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太 睿 國 際 控 股 有 限 公 司

PacRay International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 1010)

**MAJOR TRANSACTION
POSSIBLE DISPOSALS OF SECURITIES OF
CHIPMOS TAIWAN ADS**

Financial adviser to the Company

VEDA | CAPITAL
智 略 資 本

Further to the Company's announcement dated 7 December 2017 relating to the Previous Disposals, the Company intends to further dispose an aggregate of 130,362 ChipMOS Taiwan ADS, which represents all of its current holding of ChipMOS Taiwan ADS as at the date of this announcement, in the open market through the NASDAQ Global Select Market.

The Possible Disposals will constitute a major transaction for the Company under the Listing Rules, for which Shareholders' approval is required. At present, no Shareholder is required to abstain from voting on the approval of the Possible Disposals.

As the highest applicable percentage ratio calculated under Rule 14.07 of the Listing Rules in respect of the Possible Disposals aggregated with the Previous Disposals is more than 25% but less than 75%, the Aggregate Disposals constitutes a major transaction for the Company, which is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

A circular containing, among other matters, details of the Possible Disposals, a notice of the SGM and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 2 February 2018 as additional time is required for preparing relevant information for the circular.

THE POSSIBLE DISPOSALS

References are made to (i) the announcement of the Company dated 9 November 2017 relating to the disposal of the First Batch Disposed Shares, (ii) the announcement of the Company dated 16 November 2017 relating to the disposal of the Second Batch Disposed Shares, (iii) the announcement of the Company dated 28 November 2017 relating to the disposal of the Third Batch Disposed Shares, and (iv) the announcement of the Company dated 7 December 2017 relating to the disposal of the Fourth Batch Disposed Shares, each of Previous Disposals constituted a discloseable transaction of the Company under the Listing Rules.

As at the date of this announcement, the Company held 130,362 ChipMOS Taiwan ADS. The Company intends to further dispose an aggregate of 130,362 ChipMOS Taiwan ADS, which represents all of its current holding of ChipMOS Taiwan ADS as at the date of this announcement, exclusive of transaction costs, in the open market through the NASDAQ Global Select Market. The Directors are considering the Possible Disposals of some or all of those shares in one or more on-market transactions at a Minimum Disposal Price of US\$16.65 (equivalent to approximately HK\$129.12) per ChipMOS Taiwan ADS, represents a discount of approximately 8.77% to the closing price per ChipMOS Taiwan ADS of US\$18.25 (equivalent to approximately HK\$141.53) as quoted on the NASDAQ Global Select Market on the Last Trading Day.

No contractual arrangements have been entered into by the Company with any party in respect to the Possible Disposals of ChipMOS Taiwan ADS, and the Company intends to seek advance Shareholders' approval in order for any disposal to be effected expeditiously when the market conditions are favourable.

The Possible Disposals of all its current holding of ChipMOS Taiwan ADS will constitute a major transaction for the Company under the Listing Rules, for which Shareholders' approval is required. At present, no Shareholder is required to abstain from voting on the approval of the Possible Disposals.

The Possible Disposals of ChipMOS Taiwan ADS for which the Shareholders' approval will be sought will only be effected if:

- (i) the Minimum Disposal Price equals to or exceeds US\$16.65 per ChipMOS Taiwan ADS; and
- (ii) all of the percentage ratios under the Listing Rules for the disposal of the relevant Possible Disposed Shares are below 75%.

As the Previous Disposed Shares were disposed of in the open market through the NASDAQ Global Select Market, the Company is not aware of the identities of the purchasers of the Previous Disposed Shares and accordingly, to the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, the purchasers of the Previous Disposed Shares are third parties independent of and not connected with the Company or its connected person(s).

The Minimum Disposal Price represents:

- (i) a discount of approximately 8.77% to the closing price of US\$18.25 per ChipMOS Taiwan ADS as quoted on the NASDAQ Global Select Market on the Last Trading Day;
- (ii) a discount of approximately 8.77% to the average closing price of US\$18.25 per ChipMOS Taiwan ADS as quoted on the NASDAQ Global Select Market for the last 5 consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 6.83% to the average closing price of US\$17.87 per ChipMOS Taiwan ADS as quoted on the NASDAQ Global Select Market for the last 30 consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 9.26% to the average closing price of US\$18.35 per ChipMOS Taiwan ADS as quoted on the NASDAQ Global Select Market for the last 60 consecutive trading days up to and including the Last Trading Day;

- (v) a discount of approximately 12.00% to the average closing price of US\$18.92 per ChipMOS Taiwan ADS as quoted on the NASDAQ Global Select Market for the last 90 consecutive trading days up to and including the Last Trading Day; and
- (vi) a discount of approximately 12.78% to the average closing price of US\$19.09 per ChipMOS Taiwan ADS as quoted on the NASDAQ Global Select Market for the last 180 consecutive trading days up to and including the Last Trading Day.

Upon approval by the Shareholders of the Possible Disposals which may constitute a major transaction for the Company, the Company will closely monitor any disposal of ChipMOS Taiwan ADS by the Group to ensure that the aggregate disposals will not give rise to a very substantial disposal. If such an event occurs, the Company will either discontinue further disposals or adhere to any additional requirements under the Listing Rules, including seeking further approval by the Shareholders, if required, before proceeding with further disposals of ChipMOS Taiwan ADS.

All the ChipMOS Taiwan ADS held by the Company (including the First Batch Disposed Shares, the Second Batch Disposed Shares, the Third Batch Disposed Shares, the Fourth Batch Disposed Shares and the Possible Disposed Shares) had/have been classified as available-for-sale financial assets of the Company in its financial statements. For the year ended 31 December 2016, the Company had received dividend of approximately US\$133,882, in respect of the Possible Disposed Shares. As the Minimum Disposal Price equals to the acquisition cost of each Possible Disposed Share, the Company expects to recognise a gain for the Possible Disposals if the disposal price exceeds the acquisition cost of the Possible Disposed Shares, which is calculated on the basis of the difference between the initial cost and the disposal price (exclusive of transaction costs).

REASONS FOR THE POSSIBLE DISPOSALS AND USE OF PROCEEDS

The Group is principally engaged in design and distribution of integrated circuits and semiconductor parts and investments holding.

Having regard to the then share market conditions and the trading price of ChipMOS Taiwan ADS, the management of the Company considers that the Possible Disposals represent good opportunities for the Company to realize a gain in its investment in ChipMOS Taiwan. It is expected that the net proceeds of the Possible Disposals available to the Company will be utilised as its additional working capital and funding for any future acquisition or investment as and when suitable opportunities arise.

Given the Possible Disposals will be made in the open market through the NASDAQ Global Select Market, the Directors consider that the Possible Disposed Shares will be sold at the then prevailing market prices and the terms of the Possible Disposals are on normal commercial terms and are fair and reasonable. The Directors also consider that the Possible Disposals are in the interests of the Company and Shareholders as a whole.

FINANCIAL INFORMATION OF CHIPMOS TAIWAN

ChipMOS Taiwan is incorporated in Taiwan with limited liability and listed on the Taiwan Stock Exchange. Its American depositary shares listed on the NASDAQ Global Select Market.

Based on its latest 2016 annual results, the ChipMOS Taiwan group is a leading provider of total semiconductor testing and packaging solutions to fabless companies, integrated device manufacturers and foundries. Further information on ChipMOS Taiwan can be found on the website of ChipMOS Taiwan at www.chipmos.com.

Based on the latest 2017 nine months results of ChipMOS Taiwan, as at 30 September 2017, the unaudited consolidated net asset value of ChipMOS Taiwan was approximately NT\$18,167 million (equivalent to approximately HK\$4,869 million). The audited consolidated net profit of ChipMOS Taiwan for the year ended 31 December 2016 were approximately NT\$1,226 million (equivalent to approximately HK\$329 million); and the unaudited consolidated net profit for the nine months ended 30 September 2017 were approximately NT\$2,863 million (equivalent to approximately HK\$767 million). A cash dividend of approximately US\$1.027 (equivalent to approximately HK\$7.964) per ChipMOS Taiwan ADS was paid by ChipMOS Taiwan for the financial year ended 31 December 2016.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio calculated under Rule 14.07 of the Listing Rules in respect of the Possible Disposals aggregated with the Previous Disposals is more than 25% but less than 75%, the Aggregate Disposals constitutes a major transaction for the Company, which is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

The SGM will be convened and held for the Shareholders to consider and, if thought it, to approve the Possible Disposals. The voting in relation to the Possible Disposals at the SGM will be conducted by way of a poll and no Shareholder is required to abstain from voting at the SGM.

A circular containing, among other matters, details of the Possible Disposals, a notice of the SGM and other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before 2 February 2018 as additional time is required for preparing relevant information for the circular.

DEFINITIONS

Unless otherwise defined below, terms used in this announcement shall have the same meanings as those defined below:

“Aggregate Disposals”	the aggregate transaction of the Possible Disposals and the Previous Disposals
“Board”	the board of Directors
“ChipMOS Taiwan”	ChipMOS Technologies Inc., a company incorporated in Taiwan, the issued shares of which are listed on the Taiwan Stock Exchange as “8150”
“ChipMOS Taiwan ADS”	ChipMOS Taiwan American depository shares, in which are listed on the NASDAQ Global Select Market under the ticker symbol “IMOS”

“Company”	PacRay International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares are listed on the Main Board of the Stock Exchange (stock code: 1010)
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Directors”	directors of the Company
“First Batch Disposed Shares”	63,000 ChipMOS Taiwan ADS sold by the Company during the period from 8 November 2017 to 9 November 2017 (both dates inclusive), details of which are disclosed in the announcement of the Company dated 9 November 2017
“Fourth Batch Disposed Shares”	63,950 ChipMOS Taiwan ADS sold by the Company during the period from 29 November 2017 to 7 December 2017 (both dates inclusive), details of which are disclosed in the announcement of the Company dated 7 December 2017
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	23 January 2018, being the last trading day of ChipMOS Taiwan ADS prior to the release of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Minimum Disposal Price”	the disposal price equals to or exceeds US\$16.65 per ChipMOS Taiwan ADS
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Previous Disposals”	the disposal of Previous Disposed Shares
“Previous Disposed Shares”	collectively, the First Batch Disposed Shares, the Second Batch Disposed Shares, the Third Batch Disposed Shares and the Fourth Batch Disposed Shares
“Possible Disposals”	any on-market disposal of the Possible Disposed Shares by the Company in the future
“Possible Disposed Share(s)”	130,362 ChipMOS Taiwan ADS, being the ChipMOS Taiwan ADS that the Company disposed of under the Possible Disposals
“Second Batch Disposed Shares”	77,381 ChipMOS Taiwan ADS sold by the Company during the period 10 November 2017 to 16 November 2017 (both dates inclusive), details of which are disclosed in the announcement of the Company dated 16 November 2017

“SGM”	the special general meeting to be convened and held by the Company to consider and, if thought fit, approve the Possible Disposals
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Taiwan Stock Exchange”	Taiwan Stock Exchange Corporation
“Third Batch Disposed Shares”	80,349 ChipMOS Taiwan ADS sold by the Company during the period 17 November 2017 to 28 November 2017 (both dates inclusive), details of which are disclosed in the announcement of the Company dated 28 November 2017
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“NT\$”	New Taiwan dollars, the lawful currency of Taiwan
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

In this announcement, amounts in US\$ are converted into HK\$ at the rate of US\$1 = HK\$7.755 and the amounts in NT\$ are converted into HK\$ at the rate of NT\$1 = HK\$0.268, the conversion rates are for illustration purpose only and should not be taken as a representation that US\$ and NT\$ have been, could in the future, be converted into HK\$ at this or any other rate of exchange.

By order of the Board
PacRay International Holdings Limited
Liew Fui Kiang
Chairman

Hong Kong, 24 January 2018

As at the date of this announcement, the Board comprises six Directors. The executive Directors are Mr. Liew Fui Kiang, Mr. Leung Pok Man and Ms. Lau Mei Ying and the independent non-executive Directors are Ms. Chow Chui Ying, Mr. Zhou Danqing and Dr. Yang Yung-Ming.