

*Unless otherwise defined, capitalised terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus (the “**Prospectus**”) of SMC Electric Limited (蜆壳電業有限公司) (the “**Company**”) dated 29 February 2020.*

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SMC ELECTRIC LIMITED
蜆壳電業有限公司

(Incorporated in the Cayman Islands with limited liability)

**LISTING ON THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED
BY WAY OF SHARE OFFER**

Number of Offer Shares	:	375,000,000 Shares comprising 187,500,000 New Shares and 187,500,000 Sale Shares
Number of Public Offer Shares	:	187,500,000 Shares (subject to re-allocation)
Number of Placing Shares	:	187,500,000 Shares comprising 187,500,000 Sale Shares (subject to re-allocation)
Offer Price	:	Not more than HK\$0.38 per Offer Share and expected to be not less than HK\$0.335 per Offer Share, plus brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund without interest)
Nominal Value	:	HK\$0.01 per Share
Stock code	:	2381

Sole Sponsor



紅日資本有限公司
RED SUN CAPITAL LIMITED

Joint Bookrunners



Application has been made by the Company to the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the Shares in issue and to be issued as described in the Prospectus (including the Shares to be issued pursuant to (i) the Capitalisation Issue; (ii) the Share Offer; and (iii) the exercise of the options which may be granted under the Share Option Scheme). Assuming the Share Offer becomes unconditional at or before 8:00 a.m. in Hong Kong on Tuesday, 17 March 2020, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, 17 March 2020.

The Share Offer comprises the Public Offer of 187,500,000 Public Offer Shares (subject to re-allocation), representing 50% of the Offer Shares, and the Placing of 187,500,000 Placing Shares (comprising 187,500,000 Sale Shares) (subject to re-allocation), representing 50% of the Offer Shares. The allocation of the Offer Shares between the Public Offer and the Placing will be subject to adjustment as described in the section headed “Structure of the Share Offer” in the Prospectus. If the Public Offer is not fully subscribed, the Joint Bookrunners may reallocate all or any unsubscribed Public Offer Shares to the Placing, in such proportions as the Joint Bookrunners deem appropriate. The total number of Shares to be issued or sold pursuant to the Placing may change as a result of any reallocation of unsubscribed Offer Shares originally included in the Public Offer.

Subject to the granting of the approval for listing of, and permission to deal in, the Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made to enable the Shares to be admitted into CCASS. Investors should seek the advice of their stockbrokers or other professional advisers for details of the settlement arrangement as such arrangements may affect their rights and interests.

The Offer Price will not be more than HK\$0.38 per Offer Share and is expected to be not less than HK\$0.335 per Offer Share, unless otherwise announced. Applicants for the Public Offer Shares are required to pay in full, on application, the maximum Offer Price of HK\$0.38 per Offer Share together with brokerage of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price as finally determined is less than HK\$0.38 per Offer Share, or if the conditions of the Share Offer are not fulfilled in accordance with the section headed “Structure of the Share Offer” in the Prospectus or if any application is revoked. Further details are set out in the section headed “How to Apply for Public Offer Shares” in the Prospectus.

If an application is rejected, not accepted or accepted in part only, or if the conditions of the Share Offer are not fulfilled in accordance with the section headed “Structure of the Share Offer — Conditions of the Share Offer” in the Prospectus, or if the Offer Price as finally determined is less than HK\$0.38 per Offer Share, appropriate refund monies (including the brokerage, SFC transaction levy and Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants without interest. Further details are set out in the sub-section headed “How to Apply for Public Offer Shares — 13. Refund of Application Monies” in the Prospectus.

The final Offer Price is expected to be determined by agreement between the Company (for itself and on behalf of the Selling Shareholder) and the Joint Bookrunners (for themselves and on behalf of the Underwriters) on the Price Determination Date, which is currently expected to be on or around Saturday, 7 March 2020, and in any event no later than Friday, 13 March 2020. If, for any reason, the Company (for itself and on behalf of the Selling Shareholder) and the Joint Bookrunners (for themselves and on behalf of the Underwriters) are unable to agree on the Offer Price by Friday, 13 March 2020, the Share Offer will not proceed and will lapse. In such event, the Company will issue an announcement on the Stock Exchange website’s at www.hkexnews.hk and the Company’s website at www.smcelectric.com.hk.

Applications for the Public Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus and the Application Forms and the designated website of the eWhite Form Service Provider (www.ewhiteform.com.hk) under the eWhite Form Service.

Applicants who would like to have the allotted Public Offer Shares registered in their own names should either (i) complete and sign the **WHITE** Application Forms or (ii) submit applications online through the designated website of the **eWhite Form** Service Provider at www.ewhiteform.com.hk under the **eWhite Form** service. Applicants who would like to have the allotted Public Offer Shares registered in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Forms; or (ii) give **electronic application instructions** to HKSCC via CCASS.

WHERE TO COLLECT THE PROSPECTUS AND APPLICATION FORMS

Copies of the Prospectus, together with the **WHITE** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Saturday, 29 February 2020 to 12:00 noon on Friday, 6 March 2020, or such later time as described in the sub-section headed “How to apply for Public Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists” in the Prospectus, from:

1. the following addresses of the Joint Bookrunners:

Futu Securities International (Hong Kong) Limited	Unit C1–2, 13/F, United Centre, No. 95 Queensway, Hong Kong
CMBC Securities Company Limited	45/F, One Exchange Square, 8 Connaught Place, Central, Hong Kong
Essence International Securities (Hong Kong) Limited	39/F, One Exchange Square, Central, Hong Kong
First Shanghai Securities Limited	19/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
Guosen Securities (HK) Capital Company Limited	Suites 3207–3212, 32/F, One Pacific Place, 88 Queensway, Hong Kong
Guotai Junan Securities (Hong Kong) Limited	27th Floor, Low Block, Grand Millennium Plaza, 181 Queen’s Road Central, Hong Kong
Red Sun Capital Limited	Room 3303, 33/F, West Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong
Shanxi Securities International Limited	Unit A, 29/F, Admiralty Center Tower 1, 18 Harcourt Road, Admiralty, Hong Kong

2. the following addresses of the Joint Lead Managers:

Guotai Junan Securities (Hong Kong) Limited	27th Floor, Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong
Quasar Securities Co., Limited	Unit A, 12/F, Harbour Commercial Building, 122-124 Connaught Road Central, Sheung Wan, Hong Kong
Pacific Foundation Securities Limited	11/F, New World Tower II, 16-18 Queen's Road Central, Hong Kong
Essence International Securities (Hong Kong) Limited	39/F, One Exchange Square, Central, Hong Kong

3. any of the following branches of the receiving bank:

Hang Seng Bank Limited

District	Branch Name	Address
Hong Kong Island	Head Office	83 Des Voeux Road Central
	North Point Branch	335 King's Road
Kowloon	Tsimshatsui Branch	18 Carnarvon Road, Tsimshatsui
	Kowloon Main Branch	618 Nathan Road, Mongkok

Copies of the Prospectus, together with the **YELLOW** Application Forms, may be collected during normal business hours from 9:00 a.m. on Saturday, 29 February 2020 to 12:00 noon on Friday, 6 March 2020 from the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or from your stockbroker.

Time for Lodging Application Forms

The **WHITE** or **YELLOW** Application Form completed in all respects in accordance with the instructions printed thereon, together with a cheque or a banker's cashier order attached and marked payable to "**HANG SENG (NOMINEE) LIMITED — SMC ELECTRIC LIMITED PUBLIC OFFER**" for the payment attached and securely stapled, should be deposited in the special collection boxes provided at any of the branches of the receiving bank listed above, at the following times:

Saturday, 29 February 2020 — 9:00 a.m. to 12:00 noon
Monday, 2 March 2020 — 9:00 a.m. to 5:00 p.m.
Tuesday, 3 March 2020 — 9:00 a.m. to 5:00 p.m.
Wednesday, 4 March 2020 — 9:00 a.m. to 5:00 p.m.
Thursday, 5 March 2020 — 9:00 a.m. to 5:00 p.m.
Friday, 6 March 2020 — 9:00 a.m. to 12:00 noon

The latest time to lodge applications is 12:00 noon on Friday, 6 March 2020. The application lists will be open from 11:45 a.m. to 12:00 noon on the same date, the last application day or such later time as described in the sub-section headed "How to apply for Public Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists" in the Prospectus.

Applicants applying through **eWhite Form** service may submit applications through the **eWhite Form** Service Provider at www.ewhiteform.com.hk from 9:00 a.m. on Saturday, 29 February 2020 until 11:30 a.m. on Friday, 6 March 2020 or such later time as described in the sub-section headed "How to Apply for the Public Offer Shares — 10. Effect of Bad Weather on the Opening of the Application Lists" in the Prospectus (24 hours daily, except on the last application day).

Time for Inputting Electronic Application Instructions

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times⁽¹⁾ on the following dates:

Monday, 2 March 2020 — 8:00 a.m. to 8:30 p.m.
Tuesday, 3 March 2020 — 8:00 a.m. to 8:30 p.m.
Wednesday, 4 March 2020 — 8:00 a.m. to 8:30 p.m.
Thursday, 5 March 2020 — 8:00 a.m. to 8:30 p.m.
Friday, 6 March 2020 — 8:00 a.m. to 12:00 noon

Note:

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants and/or CCASS Investor Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Saturday, 29 February 2020 until 12:00 noon on Friday, 6 March 2020 (24 hours daily, except on the last application day). The latest time for inputting **electronic application instructions** will be 12:00 noon, Friday, 6 March 2020, the last application day or such later time as described in the sub-section headed “How to apply for Public Offer Shares — 10. Effects of Bad Weather on the Opening of the Application Lists” in the Prospectus.

Please refer to the sections headed “Structure of the Share Offer” and “How to Apply for Public Offer Shares” in the Prospectus for details of the conditions and procedures of the Share Offer.

PUBLICATION OF RESULTS

The Company expects to announce the final Offer Price, the indication of the level of interest in the Placing, the level of applications in the Public Offer and the basis of allocation of the Public Offer Shares on Monday, 16 March 2020, (i) on the Company’s website at www.smcelectric.com.hk; and (ii) on the website of the Stock Exchange at www.hkexnews.hk.

The results of allocations of the Public Offer Shares and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants and the number of the Public Offer Shares successfully applied for under the Public Offer, will be made available in the manner as described in the sub-section headed “How to Apply for the Public Offer Shares — 11. Publication of results” in the Prospectus on Monday, 16 March 2020, including the website of the Stock Exchange at www.hkexnews.hk and on the Company’s website at www.smcelectric.com.hk.

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum Offer Price of HK\$0.38 per Offer Share (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee thereon), or if the conditions of the Share Offer are not fulfilled in accordance with “Structure of the Share Offer” in the Prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and the Stock Exchange trading fee, will be refunded, without interest or the cheque or banker’s cashier order will not be cleared.

No temporary document of title will be issued in respect of the Shares. No receipt will be issued for sums paid on application. Share certificates will only become valid certificates of title at 8:00 a.m. on Tuesday, 17 March 2020 provided that the Share Offer has become unconditional and the right of termination described in the section headed “Underwriting” in the Prospectus has not been exercised.

Assuming that the Share Offer becomes unconditional at or before 8:00 a.m. on Tuesday, 17 March 2020, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Tuesday, 17 March 2020. The Shares will be traded in board lots of 6,000 Shares. The stock code of the Shares is 2381.

By order of the Board
SMC ELECTRIC LIMITED
蜆壳電業有限公司
Yung Kwok Kee Billy
Chairman and Non-executive Director

Hong Kong, 29 February 2020

As at the date of this announcement, the board of Directors comprises Mr. Leung Chun Wah and Mr. Tang Che Yin as executive Directors; Mr. Yung Kwok Kee Billy as non-executive Director; and Mr. Leung Man Chiu Lawrence, Mr. Poon Chak Sang Plato and Mr. Lam Sai Yu Geoffrey as independent non-executive Directors.