

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **YORKEY OPTICAL INTERNATIONAL (CAYMAN) LTD.**

**精熙國際(開曼)有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2788)**

### **REVISION OF ANNUAL CAP FOR CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the announcement of Yorkey Optical International (Cayman) Ltd. (the “**Company**” and together with its subsidiaries referred as the “**Group**”) dated 23 March 2018 (“**Announcement**”), in relation to the continuing connected transactions for, among other things, the sale of plastic parts and components from Dongguan Yorkey Optical Machinery Components Ltd.\* (“**Dongguan Yorkey**”) to Dongguan Guang Tong Business Machines Co., Ltd.\* (“**Dongguan Guang Tong**”). Unless otherwise defined herein, capitalised terms in this announcement shall have the same meanings as those defined in the Announcement.

The Board noted that the transacted amounts of the transaction under the Renewed Supplemental DY Agreement for the six months ended 30 June 2021 has recorded approximately 80% of the original annual cap for the financial years ending 31 December 2021 as set out in the Announcement, which was set at US\$25,000 (“**Original Annual Cap**”). The Board envisages that the increasing demand for plastic parts and components from Dongguan Guang Tong will likely be continued. As a result, the Original Annual Cap will not be sufficient to fulfil the transaction may take place during the six months ending 31 December 2021. The Board therefore proposes to revise (the “**Revision Annual Cap**”) and increase the Original Annual Cap to US\$100,000 (the “**Revised Annual Cap**”).

#### **PRICING TERMS**

The terms of the Renewed Supplemental DY Agreement have not been changed or modified in any way and the major terms are set out in the section headed “PRICING TERMS OF THE CONTINUING CONNECTED TRANSACTIONS AGREEMENTS” in the Announcement.

## ORIGINAL ANNUAL CAP AND REVISED ANNUAL CAP

Set out below are original annual cap and transacted amounts of the transaction under the Renewed Supplemental DY Agreement for the year ended 31 December 2019 and 2020 and the six months ended 30 June 2021:

	<b>For the year ended 31 December</b>		<b>For the six months ended</b>
	<b>2019</b>	<b>2020</b>	<b>30 June 2021</b>
	<i>approximately</i>	<i>approximately</i>	<i>approximately</i>
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
original annual cap	25	25	25
transaction amounts	16	24	20
Utilisation rate	64%	96%	80%

Set out below are the Original Annual Cap and the Revised Annual Cap:

	<b>For the year ending 31 December 2021</b>
	<i>US\$'000</i>
Original Annual Cap	25
Revised Annual Cap	100

The Revised Annual Cap is determined with reference to (i) the historical transacted amounts of the transaction under the Renewed Supplemental DY Agreement during the past financial years; and (ii) the increasing in demand for plastic parts and components from Dongguan Guang Tong.

Shareholders and potential investors should note that the Revised Annual Caps should not be construed as an assurance or forecast by the Company of the future transaction amount under the Renewed Supplemental DY Agreement.

## REASONS FOR AND BENEFITS OF THE REVISION OF ANNUAL CAP

The Board has been carefully monitoring the performance of the Renewed Supplemental DY Agreement. Taking into account the various factors set out above, the Board envisages that the aggregate transaction amount for the year ending 31 December 2021 would exceed the Original Annual Cap. The Board therefore proposes to revise and increase the Original Annual Cap to the Revised Annual Cap to satisfy the increasing demand from Dongguan Guang Tong.

The Board considers that the continuous growth of sale of plastic parts and components to Dongguan Guang Tong will benefit the Group by enhancing the Group's sales portfolio and sales profits.

## **DIRECTORS' CONFIRMATION**

None of the Directors has any material interest in the Revision of Annual Cap and none was required to abstain from voting on the relevant Board resolutions.

The Directors, including the independent non-executive Directors, consider that the Revision of Annual Cap has been conducted in the ordinary and usual course of business of the Group, is on normal commercial terms and is fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **GENERAL INFORMATION OF THE GROUP**

The Group is principally engaged in the manufacturing and sales of plastic and metallic parts and components of optical and opto-electronic products and manufacturing and sales of molds and cases, including plastic and metallic parts and components of DSCs, action cameras, copier-based multifunction peripherals, surveillance cameras and projectors, etc.

## **LISTING RULES IMPLICATIONS**

Dongguan Guang Tong is principally engaged in the manufacture and sale of parts for scanners, copiers and laser printers. As at the date of this announcement, Dongguan Guang Tong is wholly owned by Ever Pine, which is owned as to 34.65% by Ability Enterprise BVI, and therefore is an associate of Ability Enterprise BVI which is a substantial shareholder of the Company holding approximately 17.58% of the equity interests in the Company as of the date of this announcement. Therefore, Dongguan Guang Tong is a connected person of the Company for the purpose of the Listing Rules and the Renewed Supplemental DY Agreement constitutes continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest of the Percentage Ratios in respect of the Revised Annual Cap for the financial year ending 31 December 2021 exceed 0.1% but are less than 5% and less than HK\$3 million. This announcement aims to provide an update of the relevant annual cap to the Shareholders and the potential investors in accordance with the Listing Rules.

By order of the Board  
**YORKEY OPTICAL INTERNATIONAL (CAYMAN) LTD.**  
**Kurihara Toshihiko**  
*Executive Director and Chief Executive Officer*

Hong Kong, 6 August 2021

*As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Lai I-Jen and Mr. Kurihara Toshihiko; one non-executive Director, namely, Ms. Wu Shu-Ping, and three independent non-executive Directors, namely, Mr. Lin Meng-Tsung, Mr. Liu Wei-Li and Mr. Lin Yi-Min.*

\* *For identification purpose only*