jewel”	King Jewel Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is ultimately and beneficially owned by Mr. Kan
“Last Trading Day”	30 May 2025, being the last day on which Shares were traded on the Stock Exchange prior to the publication of this joint announcement
“Listing”	the listing of the Shares on the Stock Exchange on 4 January 2016
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 March 2026 (or any later date as the Offeror and the Company may determine and, to the extent applicable, as the Grand Court on the application of the Company may direct, and in all cases, as the Executive may consent)
“Meeting Record Date”	the record date for the purpose of determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlement of the Shareholders to attend and vote at the EGM

“Mr. Kan”	Mr. Kan Kin Kwong, the chairman of the Board and an executive Director of the Company, and one of the controlling shareholders of the Company
“Ms. Chow”	Ms. Chow Chin Yui Angela, the sole shareholder of Richemont Asset Management and Cachet Asset Management
“Offer Period”	has the meaning given to it in the Takeovers Code, being the period commencing on the Announcement Date until the latest of (i) the Effective Date; (ii) the date when the Scheme lapses; (iii) the time when the Offeror announces that the Scheme will not proceed; and (iv) the date when an announcement is made of the withdrawal of the Scheme
“Offeror”	Immaculate Diamonds Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is owned by Mr. Kan and is one of the controlling shareholders of the Company
“Offeror Concert Parties”	parties acting in concert or presumed to be acting in concert with the Offeror and Mr. Kan under the definition of “acting in concert” under the Takeovers Code, including but not limited to King Jewel, Classic Sapphire, Classic Emerald, Ms. Chow, Cachet Asset Management, Richemont Asset Management and Zhongtai Capital
“Offeror Group”	the Offeror, King Jewel and Mr. Kan
“PRC”	the People’s Republic of China, but for the purpose of this joint announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme and the maintenance of the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares, and the withdrawal of the listing of the Shares from the Stock Exchange, on the terms and subject to the conditions as described in this joint announcement
“Reduction”	the reduction of the issued share capital of the Company by the cancellation and extinguishment of the Scheme Shares

“Richemont Asset Management”	Richemont Asset Management Limited, a company incorporated in British Virgin Island with limited liability, all the shares in issue are owned by Ms. Chow
“Scheme”	the scheme of arrangement to be proposed under section 86 of the Companies Act for the implementation of the Proposal
“Scheme Document”	the composite scheme document, which shall contain, among other things, further details of the Proposal and the Scheme (together with the additional information specified in the section headed “Despatch of the Scheme Document” of this joint announcement), the accompanying proxy forms and notices of the Court Meeting and the EGM, to be despatched by the Offeror and the Company to all Scheme Shareholders on the Despatch Date as required by the Takeovers Code
“Scheme Record Date”	the record date to be announced for determining entitlements of the Scheme Shareholders under the Scheme
“Scheme Shareholders”	the registered holders of the Scheme Shares as at the Scheme Record Date
“Scheme Shares”	Shares in issue on the Scheme Record Date, which for the avoidance of doubt, shall exclude Shares held directly or indirectly by the Offeror Group
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) having a par value of HK\$0.003333333333 each in the issued share capital of the Company
“Shareholder(s)”	registered holder(s) of the Shares
“Zhongtai Capital”	Zhongtai International Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, and the financial adviser to the Offeror in relation to the Proposal

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“US” or “United States”	United States of America
“%”	per cent

By order of the board of  
**Immaculate Diamonds Limited**  
**Kan Kin Kwong**  
*Sole Director*

By order of the Board of  
**Perfect Group International**  
**Holdings Limited**  
**Chung Chi Keung**  
*Executive Director*

Hong Kong, 9 June 2025

*As at the Announcement Date, the sole director of the Offeror is Mr. Kan Kin Kwong.*

*The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Group) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors in their capacity as Directors) 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 statements in this joint announcement misleading.*

*As at the date of this announcement, the executive Directors are Mr. Kan Kin Kwong, Ms. Shek Mei Chun and Mr. Chung Chi Keung; and the independent non-executive Directors are Dr. Ng Wang Pun Dennis, Ms. Ng Sin Kiu and Mr. Wong Wai Keung Frederick.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the sole director of the Offeror in his capacity as such) 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 statements in this joint announcement misleading.*

*Unless otherwise specified, references to date and time refer to Hong Kong date and time.*