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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) SANCTION OF THE SCHEME BY THE GRAND COURT

(4) EXPECTED EFFECTIVE DATE OF THE SCHEME

AND

**(5) EXPECTED DATE OF WITHDRAWAL OF LISTING OF
THE SHARES**

INTRODUCTION

References are made to (i) the scheme document (the “**Scheme Document**”) dated 21 January 2022 in relation to, among others, the Proposal (including the Option Offer) and the Scheme; and (ii) the announcement dated 16 February 2022 in relation to the results of the Court Meeting and the EGM, both jointly issued by the Company and the Offeror.

Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Scheme Document.

SANCTION OF THE SCHEME BY THE GRAND COURT

The Scheme was sanctioned without modification by the Grand Court on Tuesday, 8 March 2022 (Cayman Islands time). The reduction of the issued share capital of the Company resulting from the cancellation and extinguishment of the Scheme Shares (the “**Capital Reduction**”) was also confirmed by the Grand Court on the same day.

EXPECTED EFFECTIVE DATE OF THE SCHEME

As at the date of this joint announcement, all of the Conditions as set out on pages 51 to 53 of the Scheme Document in the section headed “5. Conditions of the Proposal” in the “Explanatory Statement” have been fulfilled, except for the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court sanctioning the Scheme and the minutes approved by the Grand Court in respect of the Capital Reduction for registration, which is expected to be completed by Wednesday, 23 March 2022 (Cayman Islands time). Accordingly, the Scheme is expected to become effective on Wednesday, 23 March 2022 (Cayman Islands time). A further announcement will be made when the Scheme has become effective.

The Scheme Record Date for determining the entitlement of the Scheme Shareholders to the Cancellation Price under the Scheme and the Share Option Record Date for the purpose of determining the entitlements of the Option Holders to the Option Offer will be on Wednesday, 23 March 2022.

The Option Offer is conditional upon the Scheme becoming effective. The Option Offer will become unconditional immediately upon the Scheme becoming effective and prior to the listing of the Shares being withdrawn from GEM of the Stock Exchange. The Option Offer will close at 4:00 p.m. on Wednesday, 23 March 2022 and all Options will lapse from 4:00 p.m. on Wednesday, 23 March 2022.

PROPOSED WITHDRAWAL OF LISTING

The Company has applied to the Stock Exchange for, and the Stock Exchange has approved, the withdrawal of listing of the Shares on GEM of the Stock Exchange with effect from 4:00 p.m. on Friday, 25 March 2022 (Hong Kong time), subject to the Scheme becoming effective.

EXPECTED TIMETABLE

Shareholders should note that the expected timetable set out below is indicative only and is subject to change. Further announcement(s) will be made if there is any change to the expected timetable below.

<i>Event</i>	<i>Date</i>
Scheme Record Date	Wednesday, 23 March 2022
Share Option Record Date	Wednesday, 23 March 2022
Latest time to accept the Option Offer and the closing date of the Option Offer	4:00 p.m. on Wednesday, 23 March 2022
Lapse of all Options	From 4:00 p.m. on Wednesday, 23 March 2022
Effective Date (<i>Note 1</i>)	Wednesday, 23 March 2022 (Cayman Islands time)
Announcement of: (i) the Effective Date; (ii) the withdrawal of listing of the Shares on GEM of the Stock Exchange; and (iii) the results of the Option Offer	Before 8:30 a.m. on Thursday, 24 March 2022
Expected withdrawal of listing of the Shares on GEM of the Stock Exchange becomes effective (<i>Note 2</i>)	4:00 p.m. on Friday, 25 March 2022
Latest time to despatch cheques for cash entitlements under the Scheme (<i>Note 3</i>)	on or before Friday, 1 April 2022
Latest time to despatch cheques for cash payment to the Option Holders (<i>Note 3</i>)	on or before Friday, 1 April 2022

Notes:

1. When all the Conditions are satisfied or waived (as applicable), a copy of the order of the Grand Court sanctioning the Scheme will be delivered to the Registrar of Companies in the Cayman Islands for registration pursuant to Section 86(3) of the Companies Act, at which point it shall become effective and binding on the Offeror, the Company and all Scheme Shareholders. The Effective Date would be earlier than the date of announcement of the Effective Date and the withdrawal of listing of the Shares on GEM of the Stock Exchange due to the timing difference between Hong Kong and the Cayman Islands.
2. If all the Conditions are fulfilled (or waived as applicable), the Offeror will implement the Proposal to cancel and extinguish the Scheme Shares and the Company will apply to the Stock Exchange for the withdrawal of listing of the Shares on GEM of the Stock Exchange.
3. Cheques for the cash entitlements to the Scheme Shareholders and the Option Holders will be despatched by ordinary post at the risk of the recipients to their registered addresses shown in the register of members of the Company at the Scheme Record Time on the Scheme Record Date on or before Friday, 1 April 2022.

All references to times and dates are references to Hong Kong times and dates, except as otherwise specified.

WARNING

Shareholders and potential investors of the Company should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or, where applicable, waived, and therefore the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

By Order of the board of
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, 9 March 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 five directors namely Mr. YUNG Kwok Kee, Billy, Madam HSU Vivian, Mr. CHOW Kai Chiu, David, Mr. YUNG Isaac Cosmo 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.