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Lotus Atlantic Limited
*(Incorporated in the British Virgin Islands
with limited liability)*

 **PFC Device Inc.**
節能元件有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8231)

Financial Adviser to the Offeror

 **SOMERLEY CAPITAL LIMITED**

Independent Financial Adviser to the Independent Board Committee

ALTUS CAPITAL LIMITED

JOINT ANNOUNCEMENT

**(1) THE PROPOSAL FOR THE PRIVATISATION OF
PFC DEVICE INC. BY LOTUS ATLANTIC LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT UNDER
SECTION 86 OF THE COMPANIES ACT OF THE CAYMAN ISLANDS**

(2) OPTION OFFER

**(3) PROPOSED WITHDRAWAL OF LISTING
AND (4) THE COURT MEETING AND THE EGM**

References are made to the scheme document (the “**Scheme Document**”) jointly issued by the Offeror and the Company in relation to, among others, the Proposal (including the Option Offer) and the Scheme, the notice of court meeting (the “**Notice to Court Meeting**”), the notice of extraordinary general meeting (the “**Notice to EGM**”), all dated 21 January 2022, and the forms of proxy (the “**Proxy Forms**”) regarding the Court Meeting and the EGM to be held at 1/F., Shell Industrial Building, 12 Lee Chung Street, Chai Wan, Hong Kong on Wednesday, 16 February 2022 at 9:00a.m. and 10:00a.m. (or immediately after the conclusion or the adjournment of the Court Meeting) respectively. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Scheme Document.

Due to the recent development of the COVID-19 pandemic and in view of the latest Prevention and Control of Disease (Prohibition on Gathering) Regulation (Chapter 599G of the Laws of Hong Kong) and Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Chapter 599F of the Laws of Hong Kong) (together, the “Regulations”), shareholders shall not attend the Court Meeting and the EGM in person. Any person who does attempt to attend the Court Meeting and/or the EGM in person will be denied entry into and/or may be required to leave the venue of the Court Meeting and/or the EGM but will be allowed to vote by submitting a voting slip at the entrance of the venue, to the extent permitted by law. The holding of the Court Meeting and the EGM in the manner mentioned above does not contravene the Company’s articles of association and Cayman Islands laws.

The Company would like to remind the Shareholders that physical attendance in person at the Court Meeting and/or the EGM is not necessary for the purpose of exercising voting rights.

In any event, shareholders of the Company will not be deprived of their rights of voting on the resolution(s) to be proposed at the Court Meeting and/or the EGM.

Shareholders can participate at the Court Meeting and/or the EGM through a live webcast of the Court Meeting and/or the EGM which can be accessed via the Zoom platform using Zoom meeting ID 461 811 8524 or via conference call at +852-3018 9124 with the passcode to the Zoom platform and/or the conference call to be provided by the Company upon request of the Shareholders. Shareholders may request for such passcode details from Mr. Jacky Cheung of the Company by sending an email to jacky.cheung@smc.com.hk or calling +852-2896 9203 or request for the same at the entrance of the meeting venue.

The information set out in the Scheme Document, the Notice to Court Meeting, the Notice to EGM and the Proxy Form including, among others, the date and time of the Court Meeting and EGM, the purposes of the Court Meeting and the EGM, the book close period, the resolutions to be considered at the Court Meeting and the EGM, and the precautionary measures to be implemented at the Court Meeting and the EGM relating to COVID-19, remain unchanged. The Proxy Forms remain valid and apply to the Court Meeting and the EGM and shareholders of the Company who have already lodged their Proxy Forms are not required to re-submit them if they have already done so.

By Order of the board of
Lotus Atlantic Limited
YUNG Kwok Kee, Billy
Director

By Order of the Board of
PFC Device Inc.
CHOW Kai Chiu, David
Executive Director

Hong Kong, 15 February 2022

As at the date of this joint announcement, the board of director of the Offeror comprises three directors namely Mr. YUNG Kwok Kee, Billy, Mr. TANG Che Yin and Mr. CHOW Kai Chiu, David.

As at the date of this joint announcement, the board of director of Sybond Venture Limited comprise of two directors namely Mr. YUNG Kwok Kee, Billy and Mr. CHOW Kai Chiu, David.

As at the date of this joint announcement, the board of director of Shell Holdings comprises four directors namely Mr. YUNG Kwok Kee, Billy, Madam HSU Vivian, Mr. CHOW Kai Chiu, David, and Madam LI Pik Mui, Cindy.

As at the date of this joint announcement, the sole director of Red Dynasty Investments Limited is Mr. YUNG Kwok Kee, Billy.

The directors of the Offeror, Sybond Venture Limited, Shell Holdings and Red Dynasty Investments Limited jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed 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, the Board comprises two executive Directors, namely, Mr. HONG James Man-fai and Mr. CHOW Kai Chiu, David; two non-executive Directors, namely, Mr. YUNG Kwok Kee, Billy and Mr. TANG Che Yin; and three independent non-executive Directors, namely, Mr. LAM, Peter, Mr. LEUNG Man Chiu, Lawrence and Mr. FAN Yan Hok, Philip.

This joint announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this joint announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror), and confirm, having made all reasonable enquires, that to the best of their knowledge, opinions expressed 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.

This joint announcement will remain on the GEM's website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the day of its posting and on the Company's website at www.pfc-device.com.