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Alpha Luck Industrial Limited

安利實業有限公司

(Incorporated in Hong Kong with limited liability)

AKM Meadville Electronics (Xiamen) Co., Ltd.*

安捷利美維電子(廈門)有限責任公司

(Incorporated in the PRC with limited liability)



AKM Industrial Company Limited

安捷利實業有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 1639)

JOINT ANNOUNCEMENT

- (1) PROPOSAL FOR THE PRIVATISATION OF
AKM INDUSTRIAL COMPANY LIMITED BY
THE JOINT OFFERORS BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 673 OF THE COMPANIES ORDINANCE
AND
(2) PROPOSED WITHDRAWAL OF LISTING OF
THE SHARES OF AKM INDUSTRIAL COMPANY LIMITED
AND
(3) RESULTS OF THE COURT MEETING AND THE EGM
AND
(4) CLOSURE OF REGISTER OF MEMBERS OF
AKM INDUSTRIAL COMPANY LIMITED**

Financial Adviser to the Joint Offerors



China International Capital Corporation Hong Kong Securities Limited

Independent Financial Adviser to the Independent Board Committee



Lego Corporate Finance Limited

RESULTS OF THE COURT MEETING AND THE EGM

On Wednesday, 22 June 2022, the resolution to approve the Scheme was duly passed at the Court Meeting in accordance with the requirements of sections 673 and 674 of the Companies Ordinance and Rule 2.10 of the Takeovers Code.

On Wednesday, 22 June 2022, the Special Resolution (as defined below) and the Ordinary Resolution (as defined below) were duly passed by the Shareholders at the EGM.

CURRENT STATUS OF THE CONDITIONS OF THE PROPOSAL

The Proposal remains subject to, and the Scheme will become effective and binding on the Company and all the Scheme Shareholders upon, the fulfilment or waiver (as applicable) of the Conditions as set out in the section headed “CONDITIONS OF THE PROPOSAL” in the Explanatory Statement set out in Part VII of the Scheme Document. As at the date of this announcement, (i) Conditions (a) and (b) have been fulfilled; and (ii) the relevant Approval from the State Administration for Market Regulation of the PRC has been obtained under Condition (e).

EXPECTED LATEST TIME FOR TRADING IN THE SHARES ON THE STOCK EXCHANGE

The expected latest time for trading in the Shares on the Stock Exchange is 4:10 p.m. on Tuesday, 28 June 2022.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

For the purpose of determining the holders of Scheme Shares who are qualified for entitlements under the Scheme, the register of members of the Company will be closed from Tuesday, 5 July 2022 onwards and during such period, no transfer of the Shares will be effected.

WARNING

Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme are subject to the Conditions being fulfilled or waived (as applicable). Accordingly, the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors are advised to exercise extreme 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.

INTRODUCTION

Reference is made to the composite scheme document (the “**Scheme Document**”) jointly issued by Alpha Luck Industrial Limited (“**Alpha Luck**”), 安捷利美維電子(廈門)有限責任公司(AKM Meadville Electronics (Xiamen) Co., Ltd.*) (“**AKM Meadville**”) (collectively referred to as the “**Joint Offerors**”) and AKM Industrial Company Limited (the “**Company**”) dated 31 May 2022 in relation to, among other matters, the Proposal and the Scheme. Unless otherwise defined, terms used herein shall have the same respective meanings as those defined in the Scheme Document.

RESULTS OF THE COURT MEETING

The Court Meeting was held on Wednesday, 22 June 2022 at Rooms 2708-11, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

Under sections 673 and 674 of the Companies Ordinance, the Scheme will, subject to the sanction of the Court, be binding on the Company and all the Scheme Shareholders if:

- (i) the Scheme is approved at the Court Meeting (by way of a poll) by the Scheme Shareholders representing at least 75% of the voting rights of the Scheme Shareholders present and voting, in person or by proxy, at the Court Meeting; and
- (ii) the votes cast (by way of a poll) against the Scheme at the Court Meeting do not exceed 10% of the total voting rights attached to all the Disinterested Shares.

Under Rule 2.10 of the Takeovers Code, the Scheme may only be implemented if, in addition to satisfying the voting requirements under section 674(2) of the Companies Ordinance:

- (i) the Scheme is approved at the Court Meeting (by way of a poll) by at least 75% of the votes attaching to the Independent Scheme Shares that are cast either in person or by proxy at the Court Meeting; and
- (ii) the number of votes cast (by way of a poll) against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Independent Scheme Shares.

At the Court Meeting:

- (i) holders of 715,555,049 Scheme Shares (representing approximately 99.88% of the voting rights of such holders of the Scheme Shares present and voting, in person or by proxy, at the Court Meeting) voted in favour of the resolution to approve the Scheme, and holders of 825,940 Scheme Shares (representing approximately 0.08% of the voting rights attached to all Disinterested Shares) voted against the resolution to approve the Scheme; and
- (ii) Independent Scheme Shareholders holding 715,555,049 Scheme Shares (representing approximately 99.88% of the votes attaching to the Independent Scheme Shares held by the Independent Scheme Shareholders that were cast either in person or by proxy at the Court Meeting) voted in favour of the resolution to approve the Scheme, and Independent Scheme Shareholders holding 825,940 Scheme Shares (representing approximately 0.08% of the votes attaching to all the Independent Scheme Shares) voted against the resolution to approve the Scheme.

Accordingly, the resolution proposed at the Court Meeting to approve the Scheme was duly passed in accordance with the requirements of sections 673 and 674 of the Companies Ordinance and Rule 2.10 of the Takeovers Code.

As at the date of the Court Meeting:

- (i) the total number of Shares in issue was 1,538,237,500 Shares;
- (ii) the total number of Scheme Shares was 984,337,500 Shares, representing approximately 63.99% of the issued share capital of the Company;
- (iii) the total number of Shares entitled to be voted at the Meeting in respect of the Scheme under the Companies Ordinance was 984,337,500 Shares, representing approximately 63.99% of the issued share capital of the Company; and
- (iv) the total number of Independent Scheme Shares held by Independent Scheme Shareholders for the purpose of the Takeovers Code was 974,937,500 Shares, representing approximately 63.38% of the issued share capital of the Company. Accordingly, the number of Shares representing 10% of the Independent Scheme Shares was 97,493,750 Shares.

Immediately before 14 January 2022 (the commencement of the offer period (as defined in the Takeovers Code)) and as at the date of this announcement:

- (i) Alpha Luck, being one of the Joint Offerors, legally or beneficially owned, controlled or had direction over 553,900,000 Shares (representing approximately 36.01% of the entire issued share capital of the Company). Such 553,900,000 Shares did not form part of the Scheme Shares and were not voted at the Court Meeting. Other than the 553,900,000 Shares held by Alpha Luck, the Joint Offerors did not legally or beneficially own, control, or have direction over any Shares;
- (ii) the Joint Offerors Concert Parties legally or beneficially owned, controlled, or had direction over 9,400,000 Shares held by Mr. Xiong Zheng Feng (the Joint Offerors Concert Party by virtue of being a director of each of the Joint Offerors)(representing approximately 0.61% of the entire issued share capital of the Company). Such 9,400,000 Shares formed part of the Scheme Shares and will be cancelled upon the Scheme becoming effective but were not voted at the Court Meeting;
- (iii) members of the CICC Group (except those which are exempt principal traders or exempt fund managers for the purpose of the Takeovers Code), being the Joint Offerors Concert Parties, did not legally or beneficially own, control, or have direction over any Shares;
- (iv) the Trustee held 8,820,000 Shares pursuant to the Trust Deed (representing approximately 0.57% of the entire issued share capital of the Company). Such 8,820,000 Trustee Held Shares formed part of the Scheme Shares and will be cancelled upon the Scheme becoming effective but were not voted at the Court Meeting;
- (v) HK Goertek, being one of the IU Shareholders, owned 363,650,000 Shares (representing approximately 23.64% of the entire issued share capital of the Company). Such 363,650,000 Shares formed part of the Scheme Shares and will be cancelled upon the Scheme becoming effective. Based on the information available to the Company, all of the 363,650,000 Shares held by HK Goertek were voted in favour of the resolution to approve and give effect to the Proposal and the Scheme at the Court Meeting;
- (vi) Anjie Hong Kong, being one of the IU Shareholders, owned 200,000,000 Shares (representing approximately 13.00% of the entire issued share capital of the Company). Such 200,000,000 Shares formed part of the Scheme Shares and will be cancelled upon the Scheme becoming effective. Based on the information available to the Company, all of the 200,000,000 Shares held by Anjie Hong Kong were voted in favour of the resolution to approve and give effect to the Proposal and the Scheme at the Court Meeting.

While exempt principal traders which are connected for the sole reason that they are under the same control as CICC are not presumed to be acting in concert with the Joint Offerors, exempt principal traders within the CICC Group did not exercise the voting rights attached to the Scheme Shares held in their names in respect of the resolution to approve the Scheme at the Court Meeting.

There were no Shares entitling the Shareholders to attend and abstain from voting in favour of the Scheme as set out in Rule 13.40 of the Listing Rules, and there were no Shareholders required to abstain from voting at the Court Meeting in respect of the Scheme under the Listing Rules. Save as otherwise disclosed in the Scheme Document, no Shareholder had indicated in the Scheme Document any intention to vote against or to abstain from voting in respect of the Scheme at the Court Meeting.

Mr. Hung Chi Yuen Andrew, an Independent non-executive Director, attended the Court Meeting in person and acted as chairman of the Court Meeting. Mr. Xiong Zheng Feng, Chairman of the Board and executive Director, attended the Court Meeting by video conference.

Computershare Hong Kong Investor Services Limited, the Company's share registrar and transfer office, acted as the scrutineer for vote-taking at the Court Meeting.

RESULTS OF THE EGM

The EGM was held immediately after the conclusion of the Court Meeting on Wednesday, 22 June 2022 at Rooms 2708-11, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

At the EGM, in respect of a special resolution to approve and give effect to the reduction of the issued share capital of the Company on the Effective Date by the cancellation and extinguishment of the Scheme Shares in issue on the Scheme Record Date (the "**Special Resolution**"), a total of 1,278,860,989 Shares (representing approximately 83.14% of the total number of Shares in issue) were voted in person or by proxy on a poll, of which:

- (i) 1,278,035,614 Shares (representing approximately 99.94% of the Shares voted in respect of the Special Resolution) were voted in favour of the Special Resolution; and
- (ii) 825,375 Shares (representing approximately 0.06% of the Shares voted in respect of the Special Resolution) were voted against the Special Resolution.

As at least 75% of the votes were cast in favour of the Special Resolution by the Shareholders present and voting in person or by proxy at the EGM, the Special Resolution was duly passed.

At the EGM, subject to and forthwith upon the Special Resolution having been passed, in respect of an ordinary resolution to approve and give effect to, immediately after such cancellation, extinguishment and reduction, the restoration of the issued share capital of the Company to the amount immediately prior to such cancellation, extinguishment and reduction by the issue of 61,395,000 new Shares to Alpha Luck and 922,942,500 new Shares to AKM Meadville by the Company (all credited as fully-paid by applying the reserve created as a result of such cancellation, extinguishment and reduction) which, in aggregate,

are equal to the number of the Scheme Shares cancelled and extinguished (the “**Ordinary Resolution**”), a total of 1,278,860,989 Shares (representing approximately 83.14% of the total number of Shares in issue) were voted in person or by proxy on a poll, of which:

- (i) 1,278,035,614 Shares (representing approximately 99.94% of the Shares voted in respect of the Ordinary Resolution) were voted in favour of the Ordinary Resolution; and
- (ii) 825,375 Shares (representing approximately 0.06% of the Shares voted in respect of the Ordinary Resolution) were voted against the Ordinary Resolution.

As more than 50% of the votes were cast in favour of the Ordinary Resolution by the Shareholders present and voting in person or by proxy at the EGM, the Ordinary Resolution was duly passed.

As at the date of the EGM, the total number of Shares in issue was 1,538,237,500 Shares and all Shareholders were entitled to attend and vote on the Special Resolution and the Ordinary Resolution at the EGM.

As set out in the Scheme Document, Alpha Luck has indicated that, if the Scheme is approved at the Court Meeting, it will vote in favour of the Special Resolution and the Ordinary Resolution. As the Scheme was approved at the Court Meeting, Alpha Luck had voted in favour of the Special Resolution and the Ordinary Resolution proposed at the EGM.

Further, Mr. Xiong Zheng Feng has irrevocably undertaken that he will vote in favour of the resolutions to be proposed at the EGM. Mr. Xiong Zheng Feng had voted in favour of the Special Resolution and the Ordinary Resolution proposed at the EGM.

There were no Shares entitling the holders to attend and abstain from voting in favour of the Special Resolution or the Ordinary Resolution as set out in Rule 13.40 of the Listing Rules. No Shareholder was required under the Listing Rules, the Companies Ordinance and/or the Takeovers Code to abstain from voting on the Special Resolution or the Ordinary Resolution at the EGM. Save for the 8,820,000 Shares held by the Trustee which were not voted at the EGM, no Shareholder had indicated in the Scheme Document any intention to vote against or to abstain from voting on the Special Resolution or the Ordinary Resolution at the EGM.

Mr. Hung Chi Yuen Andrew, an Independent non-executive Director, attended the EGM in person and acted as chairman of the EGM. Mr. Xiong Zheng Feng, Chairman of the Board and executive Director, attended the EGM by video conference.

Computershare Hong Kong Investor Services Limited, the Company’s share registrar and transfer office, acted as the scrutineer for vote-taking at the EGM.

EXPECTED TIMETABLE

Hong Kong time

Expected latest time for trading in the Shares on the Stock Exchange	4:10 p.m. on Tuesday, 28 June 2022
Latest time for lodging transfers of the Shares in order to qualify for entitlements under the Scheme.	4:30 p.m. on Monday, 4 July 2022
Register of members of the Company closed for determining entitlements to qualify under the Scheme (<i>Note 1</i>)	from Tuesday, 5 July 2022 onwards
Court hearing of the petition for the sanction of the Scheme (<i>Note 2</i>)	Tuesday, 19 July 2022
Announcement of (1) the result of the Court hearing, (2) the expected Effective Date and (3) the expected date of withdrawal of listing of the Shares on the Stock Exchange posted on the website of the Stock Exchange	no later than 7:00 p.m. on Tuesday, 19 July 2022
Scheme Record Date for determining the entitlement of the Scheme Shareholders under the Scheme	Tuesday, 19 July 2022
Effective Date (<i>Note 2</i>)	Tuesday, 26 July 2022
Announcement of (1) the Effective Date and (2) the withdrawal of listing of the Shares on the Stock Exchange posted on the website of the Stock Exchange.	no later than 7:00 p.m. on Tuesday, 26 July 2022

Expected withdrawal of listing of
the Shares on the Stock Exchange
becomes effective (*Note 3*) 9:00 a.m. on Thursday,
28 July 2022

Latest time to despatch cheques for
the cash payment of the Cancellation Price to
the Scheme Shareholders (*Note 4*). on or before Thursday,
4 August 2022

Notes:

1. The register of members of the Company will be closed during such period for the purpose of determining which holders of the Scheme Shares are qualified for the entitlements under the Scheme.
2. The Court hearing of the petition for the sanction of the Scheme will be held at the Court at the High Court Building, 38 Queensway, Hong Kong. The Scheme will become effective upon all the Conditions having been fulfilled or waived (as applicable). The Scheme shall become effective when an office copy of the order of the Court sanctioning the Scheme (with or without modification) and confirming the reduction of the share capital of the Company involved in the Scheme together with a minute and a return that comply with subsections (2) and (3) of section 230 of the Companies Ordinance shall have been delivered and registered by the Registrar of Companies.
3. If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn at 9:00 a.m. on Thursday, 28 July 2022.
4. Cheques for entitlements of Scheme Shareholders will be despatched by ordinary post in postage pre-paid envelopes addressed to the Scheme Shareholders at their respective addresses as appearing in the register of members of the Company as at the Scheme Record Date or, in the case of joint holders, at the address appearing in the register of members of the Company as at the Scheme Record Date of the joint holder whose name then stands first in the register of members of the Company in respect of the relevant joint holding as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) following the Effective Date. Cheques shall be posted at the risk of the addressees and none of the Joint Offerors, the Company, CICC, the Independent Financial Adviser and the Company's share registrar and transfer office and their respective directors, employees, officers, agents, advisers, associates and affiliates and any other persons involved in the Proposal shall be responsible for any loss or delay in transmission.

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

CURRENT STATUS OF THE CONDITIONS OF THE PROPOSAL

The Proposal remains subject to, and the Scheme will become effective and binding on the Company and all the Scheme Shareholders upon, the fulfilment or waiver (as applicable) of the Conditions as set out in the section headed “CONDITIONS OF THE PROPOSAL” in the Explanatory Statement set out in Part VII of the Scheme Document. As at the date of this announcement, (i) Conditions (a) and (b) have been fulfilled; and (ii) the relevant Approval from the State Administration for Market Regulation of the PRC has been obtained under Condition (e).

Subject to all of the Conditions being fulfilled, or as applicable, waived, the Scheme will become effective on the Effective Date, which is expected to be Tuesday, 26 July 2022.

PROPOSED WITHDRAWAL OF LISTING OF THE SHARES

Subject to the Scheme becoming effective, the listing of the Shares on the Stock Exchange is expected to be withdrawn at 9:00 a.m. on Thursday, 28 July 2022. The Company has applied to the Stock Exchange for, and the Stock Exchange has approved, the withdrawal of the listing of the Shares from the Stock Exchange in accordance with Rule 6.15(2) of the Listing Rules, subject to the Scheme becoming effective.

EXPECTED LATEST TIME FOR TRADING IN THE SHARES ON THE STOCK EXCHANGE

As stated in the Scheme Document, the expected latest time for trading in the Shares on the Stock Exchange is 4:10 p.m. on Tuesday, 28 June 2022.

CLOSURE OF REGISTER OF MEMBERS OF THE COMPANY

For the purpose of determining the holders of the Scheme Shares who are qualified for entitlements under the Scheme, the register of members of the Company will be closed from Tuesday, 5 July 2022 onwards and during such period, no transfer of the Shares will be effected. In order to qualify for entitlements under the Scheme, holders of Scheme Shares should ensure that the transfers of Shares to them are lodged with the Company’s share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. (Hong Kong time) on Monday, 4 July 2022.

GENERAL

Neither the Joint Offerors nor the Joint Offerors Concert Parties have acquired or agreed to acquire any Shares or rights over Shares or any convertible securities, warrants, options or derivatives in respect of the Shares since the date of the Announcement and up to the date of this announcement.

As at the date of this announcement, neither the Joint Offerors nor the Joint Offerors Concert Parties have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

WARNING

Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme are subject to the Conditions being fulfilled or waived (as applicable). Accordingly, the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors are advised to exercise extreme 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 directors of
ALPHA LUCK INDUSTRIAL LIMITED

Zhang Xiaoming
Director

By order of the board of directors of
AKM MEADVILLE ELECTRONICS

(XIAMEN) CO., LTD.*
Xiong Zheng Feng
Director

By order of the Board
AKM Industrial Company Limited
Hung Ching Yuen
Company Secretary

* *For identification purposes only*

Hong Kong, 22 June 2022

As at the date of this announcement, the directors of Alpha Luck are Xiong Zheng Feng, Zhang Xiaoming and Liu Jianzhe.

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

As at the date of this announcement, the directors of CNIC are Jiao Kai He, Xu Xian Ping, Yan Zhe, He Ji Wu, Yang Xiao Qing, Li Tie Nan and Chen De Fang.

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

As at the date of this announcement, the directors of AKM Meadville are Xiong Zheng Feng, Kan Guo Liang, Du Feng, Zhu Xin Gui, Wang Hui Lian, Kong Ling Wen and Fang Zhi Rong.

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

As at the date of this announcement, the executive Director of the Company is Xiong Zheng Feng; the non-executive Directors of the Company are Gao Xiaoguang, Jia Junan, Wang Chunsheng, Zhang Xiaoming and Liu Jianzhe; and the independent non-executive Directors of the Company are Hung Chi Yuen Andrew, Cui Zheng and Zhang Guo Qi.

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