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Glory Genius International Holdings Limited

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



**太睿國際控股有限公司
PacRay International Holdings Limited**

(Incorporated in Bermuda with limited liability)

(Stock Code: 1010)

JOINT ANNOUNCEMENT

VOLUNTARY CONDITIONAL CASH OFFER BY

 **KINGSTON SECURITIES**

FOR AND ON BEHALF OF

GLORY GENIUS INTERNATIONAL HOLDINGS LIMITED

TO ACQUIRE ALL THE ISSUED SHARES IN

PACRAY INTERNATIONAL HOLDINGS LIMITED AND

UPDATE ON THE STATUS OF PUBLIC FLOAT OF

PACRAY INTERNATIONAL HOLDINGS LIMITED

Joint financial advisers to the Offeror

 **KINGSTON CORPORATE FINANCE**

VEDA | CAPITAL
智略資本

**Financial adviser to the controlling shareholder of
PacRay International Holdings Limited**



CENTURION CORPORATE FINANCE LIMITED

INTRODUCTION

The Offeror and the Company jointly announce that Kingston Securities will, for and on behalf of the Offeror, make the Offer to acquire all of the issued Shares in the Company.

THE OFFER

Kingston Securities will make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code on the following basis:

For each Offer Share. HK\$1.80 in cash

The Shares to be acquired under the Offer shall be fully paid and free from all Encumbrances and with all the Share Rights.

The Offer Price of HK\$1.80 per Offer Share represents a premium of approximately 5.88% over the closing price of HK\$1.70 per Share as quoted on the Stock Exchange on 19 May 2015, being the Last Trading Day.

Value of the Offer

As at the date of this joint announcement, there are 336,587,142 Shares in issue. On the basis of the Offer Price of HK\$1.80 per Offer Share, the entire issued share capital of the Company is valued at HK\$605,856,855.60. The Offeror and the Concert Parties are not interested in any Share (other than as a result of the execution of the Pacific Electric Irrevocable Undertaking). Save for the aforesaid, the Company has no other relevant securities as at the date of this joint announcement.

Conditions to the Offer

The Offer is conditional upon the satisfaction or waiver of the following Conditions:

- (a) valid acceptances of the Offer having been received (and where permitted, not withdrawn) at or before 4:00 p.m. on the Closing Date in respect of the Full Global Shares and the Texan Shares representing an aggregate of approximately 53.96% of the voting rights of the Company which, together with the Shares already held or agreed to be acquired before or during the Offer, will result in the Offeror and the Concert Parties together holding not less than 53.96% of the voting rights of the Company;
- (b) subject to Note 2 to Rule 30.1 of the Takeovers Code, the Shares remaining listed and traded on the Stock Exchange up to the Closing Date (or, if earlier, the date on which the Offer becomes unconditional) save for any temporary suspension of trading in the Shares as a result of the Offer or the current suspension of trading in the Shares since 20 May 2015 as a result of the non-fulfilment of the minimum public float requirements as set out in the announcement of the Company dated 19 May 2015 and no indication having been received from 10 July 2017 from the SFC and/or the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn;

- (c) subject to Note 2 to Rule 30.1 of the Takeovers Code, no relevant authority(ies) in any jurisdiction having taken or instigated any action, proceeding, suit, investigation or enquiry, or enacted or made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order that would make the Offer or the acquisition of any of the Offer Shares under the Offer void, unenforceable or illegal or prohibit the implementation of, or which would impose any material conditions, limitations or obligations with respect to the Offer (other than such items or events as would not have a material adverse effect on the legal ability of the Offeror to proceed with or consummate the Offer) or the trading of the Shares or the listing status of the Company on the Stock Exchange (save and except for the fulfilment of the minimum public float requirements as stipulated under Rule 8.08(1)(a) of the Listing Rules following the close of the Offer);
- (d) subject to Note 2 to Rule 30.1 of the Takeovers Code, there being no other event(s) and/or circumstances than those as set out in Conditions (b) and (c) which will or may materially and adversely affect the listing status of the Company and/or the resumption of trading of the Shares on the Stock Exchange save for any temporary suspension of trading in the Shares as a result of the Offer or the current suspension of trading in the Shares since 20 May 2015 as a result of the non-fulfilment of the minimum public float requirements as set out in the announcement of the Company dated 19 May 2015 ; and
- (e) subject to Note 2 to Rule 30.1 of the Takeovers Code, no notice has been received from Pacific Electric and no evidence has been obtained by the Offeror that since the audited consolidated financial statements of the Company for the year ended 31 December 2016, there having been neither decrease in the net asset value of the Group nor increase in liability of the Group (actual or contingent) at or above the rate of 20% deviation from those as at 31 December 2016 and there having been no material claim, action, proceeding or lawsuit being brought or threatened against the Group involving potential liability exceeding 20% of the aforesaid net asset value of the Group at or before 8:30 a.m. on the Despatch Date.

As at the date of this joint announcement, no events have occurred which would make the Offer or the acquisition of any of the Shares under the Offer void, unenforceable or illegal or their implementation being prohibited or which would impose material conditions, limitations or obligations with respect to the Offer. As at the date of this joint announcement, the Company, Pacific Electric and the Offeror are not aware that any of the above Conditions cannot be met.

The Offeror reserves the right to waive, in whole or in part, Conditions (b), (c), (d) and (e) (i.e. the Waivable Conditions). Condition (a) is incapable of being waived. Under the Pacific Electric Irrevocable Undertaking, the Offeror thereby agrees to irrevocably and unconditionally waive, and shall be deemed to have irrevocably and unconditionally waived, all the Waivable Conditions when: (i) the Offeror does not give the Withdrawal Notice to Pacific Electric at or before 8:30 a.m. on the Despatch Date; or (ii) the Offeror gives the Withdrawal Notice to Pacific Electric at or before 8:30 a.m. on the Despatch Date but the Offeror fails to obtain the Executive's consent to invoke any of the Waivable Conditions within 14 days from the Despatch Date.

The Offeror reserves the right to revise the terms of the Offer in accordance with the Takeovers Code.

Please refer to the sub-section headed “Conditions to the Offer” in the section headed “THE OFFER” in this joint announcement for further information on the Conditions.

IRREVOCABLE UNDERTAKING

On 10 July 2017, Pacific Electric gave the Pacific Electric Irrevocable Undertaking in favour of the Offeror agreeing, among other things, to:

- (a) accept and procure Full Global to accept the Offer in respect of the Full Global Shares on the Stamping Date in accordance with paragraphs (a), (c) and (d)(iii) of the Mechanism; and
- (b) cause Texan to recover the Texan Shares and procure Texan to accept the Offer in respect of the Texan Shares on the Stamping Date in accordance with paragraphs (b), (c) and (d)(i) to (d)(iii) of the Mechanism.

Please refer to the sub-section headed “Main terms and conditions” in the section headed “IRREVOCABLE UNDERTAKING” in this joint announcement for detailed terms and conditions of the Pacific Electric Irrevocable Undertaking.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all independent non-executive Directors, namely, Mr. Suen Sai Wah Simon, Mr. Li Kwan In and Mr. Wang Chiang-Ming, has been formed to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer. Further announcement will be made upon the appointment of the independent financial adviser to the Independent Board Committee.

COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the offer document containing, among other matters, the terms and conditions of the Offer and the form of acceptance to the Shareholders within 21 days of the date of this joint announcement.

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into a composite document. Accordingly, the Composite Document (accompanied by the form of acceptance) in connection with the Offer setting out, among other things, (i) details of the Offer (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iii) a letter of advice from the independent financial adviser (to be appointed) to the Independent Board Committee in respect of the Offer, will be despatched jointly by the Offeror and the Company to the Shareholders.

PUBLIC FLOAT REQUIREMENT AND UPDATE OF THE SUSPENSION OF TRADING IN THE SHARES

Trading in the Shares on the Stock Exchange has been suspended since 9:00 a.m. on 20 May 2015 due to insufficient public float. Pursuant to Rule 8.08(1)(a) of the Listing Rules, upon completion of the Offer, the Offeror will place down or sell down the Shares for the restoration of the minimum public float of 25%. Further announcement will be made by the Company regarding the restoration of public float and resumption of trading in the Shares as soon as possible.

WARNING: Shareholders and/or potential investors of the Company should note that the Offer is subject to the satisfaction or waiver (where applicable) of the Conditions. Accordingly, the Offer may or may not become unconditional. Shareholders and/or potential investors of the Company should therefore exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

INTRODUCTION

The Offeror and the Company jointly announce that Kingston Securities will, for and on behalf of the Offeror, make the Offer to acquire all of the issued Shares in the Company.

THE OFFER

Kingston Securities will make the Offer on behalf of the Offeror in compliance with the Takeovers Code on the following basis:

For each Offer Share.....HK\$1.80 in cash

The Shares to be acquired under the Offer shall be fully paid and free from all Encumbrances and together with all the Share Rights.

As at the date of this joint announcement, there are 336,587,142 Shares in issue, and the Offeror and the Concert Parties are not interested in any Share (other than as a result of the execution of the Pacific Electric Irrevocable Undertaking). Save for the aforesaid, the Company has no other relevant securities as at the date of this joint announcement.

The Offer Price

The Offer Price of HK\$1.80 per Offer Share represents:

- (i) a premium of approximately 5.88% over the closing price of HK\$1.70 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 9.62% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day of approximately HK\$1.642 per Share;
- (iii) a premium of approximately 11.52% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$1.614 per Share;
- (iv) a premium of approximately 23.12% over the average of the closing prices of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day of approximately HK\$1.462 per Share; and
- (v) a premium of approximately 295.60% over the audited consolidated net asset value per Share as at 31 December 2016 of approximately HK\$0.455 (which was calculated by dividing the sum of the audited consolidated net asset value of the Group as at 31 December 2016 of approximately HK\$153,229,000 by 336,587,142 Shares in issue as at the date of this joint announcement).

Highest and lowest Share prices

Trading in the Shares on the Stock Exchange has been suspended since 20 May 2015 and will continue to be suspended until further notice. The closing price of the Shares on 19 May 2015 being the Last Trading Day was HK\$1.70 per Share.

Value of the Offer

As at the date of this joint announcement, there are 336,587,142 Shares in issue. There are no outstanding warrants, options, derivatives or securities convertible into the Shares and the Company has not entered into any agreement for the issue of such warrants, options, derivatives or securities convertible into the Shares as at the date of this joint announcement.

Assuming that there is no change in the issued share capital of the Company and on the basis of the Offer Price at HK\$1.80 per Offer Share, the entire issued share capital of the Company would be valued at HK\$605,856,855.60.

Financial resources available to the Offeror

The Offeror intends to finance the consideration payable under the Offer by the Facility and its own financial resources.

Kingston Corporate Finance and Veda Capital, as the joint financial advisers to the Offeror in respect of the Offer, are satisfied that sufficient financial resources are available to the Offeror to satisfy the total consideration in respect of full acceptance of the Offer.

Conditions of the Offer

The Offer is conditional upon the satisfaction or waiver of the following Conditions:

- (a) valid acceptances of the Offer having been received (and where permitted, not withdrawn) at or before 4:00 p.m. on the Closing Date in respect of the Full Global Shares and the Texan Shares representing an aggregate of approximately 53.96% of the voting rights of the Company which, together with the Shares already held or agreed to be acquired before or during the Offer, will result in the Offeror and the Concert Parties together holding not less than 53.96% of the voting rights of the Company;
- (b) subject to Note 2 to Rule 30.1 of the Takeovers Code, the Shares remaining listed and traded on the Stock Exchange up to the Closing Date (or, if earlier, the date on which the Offer becomes unconditional) save for any temporary suspension of trading in the Shares as a result of the Offer or the current suspension of trading in the Shares since 20 May 2015 as a result of the non-fulfilment of the minimum public float requirements as set out in the announcement of the Company dated 19 May 2015 and no indication having been received from 10 July 2017 from the SFC and/or the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn;
- (c) subject to Note 2 to Rule 30.1 of the Takeovers Code, no relevant authority(ies) in any jurisdiction having taken or instigated any action, proceeding, suit, investigation or enquiry, or enacted or made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order that would make the Offer or the acquisition of any of the Offer Shares under the Offer void, unenforceable or illegal or prohibit the implementation of, or which would impose any material conditions, limitations or obligations with respect to the Offer (other than such items or events as would not have a material adverse effect on the legal ability of the Offeror to proceed with or consummate the Offer) or the trading of the Shares or the listing status of the Company

on the Stock Exchange (save and except for the fulfilment of the minimum public float requirements as stipulated under Rule 8.08(1)(a) of the Listing Rules following the close of the Offer);

- (d) subject to Note 2 to Rule 30.1 of the Takeovers Code, there being no other event(s) and/or circumstances than those as set out in Conditions (b) and (c) above which will or may materially and adversely affect the listing status of the Company and/or the resumption of trading of the Shares on the Stock Exchange save for any temporary suspension of trading in the Shares as a result of the Offer or the current suspension of trading in the Shares since 20 May 2015 as a result of the non-fulfilment of the minimum public float requirements as set out in the announcement of the Company dated 19 May 2015; and
- (e) subject to Note 2 to Rule 30.1 of the Takeovers Code, no notice has been received from Pacific Electric and no evidence has been obtained by the Offeror that since the audited consolidated financial statements of the Company for the year ended 31 December 2016, there having been neither decrease in the net asset value of the Group nor increase in liability of the Group (actual or contingent) at or above the rate of 20% deviation from those as at 31 December 2016 and there having been no material claim, action, proceeding or lawsuit being brought or threatened against the Group involving potential liability exceeding 20% of the aforesaid net asset value of the Group at or before 8:30 a.m. on the Despatch Date.

As at the date of this joint announcement, no events have occurred which would make the Offer or the acquisition of any of the Shares under the Offer void, unenforceable or illegal or their implementation being prohibited or which would impose material conditions, limitations or obligations with respect to the Offer. As at the date of this joint announcement, the Company, Pacific Electric and the Offeror are not aware that any of the above Conditions cannot be met.

The Offeror reserves the right to waive, in whole or in part, Conditions (b), (c), (d) and (e) (i.e. the Waivable Conditions). Condition (a) is incapable of being waived. Under the Pacific Electric Irrevocable Undertaking, the Offeror thereby agrees to irrevocably and unconditionally waive, and shall be deemed to have irrevocably and unconditionally waived, all the Waivable Conditions when: (i) the Offeror does not give the Withdrawal Notice to Pacific Electric at or before 8:30 a.m. on the Despatch Date; or (ii) the Offeror gives the Withdrawal Notice to Pacific Electric at or before 8:30 a.m. on the Despatch Date but the Offeror fails to obtain the Executive's consent to invoke any of the Waivable Conditions within 14 days from the Despatch Date.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror should not invoke any of the Waivable Conditions so as to cause the Offer to lapse unless the circumstances which give rise the right to invoke such Waivable Conditions are of material significance to the Offeror in the context of the Offer.

Pursuant to Rule 15.3 of the Takeovers Code, the Offeror must publish an announcement when the Offer becomes unconditional as to acceptances and when the Offer becomes unconditional in all respects. The Offer must also remain open for acceptance for at least 14

days after the Offer become unconditional in all respects, but in any case at least 21 days following the Despatch Date. Independent Shareholders should note the aforesaid timing of the Offer.

The Offer will be made in compliance with the Takeovers Code, which is administered by the Executive. It is the intention of the Offeror that the Conditions should be fulfilled or waived (as the case may be) on or before 31 August 2017.

The Offeror reserves the right to revise the terms of the Offer in accordance with the Takeovers Code.

Effect of accepting the Offer

Acceptance of the Offer will constitute a warranty to the Offeror by each accepting Shareholder that the Shares acquired under the Offer and sold by such accepting Shareholder are free from all Encumbrances and with all the Share Rights.

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

Taxation advice

The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror and the Concert Parties, Kingston Securities, Kingston Corporate Finance, Veda Capital, Centurion Corporate Finance Limited and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offer accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Overseas Independent Shareholders

The Offeror intends to make the Offer available to all of the Independent Shareholders, including those who are not residents in Hong Kong. The availability of the Offer to the Independent Shareholders who are not residents in Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offer to each of the Independent Shareholders with a registered address in jurisdictions outside Hong Kong may be prohibited or affected by the laws or regulations of the relevant jurisdictions. Such Independent Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibility of the Independent Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any regulatory or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

In the event that the receipt of the Composite Document by the Overseas Independent Shareholders is prohibited by any applicable laws and regulations or may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would

be unduly burdensome, the Composite Document, subject to the Executive's consent, will not be despatched to such Overseas Independent Shareholders. The Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Any arrangements for the Overseas Independent Shareholders to collect the Composite Document will be set out in a further announcement.

Any acceptance by any Overseas Independent Shareholder who is not a resident in Hong Kong will be deemed to constitute a representation and warranty from such Shareholder to the Offeror that the local laws and requirements have been complied with. All such Overseas Independent Shareholders should consult their professional advisers if in doubt.

Stamp Duty in Hong Kong

The seller's ad valorem stamp duty at a rate of 0.1% of (i) the market value of the Shares; or (ii) consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the amount payable to the relevant Shareholders on acceptance of the Offer. The Offeror will arrange for payment of the sellers' ad valorem stamp duty on behalf of the accepting Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares.

Payment

Payment in cash in respect of acceptance of the Offer will be made as soon as possible but in any event within 7 Business Days following the later of the date on which the Offer becomes, or is declared unconditional and the date on which the duly completed acceptance of the Offer and the relevant documents of title in respect of such acceptance are received by the Offeror (or its agent) to render each such acceptance complete and valid.

Other information

None of the Offeror or the Concert Parties has dealt in the Shares, options, derivatives, warrants or other securities convertible into the Shares during the 6-month period immediately prior to the date of this joint announcement.

The Offeror confirms that, as at the date of this joint announcement:

- (a) none of the Offeror or the Concert Parties owns or has control or direction over any voting rights or rights over the Shares, options, derivatives, warrants or other securities convertible into the Shares;
- (b) save for the Pacific Electric Irrevocable Undertaking, none of the Offeror or the Concert Parties has received any irrevocable commitment to accept the Offer;
- (c) save for (i) the Pacific Electric Irrevocable Undertaking in respect of the non-disposal of the respective beneficial interest in the Shares and the acceptance of the Offer by Full Global and Texan; (ii) the Facility; and (iii) the Share Charge, there is no

arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Company and which might be material to the Offer;

- (d) save for the Pacific Electric Irrevocable Undertaking, there is no agreement or arrangement to which the Offeror or any of the Concert Parties is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a Condition;
- (e) none of the Offeror nor any of the Concert Parties has entered into any arrangements or contracts in relation to any outstanding derivative in respect of the securities in the Company; and
- (f) none of the Offeror nor any of the Concert Parties has borrowed or lent any relevant securities in the Company.

IRREVOCABLE UNDERTAKING

On 10 July 2017, Pacific Electric gave the Pacific Electric Irrevocable Undertaking in favour of the Offeror agreeing, among other things, to:

- (a) accept and procure Full Global to accept the Offer in respect of the Full Global Shares on the Stamping Date in accordance with paragraphs (a), (c) and (d)(iii) of the Mechanism; and
- (b) cause Texan to recover the Texan Shares and procure Texan to accept the Offer in respect of the Texan Shares on the Stamping Date in accordance with paragraphs (b), (c) and (d)(i) to (d)(iii) of the Mechanism.

Main terms and conditions

The main terms and conditions of the Pacific Electric Irrevocable Undertaking are set out as follows (the “**Mechanism**”):

- (a) Pacific Electric will and will cause Full Global to tender all of the Full Global Shares pursuant to the Offer in accordance with the procedures stated in paragraph (d)(iii) of the Mechanism below. The Full Global Shares, once tendered, will be acquired by the Offeror pursuant to the Offer, free from all Encumbrances and with all the Share Rights;
- (b) Pacific Electric will cause Texan to recover the Texan Shares and cause Texan to tender all of the Texan Shares pursuant to the Offer in accordance with procedures stated in paragraphs (d)(i) to (d)(iii) of the Mechanism below. The Texan Shares, once tendered, will be acquired by the Offeror pursuant to the Offer, free from all Encumbrances and with all the Share Rights;

- (c) If Pacific Electric is aware of any changes, effects, facts, events or circumstances which have had or would be reasonably expected to materially and adversely affect the fulfilment of all the Waivable Conditions at or before 8:30 a.m. on the Despatch Date, Pacific Electric shall forthwith notify the Offeror of the details of such changes, effects, facts, events or circumstances; and
- (d) If the Offeror does not give the Withdrawal Notice to Pacific Electric at or before 8:30 a.m. on the Despatch Date; or if the Offeror gives the Withdrawal Notice to Pacific Electric at or before 8:30 a.m. on the Despatch Date but the Offeror fails to obtain the Executive's consent to invoke any of the Waivable Conditions within 14 days from the Despatch Date, the Offeror thereby agrees to irrevocably and unconditionally waive, and shall be deemed to have irrevocably and unconditionally waived, all the Waivable Conditions. Against such waiver made by the Offeror:
- (i) Pacific Electric shall procure Texan to present the duly completed and signed Transfer Documents to the Stamp Office of the Inland Revenue Department for stamping and if required, pay full rate of the ad valorem stamp duty for the transfer of the Texan Shares from the registered holder, namely, Quam Nominees Limited, to Texan on the Stamping Date;
 - (ii) immediately upon the Transfer Documents being stamped on the Stamping Date, Pacific Electric shall procure Texan to deliver the original and/or copy of the stamped Transfer Documents to Tricor, for the registration of Texan as the registered holder of the Texan Shares in the register of members of the Company and the issue of the Texan Share Certificate to Texan on the Stamping Date;
 - (iii) immediately upon receipt by Texan of the Texan Share Certificate and in any event at or before 4:00 p.m. on the Stamping Date, Pacific Electric shall and shall cause Full Global and Texan to irrevocably accept the Offer in respect of the Full Global Shares and the Texan Shares, respectively, in accordance with the terms and conditions of the Offer as set out in the Composite Document. Pacific Electric appoints Full Global as its lawful attorney to do all such acts and execute all such documents in relation to its beneficial ownership of the Full Global Shares by the time Full Global accepts the Offer as mentioned above; and
 - (iv) notwithstanding the terms of the Offer may confer a right of withdrawal on the accepting Shareholders, Pacific Electric shall not, and shall procure Full Global and Texan not to, withdraw the acceptances in respect of the Full Global Shares and the Texan Shares. Immediately upon Tricor having confirmed the receipt of the irrevocable acceptance of the Offer by Full Global and Texan, the Offeror shall submit the joint announcement in relation to the Offer that has become unconditional in all respects to the SFC for clearance and publish such announcement after the SFC having confirmed that it has no comments on the same at or before 7:00 p.m. on the Stamping Date or such later time or date as agreed by Pacific Electric (while the Offeror shall submit the draft of such announcement at or before 3:30 p.m. on the Stamping Date or such later time or date as agreed by Pacific Electric for the SFC's preview).

Pacific Electric's obligations

Pursuant to the Pacific Electric Irrevocable Undertaking, at all times after the date of the Pacific Electric Irrevocable Undertaking until the Offer shall become or be declared unconditional in all respects or shall lapse, Pacific Electric shall and shall procure its associates (including but not limited to Full Global and Texan) refrain from taking any of the following actions or making any of the following statements which is or maybe prejudicial to the success of the Offer: (i) sell, transfer, Encumber or otherwise dispose of any interest in any of the Full Global Shares and/or the Texan Shares, other than pursuant to the acceptance of the Offer; (ii) accept any other offer in respect of the Full Global Shares and/or the Texan Shares ; and (iii) acquire and permit any person acting in concert with Pacific Electric or its associates to acquire any Shares, or any warrants, options, subscription rights or other rights to subscribe for, acquire or convert into Shares or any interest therein or agree to do so without the prior written consent of the Offeror.

The Offeror's undertakings

Against Pacific Electric's performance of the PE Obligations and as part of the Offeror's obligations and undertakings immediately following the Offer becoming unconditional in all respects (as the case maybe), the Offeror shall irrevocably confirm, undertake, warrant and agree with Pacific Electric that:

- (a) it thereby agrees to irrevocably and unconditionally waive, and shall be deemed to have irrevocably and unconditionally waived, all the Waivable Conditions and thus shall not invoke or seek to invoke any of the Waivable Conditions upon occurrence of either one of the following events:
 - (i) it does not give the Withdrawal Notice to Pacific Electric at or before 8:30 a.m. on the Despatch Date; and
 - (ii) it gives the Withdrawal Notice to Pacific Electric at or before 8:30 a.m. on the Despatch Date but it fails to obtain the Executive's consent to invoke any of the Waivable Conditions within 14 days from the Despatch Date. In the context of this scenario (a)(ii), it shall provide sufficient evidence to Pacific Electric's reasonable satisfaction to prove that it already applied for such consent of the Executive within 14 days from the Despatch Date and shall keep Pacific Electric informed from time to time the Executive's feedback on its application throughout;
- (b) it shall perform its responsibilities and obligations as set out in paragraph (d)(iv) of the Mechanism subject to terms and conditions as set out thereon, in particular, immediately upon Tricor having confirmed the receipt of the irrevocable acceptance of the Offer by Full Global and Texan, it shall forthwith declare the Offer become unconditional in all respects on the Stamping Date;

- (c) it shall use its best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by the Pacific Electric Irrevocable Undertaking, including without limitation, it shall supplement, amend and vary the terms and conditions of the Offer as reasonably required by the SFC, the Stock Exchange, the Takeovers Code and the Listing Rules; and
- (d) after the close of the Offer, so long as it remains as the single largest Shareholder and controlling shareholder of the Company, it shall use its best endeavours subject to any legal restrictions to procure the Company and the related parties including but not limited to its auditors, Tricor and CCASS to make available or give access to Pacific Electric as soon as reasonably practicable all documents, records, materials and information in whatever formats which the Company is able to be in control or possession or obtain relating to any tracing and recovery by Pacific Electric and/or its associates of their assets which were defrauded or fraudulently misappropriated in Taiwan or elsewhere before 27 November 2014 at the cost of Pacific Electric upon written request by Pacific Electric from time to time.

Termination

The Pacific Electric Irrevocable Undertaking shall terminate immediately upon the occurrence of any of the following Termination Events:

- (a) this joint announcement failing to be published at or before 11:00 p.m. on 10 July 2017 or such later date as may be agreed; and
- (b) the Composite Document failing to be despatched within the period in accordance with the requirements of the Takeovers Code or within such longer period as the Offeror and Pacific Electric may with the consent of the Executive determine,

and in the event of the occurrence of any of the Termination Events, the Pacific Electric Irrevocable Undertaking shall automatically lapse and be of no further force and effect, Texan is yet to recover the Texan Shares and Pacific Electric shall have no claim against the Offeror and the Offeror shall have no claim against Pacific Electric.

INFORMATION ON THE GROUP

Principal activities

The Company is an investment holding company. The Group is principally engaged in design and distribution of integrated circuits and semi-conductor parts in the PRC and investments holding.

Financial information

Set out below is a summary of the financial information of the Group extracted from the annual reports of the Company for the year ended 31 December 2016 and 2015, which have been prepared in accordance with Hong Kong Financial Reporting Standards.

	Year ended 31 December 2016 (audited) (HK\$'000)	Year ended 31 December 2015 (audited) (HK\$'000)
Revenue	17,337	13,614
Profit/(Loss) before taxation	(4,895)	(25,798)
Profit/(Loss) after taxation attributable to the owners of the Company	(4,994)	(25,253)
	As at 31 December 2016 (audited) (HK\$'000)	As at 31 December 2015 (audited) (HK\$'000)
Total assets	155,827	170,168
Total liabilities	2,598	2,726
Net assets	153,229	167,442

Shareholding structure of the Company

Set out below are the effects of the Pacific Electric Irrevocable Undertaking on the shareholding structure of the Company in so far as Full Global and Texan are concerned only:

Shareholders	Current shareholding (including the Texan Shares to be recovered)		Shareholding immediately after the Offer becoming unconditional (i.e. not taking into account other Shares held by the Independent Shareholders which may also be tendered in acceptance of the Offer)	
	No. of Shares	%	No. of Shares	%
Offeror	0	0.00	181,633,999	53.96
Full Global International Limited (<i>Note 1</i>)	145,609,999	43.26	0	0.00
Texan Management Limited (<i>Note 1</i>)	<u>36,024,000</u>	<u>10.70</u>	<u>0</u>	<u>0.00</u>
Sub-Total	181,633,999	53.96	181,633,999	53.96
Vision2000 Venture Ltd. Public Shareholders	<u>106,043,142</u> <u>48,910,001</u>	<u>31.51</u> <u>14.53</u>	<u>106,043,142</u> <u>48,910,001</u>	<u>31.51</u> <u>14.53</u>
Total	<u><u>336,587,142</u></u>	<u><u>100.00</u></u>	<u><u>336,587,142</u></u>	<u><u>100.00</u></u>

Note 1: Pacific Electric is the parent company of Full Global and Texan and hence, the ultimate beneficial owner of the Full Global Shares and the Texan Shares.

INFORMATION OF THE OFFEROR

The Offeror is an investment holding company incorporated in the British Virgin Islands with limited liability. The Offeror is owned as to 95% by Mr. Tong and 5% by Ms. Chu, i.e. both Mr. Tong and Ms. Chu are the ultimate beneficial owners of the Offeror.

As at the date of this joint announcement, each of Mr. Tong and Mrs. Chu is independent of the Company, Texan, Pacific Electric and Full Global, their respective ultimate beneficial owners and other Shareholders of the Company.

Mr. Tong, aged 33, is an investor who started purchasing and selling shares of listed companies in Hong Kong around 5 years ago. As at the date of this joint announcement (i) Mr. Tong is holding approximately 5.13% of the issued share capital in Huarong International Financial Holdings Limited (stock code: 993) since July 2014. The shares of Huarong International Financial Holdings Limited are listed on the Main Board of the Stock

Exchange and principally engaged in brokerage and dealing of securities, futures and options contracts, margin financing, loan financing, financial advisory, investment, provision of management and consultancy services; and (ii) Mr. Tong has been the substantial shareholder of and holding approximately 24.85% of the issued share capital in DeTai New Energy Group Limited (stock code: 559) since June 2017. The shares of DeTai New Energy Group Limited are listed on the Main Board of the Stock Exchange and principally engaged in new energy business, hotel hospitality business, provision of money lending services, trading of electric cycles, trading and distribution of liquor and wine, and investments in listed securities. In addition, Mr. Tong has experience in corporate strategic planning and corporate management. Since July 2016, Mr. Tong has been appointed as a vice president of consultation services of HK Bellawings.jet Limited, a company which mainly serves clients from Hong Kong and the PRC, and principally in provision of professional business aviation services and solutions, services including but not limited to aircraft management, aircraft maintenance, travel concierge services, aircraft purchase & sales, and aviation consultancy. Mr. Tong's main responsibilities in HK Bellawings.jet Limited are (i) providing consultation to the development of sales strategy, plans and business of HK Bellawings.jet Limited; (ii) maintaining clients' relationship; and (iii) procuring new clients to meet the sales plan of HK Bellawings.jet Limited.

Ms. Chu, aged 42, obtained a Bachelor of Laws from the National Taiwan University in 1997 and a Master of Laws from Duke University School of Law in 2003. Ms. Chu had worked in several law firms since 1997 and has extensive experience in areas of mergers and acquisitions, capital markets, direct investment and general and securities consultation. In addition, Ms. Chu was a director of the foundation that manages the Grand Hotel (Taipei and Kaohsiung)* (圓山大飯店 (台北暨高雄)) from 2014 to 2017. At present, Ms. Chu is (i) a partner in Baker & McKenzie's Taipei office; and (ii) a director of Cayenne's Ark Mobile Co., Ltd., of which the shares are listed on Emerging Stock Board on the Taipei Exchange (6611:TT).

As at the date of this joint announcement, Mr. Tong is the sole director of the Offeror.

INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP

It is the intention of the Offeror that the Group will continue with its existing principal businesses after the close of the Offer and will maintain the listing status of the Company on the Stock Exchange. As at the date of this joint announcement, the Offeror has no plan to inject any assets or businesses into the Group or to procure the Group to acquire or dispose of any assets.

Upon the close of the Offer, the Offeror will conduct a review on the existing principal businesses and the financial position of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. In this regard, the Offeror may look into business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Company.

The Offeror has no intention to terminate the employment of any employees of the Group or to make significant changes to any employment (except for the proposed change of the Board composition as detailed in the sub-section headed "Proposed change to the Board

composition of the Company” below in this joint announcement) or to dispose of or re-allocate the Group’s assets which are not in the ordinary and usual course of business of the Group.

Proposed change to the Board composition of the Company

Upon the close of the Offer, all existing Directors will resign with effect from the earliest time as permitted under the Takeovers Code which is the Closing Date, or the date when the Offer becomes or is declared unconditional, whichever is the later. The Offeror intends to nominate new Directors to the Board with effect from the earliest time as permitted under the Takeovers Code, which is the date immediately after the Despatch Date or such other date after the Despatch Date. Any changes to the Board will be made in compliance with the Takeovers Code and the Listing Rules and further announcements will be made as and when appropriate.

REASONS FOR THE OFFER

The Offeror believes that if the Offer becomes unconditional, it would allow the Offeror to become a controlling shareholder of the Company and the Group would be able to leverage on (i) Mr. Tong’s investment experience and corporate management skills; and (ii) Ms. Chu’s extensive commercial network and legal expertise for being an experienced business manager who has managed other private or publicly traded companies in Taiwan (as set out in the section headed “INFORMATION OF THE OFFEROR” in this joint announcement) as well as being an experienced legal professional, which able to promote and support the Group’s existing business with their solid background and experience. In addition, it is believed that upon the Offeror becoming the single largest Shareholder, the incentive for the Offeror to play a greater role in directing the future development of the Group would increase significantly, which will create greater value for the Shareholders in long term perspective.

The Offeror further believes that the Offer provides an opportunity for the Independent Shareholders to realise some or all of their Shares in return for immediate cash. The Offer represents a premium of approximately 5.88% over the closing price per Share on the Last Trading Day and approximately 23.12% over the average closing price of approximately HK\$1.462 per Share for the last 30 consecutive trading days preceding the Last Trading Date. Given that the Shares are currently suspended from trading, the Offeror believes that the Offer represents an attractive alternative for the Shareholders who wish to capitalize on their investment immediately.

MAINTAINING THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Main Board of the Stock Exchange after the close of the Offer and will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float as required under the applicable Listing Rules exists in the Shares following the close of the Offer.

The Stock Exchange has stated that if, at the close of the Offer, less than 25% of the issued Shares are held by the public or if the Stock Exchange believes that: (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, then it will consider exercising its discretion to suspend dealings in the Shares.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, a board which receives an offer or which is approached with a view to an offer being made, must, in the interests of shareholders, establish an independent committee of the board to make a recommendation: (i) as to whether the offer is, or is not, fair and reasonable; and (ii) as to acceptance.

The Independent Board Committee, comprising all independent non-executive Directors, namely, Mr. Suen Sai Wah Simon, Mr. Li Kwan In and Mr. Wang Chiang-Ming, has been formed to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer. Further announcement will be made upon the appointment of the independent financial adviser to the Independent Board Committee.

An independent financial adviser will be appointed (with the approval of the Independent Board Committee) to advise the Independent Board Committee in connection with the Offer. An announcement will be made by the Company as soon as possible after an independent financial adviser has been appointed.

COMPOSITE DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the Composite Document containing, among other matters, the terms and conditions of the Offer and the form of acceptance to the Shareholders within 21 days of the date of this joint announcement.

It is the intention of the Offeror and the Board to combine the offer document and the offeree board circular into a composite document. Accordingly, the Composite Document (accompanied by the form of acceptance) in connection with the Offer setting out, among other things, (i) details of the Offer (including the expected timetable); (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; and (iii) a letter of advice from the independent financial adviser (to be appointed) to the Independent Board Committee in respect of the Offer, will be despatched jointly by the Offeror and the Company to the Shareholders.

GENERAL

Disclosure of dealings

Pursuant to Rule 3.8 of the Takeovers Code, the associates (including any person holding 5% or more of a class of relevant securities) of the Company and the Offeror are hereby reminded to disclose their dealings in the Shares pursuant to the Takeovers Code.

Pursuant to Rule 3.8 of the Takeovers Code, the text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“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 and other persons under Rule 22 of the Takeovers Code 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 of the Takeovers Code. 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 HK\$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.”

PUBLIC FLOAT REQUIREMENT AND UPDATE OF THE SUSPENSION OF TRADING IN THE SHARES

Trading in the Shares on the Stock Exchange has been suspended from 9:00 a.m. on 20 May 2015 due to insufficient public float.

With reference to the Status Update Announcements, the relevant statutory and/or necessary application requirements and procedures for the issue of the Texan Share Certificate to Texan have been completed in accordance with the Status Update Announcement dated 16 November 2016. As said in this joint announcement above, Texan intends to recover the Texan Shares and to tender the Texan Shares in acceptance of the Offer as required under the Pacific Electric Irrevocable Undertaking.

The Board wishes to remind the Shareholders that in the absence of the Offer, upon the recovery of the Texan Shares by Texan, the Texan Shares would not qualify as part of the public float and thus less than 25% of the issued share capital of the Company would be held in public hands. The Shareholders and potential investors should note that the Offer (and the undertaking by the Offeror to restore public float following the Closing Date) is a mechanism under the Listing Rules to restore the public float of the Company, so that the current trading suspension of the Shares could be uplifted.

Pursuant to Rule 8.08(1)(a) of the Listing Rules, upon completion of the Offer, the Offeror will place down or sell down the Shares for the restoration of the minimum public float of 25%. Further announcement will be made by the Company regarding the restoration of public float and resumption of trading in the Shares as soon as possible.

WARNING: Shareholders and/or potential investors of the Company should note that the Offer is subject to the satisfaction or waiver (where applicable) of the Conditions. Accordingly, the Offer may or may not become unconditional. Shareholders and/or potential investors of the Company should therefore exercise caution when dealing in the Shares. Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.

DEFINITIONS

Unless the context requires otherwise, the following terms have the following meanings in this joint announcement:

“acting in concert”	has the meaning as ascribed thereto under the Takeovers Code
“associates”	has the meaning as ascribed thereto under the Takeovers Code
“Board”	the board of the Directors
“Business Day(s)”	a day(s) on which the Stock Exchange is open for the transaction of business
“CCASS”	the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited
“Closing Date”	the date to be stated in the Composite Document as the first closing date of the Offer or any subsequent closing date as and may be announced by the Offeror and approved by the Executive under the Takeovers Code
“Company”	PacRay International Holdings Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Main Board of the Stock Exchange (stock code: 1010)
“Composite Document”	the composite document to be issued jointly by the Offeror and the Company in relation to the Offer in accordance with the Takeovers Code and the Listing Rules
“Concert Parties”	the parties acting in concert with the Offeror
“Condition(s)”	the conditions (a) to (e) to the Offer, as set out in the subsection headed “Conditions to the Offer” in the section headed “THE OFFER” in this joint announcement
“connected persons”	has the meaning as ascribed thereto under the Listing Rules
“controlling shareholder”	has the meaning as ascribed thereto under the Listing Rules

“Despatch Date”	the date of despatch of the Composite Document
“Director(s)”	the director(s) of the Company
“Encumbrances”	any mortgage, charge, pledge, lien, (otherwise than arising by statute or operation of law), equities, hypothecation or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same and “Encumber” shall be construed accordingly
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Facility”	a loan facility granted by Kingston Securities as lender to the Offeror as borrower for financing the Offer
“Full Global”	Full Global International Limited, is the legal owner of 145,609,999 Shares and is a wholly-owned subsidiary of Pacific Electric
“Full Global Shares”	145,609,999 Shares, representing approximately 43.26% of the issued share capital of the Company, which are held by Full Global as the legal owner and Pacific Electric as the beneficial owner
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board, comprising all independent non-executive Directors, namely, Mr. Suen Sai Wah Simon, Mr. Li Kwan In and Mr. Wang Chiang-Ming, formed for the purpose of making recommendation to the Independent Shareholders in relation to the Offer
“Independent Shareholders”	the holder(s) of the Shares, other than the Offeror and the Concert Parties
“Kingston Corporate Finance”	Kingston Corporate Finance Limited, a corporation licensed by the SFC to carry on business in Type 6 (advising on corporate finance) regulated activity under the SFO
“Kingston Securities”	Kingston Securities Limited, a corporation licensed by the SFC to carry on business in Type 1 (dealing in securities) regulated activity under the SFO

“Last Trading Day”	19 May 2015, being the last trading day of the Shares prior to the suspension of trading of the Shares on the Stock Exchange at 9:00 a.m. on 20 May 2015
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mechanism”	main terms and conditions as set out in paragraphs (a) to (d) of the sub-section headed “Main terms and conditions” in the section headed “IRREVOCABLE UNDERTAKING” in this joint announcement
“Mr. Tong”	Mr. Tong Liang, a substantial shareholder and sole director of the Offeror
“Ms. Chu”	Ms. Chu Yung Yi, a shareholder of the Offeror
“Offer”	a voluntary conditional cash offer to be made by Kingston Securities for and on behalf of the Offeror to acquire all of the Offer Shares in accordance with the terms and conditions set out in this joint announcement
“Offer Price”	the price at which the Offer will be made, being HK\$1.80 per Offer Share
“Offer Share(s)”	any and all of the issued Share(s)
“Offeror”	Glory Genius International Holdings Limited (耀正國際控股有限公司), an investment holding company incorporated in the British Virgin Islands with limited liability with the address of its registered office at OMC Chambers, Wichkhams Cay 1, Road Town, Tortola, British Virgin Islands
“Overseas Independent Shareholder(s)”	Independent Shareholder(s) whose address(es) as stated in the register of members of the Company is (are) outside Hong Kong
“Pacific Electric”	Pacific Electric Wire and Cable Company Limited, a company incorporated in Taiwan on 30 December 1957, the issued securities of which were listed on the Taiwan Stock Exchange in 1963 until it was delisted in 2004. It has no substantial shareholder as defined under the Listing Rules and based on its latest annual report published in 2017, it currently has approximately 320,000 shareholders
“Pacific Electric Irrevocable Undertaking”	the irrevocable undertaking given by Pacific Electric in favour of the Offeror, pursuant to which Pacific Electric has irrevocably undertaken to the Offeror to procure the acceptance of the Offer by each of Full Global and Texan

“PE Obligations”	obligations of Pacific Electric under the Mechanism
“PRC”	the People’s Republic of China, which for the purpose of this joint announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“securities”	as defined in Note 4 to Rule 22 of the Takeovers Code
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Share Charge”	the share charge dated 8 June 2017 entered into between Kingston Securities as chargee and the Offeror as chargor whereby the Offeror has charged to Kingston Securities the Shares to be owned by the Offeror as collaterals for the Facility
“Share Rights”	all rights attached to the Shares including all rights to any dividends or other distributions hereafter declared, paid or made in respect thereof on or after the Despatch Date
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stamping Date”	in the event that Pacific Electric does not receive the Withdrawal Notice, shall mean the Despatch Date; or in the event that Pacific Electric receives the Withdrawal Notice but the Offeror fails to obtain the Executive’s consent to invoke the Waivable Conditions within 14 days from the Despatch Date, shall mean the Business Day immediately after 14 days from the Despatch Date; or any later time and date as agreed by Pacific Electric and the Offeror which shall be before the Closing Date in any event
“Status Update Announcements”	the announcements of the Company dated 19 May 2015, 20 May 2015, 9 July 2015, 24 July 2015, 27 August 2015, 7 October 2015, 3 November 2015, 3 December 2015, 11 January 2016, 2 February 2016, 17 March 2016, 19 April 2016, 30 June 2016, 29 July 2016 and 16 November 2016 to update the Shareholders relating to the Company’s public float and trading halt
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

“Termination Events”	events as specified in sub-section headed “Termination” in the section headed “IRREVOCABLE UNDERTAKING” in this joint announcement, the occurrence of which will cause the Pacific Electric Irrevocable Undertaking to lapse automatically
“Texan”	Texan Management Limited, a company incorporated in the British Virgin Islands, being a Shareholder as at the date of this joint announcement which interested in 36,024,000 Shares
“Texan Shares”	36,024,000 Shares, representing approximately 10.70% of the issued share capital of the Company, such Shares will be held by Texan as the legal and beneficial owner as at the date of acceptance of the Offer by Texan
“Texan Share Certificate”	a replacement share certificate in respect of the Texan Shares being held by Texan as the registered holder
“Transfer Documents”	a standard transfer form and bought and sold notes in respect of the Texan Shares
“Tricor”	Tricor Tengis Limited, the Hong Kong branch registrar of the Company
“Veda Capital”	Veda Capital Limited, a corporation licensed to carry on business in Type 6 (advising on corporate finance) regulated activity under the SFO
“Waivable Conditions”	Conditions (b) to (e) which are waivable by the Offeror
“Withdrawal Notice”	notice to be given by the Offeror to Pacific Electric that the Offeror seeks to obtain the consent of the Executive to invoke any of the Waivable Conditions so as to cause the Offer to lapse
“%”	per cent.

By order of the board
Glory Genius International Holdings Limited
TONG LIANG
Director

By order of the Board
PacRay International Holdings Limited
CHENG CHOW-CHUN
CHAIRMAN

Hong Kong, 10 July 2017

As at the date of this joint announcement, the Board comprises seven Directors. The executive Directors are Mr. Cheng Chow-Chun, Mr. Lee Chao-Chun, Mr. Sun Tao-Heng and Mr. Yuan Chun-Tang, and the independent non-executive Directors are Mr. Suen Sai Wah Simon, Mr. Li Kwan In and Mr. Wang Chiang-Ming.

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

As at the date of this joint announcement, Mr. Tong Liang is the sole director of the Offeror.

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