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Glory Mount (HK) Limited

(Incorporated in Hong Kong with limited liability)

SAMSON HOLDING LTD.

順誠控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00531)

JOINT ANNOUNCEMENT

- (1) PROPOSED PRIVATISATION OF SAMSON HOLDING LTD. BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT (UNDER SECTION 86 OF THE COMPANIES ACT)**
- (2) PROPOSED WITHDRAWAL OF LISTING**
- (3) ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE**
- (4) RESUMPTION OF TRADING IN THE SHARES**

Financial Adviser to the Offeror



INTRODUCTION

The Offeror and the Company jointly announce that on 11 July 2024, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under section 86 of the Companies Act.

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to each Scheme Shareholder as at the Scheme Record Date of the Offer Price in cash for each Scheme Share cancelled and extinguished;
- (b) contemporaneously with the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be maintained by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished such that the Offeror and Advent Group Limited will in aggregate own 100% of the total number of Shares in issue. The reserve created in the Company's books of account as a result of the cancellation and extinguishment of the Scheme Shares will be applied in paying up in full at par the new Shares so issued, credited as fully paid, to the Offeror; and
- (c) the Company will apply to the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange following the Effective Date pursuant to Rule 6.15 of the Listing Rules.

TERMS OF THE PROPOSAL

Under the Proposal, if the Scheme is approved and implemented, the Scheme Shares will be cancelled and extinguished and, in consideration therefor, each Scheme Shareholder as at the Scheme Record Date will be entitled to receive the Offer Price of HK\$0.480 in cash for each Scheme Share cancelled and extinguished under the Scheme.

The Offeror will not increase the Offer Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price.

The Offer Price of HK\$0.480 per Scheme Share represents:

- a premium of approximately 50.00% over the closing price of HK\$0.320 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 75.31% over the average closing price of approximately HK\$0.274 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 94.57% over the average closing price of approximately HK\$0.247 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;

- a premium of approximately 143.24% over the average closing price of approximately of HK\$0.197 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 181.44% over the average closing price of approximately of HK\$0.171 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 182.22% over the average closing price of approximately of HK\$0.170 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- a premium of approximately 171.24% over the average closing price of approximately of HK\$0.177 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- a premium of approximately 149.95% over the average closing price of approximately of HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- a premium of approximately 77.78% over the closing price of HK\$0.270 per Share as quoted on the Stock Exchange on the Last Undisturbed Day;
- a premium of approximately 86.77% over the average closing price of approximately of HK\$0.257 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 105.39% over the average closing price of approximately of HK\$0.234 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 150.09% over the average closing price of approximately of HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 186.74% over the average closing price of approximately of HK\$0.167 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 184.45% over the average closing price of approximately of HK\$0.169 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 172.78% over the average closing price of approximately of HK\$0.176 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Undisturbed Day;

- a premium of approximately 150.56% over the average closing price of approximately of HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Undisturbed Day; and
- a discount of approximately 40.81% over the audited consolidated net asset value attributable to the Shareholders per Share of approximately of HK\$0.811 as at 31 December 2023 based on the Reference Exchange Rate.

The trading volume on the Last Trading Date was 16,743,000 Shares. The average daily trading volume over the 12-month period immediately up to and including the Last Undisturbed Day was approximately 330,517 shares. The share price of the Company traded up by 18.52% on the Last Trading Date. In contrast, the Hang Seng Index traded down by 0.005% on the Last Trading Date.

The Proposal and the Scheme will only become effective and binding on the Company and all Shareholders subject to the satisfaction or waiver (where applicable) of the Conditions as described in the section headed “Conditions to the Proposal and the Scheme” below.

All of the Conditions must be satisfied or waived (where applicable) on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse. If the Scheme is withdrawn, not approved or lapsed, the listing of the Shares on the Stock Exchange will not be withdrawn.

TOTAL CONSIDERATION AND CONFIRMATION OF FINANCIAL RESOURCES

Assuming that no new Shares will be issued up to the Scheme Record Date, the Proposal will involve making an offer to cancel 879,468,000 Scheme Shares in exchange for the Offer Price of HK\$0.480 per Scheme Share, with the maximum cash consideration payable by the Offeror under the Proposal being approximately HK\$422,144,640.

The Offeror intends to finance the cash consideration payable under the Proposal by a facility provided by CTBC Bank Co., Ltd and DBS Bank (Hong Kong) Limited.

DBSAC, as the financial adviser to the Offeror in connection with the Proposal, is satisfied that sufficient financial resources are available to the Offeror for discharging its payment obligations in respect of the full implementation of the Proposal.

INDEPENDENT BOARD COMMITTEE

An Independent Board Committee which comprises Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Lin, being all of the independent non-executive Directors, has been established by the Board to make a recommendation to the Disinterested Scheme Shareholders as to (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) whether to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the EGM, respectively. Mr. Sheng Hsiung PAN, being a non-executive Director, is presumed to be acting in concert with the Offeror (as each of the ultimate beneficial owners of the Offeror, Mr. Kuo and Ms. Liu, is also a Director) pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code, and will not form part of the Independent Board Committee.

INDEPENDENT FINANCIAL ADVISER

The Company will appoint the Independent Financial Adviser (with the approval of the Independent Board Committee) to advise the Independent Board Committee as to (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) voting by the Disinterested Scheme Shareholders at the Court Meeting and at the EGM, respectively. A further announcement will be made after the Independent Financial Adviser has been appointed.

WITHDRAWAL OF LISTING OF THE SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange following the Effective Date in accordance with Rule 6.15 of the Listing Rules.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code (including Note 2 to Rule 30.1), the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled or waived (where applicable) on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

DISPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among other things: (a) further details of the Proposal and the Scheme; (b) the expected timetable in relation to the Proposal and the Scheme; (c) an explanatory memorandum as required under the Companies Act; (d) a letter from the Independent Board Committee containing its recommendations to the Disinterested Scheme Shareholders in respect of the Proposal and the Scheme; (e) a letter of advice from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Proposal and the Scheme; and (f) notices of the Court Meeting and the EGM, together with proxy forms in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and other applicable laws and regulations.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 3:16 p.m. on 9 July 2024 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 17 July 2024.

WARNINGS

Shareholders and potential investors of the Company should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors of the Company should therefore exercise caution when dealing in 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.

NOTICE TO U.S. INVESTORS

The Proposal is being made to cancel and extinguish the securities of a company incorporated in the Cayman Islands by means of a scheme of arrangement provided for under the Companies Act and is subject to Hong Kong disclosure requirements which are different from those of the U.S..

A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules of the U.S. Securities Exchange Act of 1934, as amended. Accordingly, the Proposal is subject to the disclosure requirements and practices applicable in the Cayman Islands and Hong Kong to schemes of arrangement which differ from the disclosure and procedural requirements applicable under the U.S. federal securities laws.

The receipt of cash pursuant to the Proposal by a U.S. holder of Scheme Shares as consideration for the cancellation and extinguishment of the Scheme Shares pursuant to the Scheme may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other tax laws. U.S. holders of the Scheme Shares are urged to consult their independent professional advisers immediately regarding the tax consequences of the Proposal applicable to them.

It may be difficult for U.S. holders of the Scheme Shares to enforce their rights and claims arising out of the U.S. federal securities laws, since the Offeror and the Company are located in a country other than the U.S., and some or all of their officers and directors may be residents of a country other than the United States. U.S. holders of the Scheme Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgement.

Neither the U.S. Securities and Exchange Commission nor any U.S. state securities commission has approved or disapproved the Proposal or the Scheme, or determined if this joint announcement is accurate or complete. Any representation to the contrary is a criminal offence in the U.S..

This joint announcement is not intended to, and does not, constitute, or form part of, an offer or invitation to purchase or subscribe for any securities of the Company in the U.S..

Forward-Looking Statements: This joint announcement may include forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "envisages", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the Offeror's, the Company's or their respective affiliates' intentions, beliefs or current expectations. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that actual results or developments may differ materially from those made in or suggested by the forward-looking statements contained in this joint announcement, and may not be indicative of results or developments in subsequent periods. The forward-looking statements and information contained in this joint announcement are made as of the date hereof and each of the Offeror and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Takeovers Code.

Financial information disclosed in respect of the Proposal and the Scheme has been or will have been prepared in accordance with non-U.S. accounting standards that may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the U.S..

INTRODUCTION

The Offeror and the Company jointly announce that on 11 July 2024, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of the Scheme, being a scheme of arrangement under section 86 of the Companies Act.

The Scheme involves (a) the cancellation and extinguishment of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Offer Price in cash for each Scheme Share cancelled and extinguished; and (b) the withdrawal of the listing of the Shares on the Stock Exchange.

If the Proposal is approved and implemented:

- (a) all the Scheme Shares held by the Scheme Shareholders will be cancelled and extinguished on the Effective Date in exchange for the payment by the Offeror to each Scheme Shareholder as at the Scheme Record Date of the Offer Price in cash for each Scheme Share cancelled and extinguished;
- (b) contemporaneously with the cancellation and extinguishment of the Scheme Shares, the issued share capital of the Company will be maintained by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished such that the Offeror and Advent Group Limited will in aggregate own 100% of the total number of Shares in issue. The reserve created in the Company's books of account as a result of the cancellation and extinguishment of the Scheme Shares will be applied in paying up in full at par the new Shares so issued, credited as fully paid, to the Offeror; and
- (c) the Company will apply to the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange following the Effective Date pursuant to Rule 6.15 of the Listing Rules.

TERMS OF THE PROPOSAL

Offer Price

Under the Proposal, if the Scheme is approved and implemented, the Scheme Shares will be cancelled and extinguished and, in consideration therefor, each Scheme Shareholder as at the Scheme Record Date will be entitled to receive the Offer Price of HK\$0.480 in cash for each Scheme Share cancelled and extinguished under the Scheme.

The Offeror will not increase the Offer Price and does not reserve the right to do so. Shareholders and potential investors should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Offer Price.

The total consideration payable to the Scheme Shareholders for the Scheme Shares cancelled and extinguished will be paid by the Offeror.

If, after the Announcement Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Offer Price by all or any part of the amount or value of such gross dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this joint announcement, the Scheme Document or any other announcement or document to the Offer Price will be deemed to be a reference to the Offer Price as so reduced. As at the Announcement Date, the Company (a) has not announced or declared any dividend, distribution or return of capital which has not been made or which remains unpaid; and (b) does not intend to announce, declare, make or pay any dividend, distribution or return of capital on or before the Effective Date, or the date on which the Scheme is not approved or the Proposal otherwise lapses (as the case may be).

The Offer Price of HK\$0.480 per Scheme Share represents:

- a premium of approximately 50.00% over the closing price of HK\$0.320 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a premium of approximately 75.31% over the average closing price of approximately of HK\$0.274 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;
- a premium of approximately 94.57% over the average closing price of approximately of HK\$0.247 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- a premium of approximately 143.24% over the average closing price of approximately of HK\$0.197 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- a premium of approximately 181.44% over the average closing price of approximately of HK\$0.171 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- a premium of approximately 182.22% over the average closing price of approximately of HK\$0.170 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- a premium of approximately 171.24% over the average closing price of approximately of HK\$0.177 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- a premium of approximately 149.95% over the average closing price of approximately of HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- a premium of approximately 77.78% over the closing price of HK\$0.270 per Share as quoted on the Stock Exchange on the Last Undisturbed Day;
- a premium of approximately 86.77% over the average closing price of approximately of HK\$0.257 per Share based on the daily closing prices as quoted on the Stock Exchange for the 5 trading days up to and including the Last Undisturbed Day;

- a premium of approximately 105.39% over the average closing price of approximately of HK\$0.234 per Share based on the daily closing prices as quoted on the Stock Exchange for the 10 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 150.09% over the average closing price of approximately of HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 186.74% over the average closing price of approximately of HK\$0.167 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 184.45% over the average closing price of approximately of HK\$0.169 per Share based on the daily closing prices as quoted on the Stock Exchange for the 90 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 172.78% over the average closing price of approximately of HK\$0.176 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Undisturbed Day;
- a premium of approximately 150.56% over the average closing price of approximately of HK\$0.192 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Undisturbed Day; and
- a discount of approximately 40.81% over the audited consolidated net asset value attributable to the Shareholders per Share of approximately of HK\$0.811 as at 31 December 2023, based on the Reference Exchange Rate.

The Offer Price has been determined on an arm's length commercial basis after taking into account the publicly available financial information of the Group, the historical prices of the Shares traded on the Stock Exchange and with reference to other privatisation transactions in Hong Kong in recent years.

Highest and lowest prices of the Shares

During the six-month period ended on and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.320 on 9 July 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.121 on 17 April 2024, 18 April 2024 and 19 April 2024.

During the six-month period ended on and including the Last Undisturbed Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.270 on 5 July 2024 and 8 July 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.121 on 17 April 2024, 18 April 2024 and 19 April 2024.

CONDITIONS TO THE PROPOSAL AND THE SCHEME

The Proposal and the Scheme will only become effective and binding on the Company and all Shareholders subject to the satisfaction or waiver (where applicable) of the following Conditions:

- (a) the approval of the Scheme (by way of poll) at the Court Meeting by the Scheme Shareholders, representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy at the Court Meeting, provided that:
 - (i) the Scheme is approved (by way of poll) by the Disinterested Scheme Shareholders holding not less than 75% of the votes attaching to the Shares held by the Disinterested Scheme Shareholders that are voted either in person or by proxy at the Court Meeting; and
 - (ii) the number of votes cast (by way of poll) by the Disinterested Scheme Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all the Shares held by all the Disinterested Scheme Shareholders;
- (b) the passing of a special resolution by a majority of at least 75% of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to (i) the Reduction; (ii) the increase of the issued share capital of the Company to the amount prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme; and (iii) the application of the credit arising in the Company's books of accounts as a result of such issued share capital reduction in paying up in full at par value the new Shares issued to the Offeror, credited as fully paid;
- (c) the sanction of the Scheme (with or without modifications) by the Grand Court and the Grand Court's confirmation of the Reduction, and the delivery to the Registrar of Companies of a copy of the order of the Grand Court and the minutes approved by the Grand Court in respect of the Reduction for registration;
- (d) to the extent necessary, compliance with the procedural requirements and conditions, if any, under the Companies Act in relation to the Reduction;
- (e) all Authorisations (if any) having been obtained or made from, with or by (as the case may be) the Relevant Authorities in the Cayman Islands, Hong Kong, and any other relevant jurisdictions; and, if applicable, any waiting periods having expired or terminated;
- (f) all Authorisations (if any) remaining in full force and effect without variation, and all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with and no legal or regulatory requirement having been imposed by any Relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, in relevant laws, rules, regulations or codes in connection with the Proposal or any matters, documents (including circulars) or things relating thereto, which are material in the context of the Group (taken as a whole), in each aforesaid case up to the Effective Date;

- (g) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or its implementation in accordance with its terms), other than such actions, proceedings, suits, investigations or enquiries as would not have a material adverse effect on the legal ability of the Offeror to proceed with the Proposal;
- (h) since the Announcement Date, there having been no adverse change in the business, assets, financial or trading positions, profits or prospects of any member of the Group (to an extent which is material in the context of the Group taken as a whole or in the context of the Proposal);
- (i) all necessary consents in connection with the Proposal and the withdrawal of listing of the Shares on the Stock Exchange which may be required under any existing contractual obligations of any member of the Group being obtained or waived by the relevant party(ies) and remaining in effect (if applicable); and
- (j) save in connection with the implementation of the Proposal, the listing of the Shares on the Stock Exchange not having been withdrawn, and no indication having been received from the Executive and/or the Stock Exchange, to the effect that the listing of the Shares on the Stock Exchange is or is likely to be withdrawn.

The Conditions in paragraphs (a) to (d) cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (e) to (j), to the extent permissible by relevant laws and regulations, the Listing Rules and the Takeovers Code, either in whole or in respect of any particular matter. The Company does not have the right to waive any of the Conditions.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal.

All of the Conditions must be satisfied or waived (where applicable) on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse. If the Scheme is withdrawn, not approved or lapsed, the listing of the Shares on the Stock Exchange will not be withdrawn.

As at the Announcement Date, none of the Conditions set out in paragraphs (a) to (j) have been fulfilled or waived (as the case may be).

As at the Announcement Date, with respect to the Condition in:

- (a) paragraphs (e) and (f), each of the Offeror and the Company is not aware of any requirement for such Authorisations other than those set out in the Conditions in paragraphs (a) to (d);
- (b) paragraph (g), each of the Offeror and the Company is not aware of any such action, proceeding, suit, investigation, enquiry, statute, regulation, demand or order; and
- (c) paragraph (i), each of the Offeror and the Company is not aware of any such consents other than those from certain facility agreement entered into by the Group.

If the Conditions are satisfied or waived (as applicable), the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

Shareholders and potential investors of the Company should be aware that the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal may or may not be implemented. Shareholders and potential investors of the Company should therefore exercise caution when dealing in 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.

TOTAL CONSIDERATION AND CONFIRMATION OF FINANCIAL RESOURCES

Assuming that no new Shares will be issued up to the Scheme Record Date, the Proposal will involve making an offer to cancel 879,468,000 Scheme Shares in exchange for the Offer Price of HK\$0.480 per Scheme Share, with the maximum cash consideration payable by the Offeror under the Proposal being approximately HK\$422,144,640.

The Offeror intends to finance the cash consideration payable under the Proposal by a facility provided by CTBC Bank Co., Ltd and DBS Bank (Hong Kong) Limited.

DBSAC, as the financial adviser to the Offeror in connection with the Proposal, is satisfied that sufficient financial resources are available to the Offeror for discharging its payment obligations in respect of the full implementation of the Proposal.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Announcement Date:

- (a) the authorised share capital of the Company is US\$300,000,000 divided into 6,000,000,000 Shares of US\$0.05 each, of which 3,025,814,773 Shares are in issue. As at the Announcement Date, the Company has no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) other than the 3,025,814,773 Shares in issue;
- (b) there are no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into the Shares;
- (c) the Offeror is a company incorporated in Hong Kong wholly-owned by Green Bliss Limited (綠怡有限公司), which is ultimately and beneficially owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu;
- (d) the Offeror does not hold any Shares, and the Offeror Concert Parties hold 2,156,346,773 Shares in aggregate, representing approximately 71.26% of the total number of Shares in issue, among which Advent Group Limited and Mr. Aminozakeri, respectively, directly hold 2,146,346,773 Shares and 10,000,000 Shares, representing approximately 70.93% and 0.33% of the total number of Shares in issue, respectively;
- (e) no irrevocable commitment to vote for or against the Scheme has been received by the Offeror or the Offeror Concert Parties;

- (f) there were no dealings by the Offeror or the Offeror Concert Parties in the Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the period commencing six months prior to and including the Announcement Date;
- (g) there are no convertible securities, warrants or options in respect of the Shares held, controlled or directed by the Offeror or the Offeror Concert Parties;
- (h) neither the Offeror nor the Offeror Concert Parties have entered into any outstanding derivative in respect of the securities in the Company;
- (i) there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares or the shares of the Offeror and which may be material to the Proposal (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (j) there is no agreement or arrangement to which the Offeror or any of the Offeror Concert Parties is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a Condition to the Proposal;
- (k) neither the Offeror nor the Offeror Concert Parties have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company; and
- (l) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (a) any Shareholder; and (b) either (i) the Offeror or the Offeror Concert Parties; or (ii) the Company or the Company's subsidiaries or associated companies.

As at the Announcement Date, the Scheme Shares comprise (a) 869,468,000 Shares held by the Disinterested Scheme Shareholders, which include 213,000 Shares held by Mr. Lin, and (b) 10,000,000 Shares held by Mr. Aminozakeri, and the Scheme Shares in aggregate represent approximately 29.07% of the total number of Shares in issue.

The table below sets out the shareholding structure of the Company as at the Announcement Date and immediately upon the completion of the Proposal, assuming that there will be no change in the shareholding structure of the Company before completion of the Proposal:

	As at the Announcement Date		Immediately upon completion of the Proposal	
	Number of Shares	Approximate % of total issued Shares	Number of Shares	Approximate % of total issued Shares
Offeror ⁽¹⁾	–	–	879,468,000	29.07
Offeror Concert Parties⁽²⁾				
<i>Shares held not subject to the Scheme</i>				
Advent Group Limited ⁽³⁾	2,146,346,773	70.93	2,146,346,773	70.93
<i>Shares held subject to the Scheme</i>				
Mr. Aminozakeri ^(4, 6)	10,000,000	0.33	–	–

	As at the Announcement Date		Immediately upon completion of the Proposal	
	<i>Number of Shares</i>	<i>Approximate % of total issued Shares</i>	<i>Number of Shares</i>	<i>Approximate % of total issued Shares</i>
Sub-total: Offeror and the Offeror Concert Parties	2,156,346,773	71.26	3,025,814,773	100.00
Disinterested Scheme Shareholders				
– Mr. Lin ^(5, 6)	213,000	0.01	–	–
– Others	869,255,000	28.73	–	–
Sub-total: Disinterested Scheme Shareholders	869,468,000	28.74	–	–
Total number of Scheme Shares⁽⁶⁾	<u>879,468,000</u>	<u>29.07</u>	<u>–</u>	<u>–</u>
Total number of Shares	<u>3,025,814,773</u>	<u>100.00</u>	<u>3,025,814,773</u>	<u>100.00</u>

Notes:

1. The Offeror is wholly-owned by Green Bliss Limited (綠怡有限公司), which is ultimately and beneficially owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu.
2. DBSAC is the financial adviser to the Offeror. Accordingly, DBSAC and the relevant member of the DBS Group (except in respect of Shares held by exempt principal traders or exempt fund managers, in each case recognised by the Executive as such for the purposes of the Takeovers Code and also excluding Shares held on behalf of non-discretionary clients of the DBS Group) are presumed to be acting in concert with the Offeror in accordance with class 5 of the definition of “acting in concert” in the Takeovers Code. Details of holdings, borrowings or lendings of, and dealings in, Shares (or options, rights over Shares, warrants or derivatives in respect of them) by other parts of the DBS Group will be obtained as soon as possible after the Announcement Date in accordance with Note 1 to Rule 3.5 of the Takeovers Code. A further announcement will be made jointly by the Offeror and the Company if the holdings, borrowings, lendings, or dealings of the other parts of the DBS Group are significant and in any event, such information will be disclosed in the Scheme Document. The statements in this joint announcement as to the holdings, borrowings or lendings of, or their dealings in, Shares (or rights, rights over Shares, warrants or derivatives in respect of them) by persons acting in concert with the Offeror are subject to the holdings, borrowings, lendings, or dealings (if any) of such members of the DBS Group. Any dealings in Shares during the six months prior to and up to the Announcement Date by the DBS Group will be disclosed in the Scheme Document and pursuant to Rule 22 of the Takeovers Code.

Exempt principal traders which are connected for the sole reason that they are under the same control as DBSAC are not presumed to be acting in concert with the Offeror. However, Shares held by members of the DBS Group acting in the capacity of exempt principal traders shall not be voted at the Court Meeting and the EGM in accordance with the requirements of Rule 35.4 of the Takeovers Code unless the Executive allows such Shares to be so voted. Shares held by such exempt principal traders may, subject to consent of the Executive, be allowed to be voted at the Court Meeting and the EGM if (a) the relevant connected exempt principal trader holds the Shares as a simple custodian for and on behalf of non-discretionary clients, and (b) there are contractual arrangements in place between the relevant connected exempt principal trader and its clients that strictly prohibit the relevant connected exempt principal trader from exercising any voting discretion over the relevant Shares, and all voting instructions shall originate from the client only (if no instructions are given, then no votes shall be cast for the relevant Shares held by the relevant connected exempt principal trader). For this purpose, where applicable, a written confirmation of the matters set out in points (a) and (b) above and whether the relevant underlying clients are entitled to vote in the context of the Proposal will be submitted to the Executive.

3. Advent Group Limited is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu. As such, Mr. Kuo and Ms. Liu, Advent Group Limited, Magnificent Capital Holding Limited, are presumed to be acting in concert with the Offeror.
4. Mr. Aminozakeri is an executive Director and therefore presumed to be acting in concert with the Offeror (as each of the ultimate beneficial owner of the Offeror, Mr. Kuo and Ms. Liu, is also a Director) pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code.
5. Mr. Lin is an independent non-executive Director. Mr. Lin is not acting in concert with the Offeror and was not involved in the discussion or negotiation in relation to or has any interest in the Proposal (other than being a Shareholder subject to the Scheme).
6. The Shares held by Mr. Aminozakeri and Mr. Lin will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme being effective.

Immediately following the Effective Date and the withdrawal of the listing of the Shares on the Stock Exchange, approximately 29.07% and 70.93% of the total number of Shares in issue will be held by the Offeror and Advent Group Limited, respectively, on the assumption that there are no other changes in shareholding in the Company before completion of the Proposal.

SCHEME SHARES, COURT MEETING AND EGM

As at the Announcement Date, the Offeror does not hold any Shares in the Company and the Offeror Concert Parties hold 2,156,346,773 Shares in aggregate, representing approximately 71.26% of the total number of Shares in issue.

Among the 2,156,346,773 Shares held by the Offeror Concert Parties, the 10,000,000 Shares held by Mr. Aminozakeri will form part of the Scheme Shares together with the 869,468,000 Shares held by the Disinterested Scheme Shareholders, which include 213,000 Shares held by Mr. Lin, and be cancelled and extinguished upon the Scheme becoming effective, while the 2,146,346,773 Shares held by Advent Group Limited will not form part of the Scheme Shares and will not be cancelled and extinguished upon the Scheme becoming effective.

Each of the Offeror and the Offeror Concert Parties will procure that any Shares in respect of which they are beneficially interested will not be represented or voted at the Court Meeting. The Offeror will undertake to the Grand Court that it will be bound by the Scheme, so as to ensure that they will comply with and be subject to the terms and conditions of the Scheme, and will execute and do all things as may be necessary or desirable to be executed and done by them for the purposes of the Scheme. Advent Group Limited will:

1. acknowledge that the Shares held by it will not form part of the Scheme Shares under the Scheme and will not be cancelled and extinguished when the Scheme becomes effective;
2. undertake that, even if the Scheme is extended to it, it will not accept the Scheme in respect of the Shares held by it;
3. undertake that it will not sell, transfer, pledge or otherwise dispose of any Shares held by it, or directly or indirectly deal or acquire any shares, securities or other interests of the Company before the end of the Offer Period; and

4. undertake that, unless the Scheme or the Proposal prejudice the legal rights and interests of Advent Group Limited, it will not take any action or enter into agreements or arrangements which may: (i) restrict or delay the progress of the Scheme or the Proposal; or (ii) prejudice the successful outcome of the Scheme or the Proposal.

All Shareholders will be entitled to attend the EGM to vote on the special resolution to approve and give effect to (i) the Reduction; (ii) the increase of the issued share capital of the Company to the amount prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme; and (iii) the application of the credit arising in the Company's books of accounts as a result of such issued share capital reduction in paying up in full at par value the new Shares issued to the Offeror, credited as fully paid.

The Offeror and the Offeror Concert Parties have indicated that, if the Scheme is approved at the Court Meeting, the Offeror and the Offeror Concert Parties will vote in favour of the resolution(s) to be proposed at the EGM.

INFORMATION ON THE GROUP

The Company is a company incorporated in the Cayman Islands with limited liability whose Shares are listed on Main Board of the Stock Exchange (stock code: 00531). The Group is principally engaged in manufacturing and sale of furniture, trading of furniture and procurement services.

Based on the published audited consolidated financial statements of the Company, the table below sets out the financial information of the Group for the three financial years ended 31 December 2023:

	For the financial years ended 31 December		
	2023	2022	2021
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenue	414,539	598,850	488,109
Earnings before interest and tax	14,723	27,357	32,220
Profit for the year	3,288	15,125	27,158
Net assets/(liabilities)	314,599	315,367	323,624

INFORMATION ON THE OFFEROR AND THE OFFEROR CONCERT PARTIES

The Offeror

The Offeror is a company incorporated in Hong Kong with limited liability, which is principally engaged in investment holding and is wholly-owned by Green Bliss Limited (綠怡有限公司), which is ultimately and beneficially owned as to 50% by Mr. Kuo and as to 50% by his spouse, Ms. Liu.

As at the Announcement Date, the directors of the Offeror are Mr. Kuo and Ms. Liu.

Advent Group Limited

Advent Group Limited is a company incorporated in the British Virgin Islands with limited liability, which is principally engaged in investment holding and is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo and 50% by Ms. Liu, respectively.

Mr. Aminozakeri

Mr. Aminozakeri is an executive Director and therefore presumed to be acting in concert with the Offeror pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code. The Shares held by Mr. Aminozakeri will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme being effective.

INTENTION OF THE OFFEROR WITH REGARD TO THE COMPANY

As at the Announcement Date, the Offeror intends for the Group to continue carrying on its existing businesses following the implementation of the Proposal and does not have any plan to make any material changes to the continued employment of the employees of the Group (other than in the ordinary course of business of the Group). The Offeror will conduct a strategic review of the Group’s assets, corporate structure, capitalisation, operations, properties, policies and management to determine if any changes would be appropriate and desirable following the implementation of the Proposal with a view to optimising the Group’s activities and development, and may make any changes as the Offeror deems necessary, appropriate or beneficial for the Group in light of its review of the Group or any future development.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee shall comprise all the non-executive Directors who have no direct or indirect interest in the Proposal.

An Independent Board Committee which comprises Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Lin, being all of the independent non-executive Directors, has been established by the Board to make a recommendation to the Disinterested Scheme Shareholders as to (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) whether to vote in favour of the Scheme at the Court Meeting and of the resolutions in connection with the implementation of the Proposal at the EGM, respectively. Mr. Sheng Hsiung PAN, being a non-executive Director, is presumed to be acting in concert with the Offeror (as each of the ultimate beneficial owners of the Offeror, Mr. Kuo and Ms. Liu, is also a Director) pursuant to class (6) of the definition of “acting in concert” in the Takeovers Code, and will not form part of the Independent Board Committee.

The Directors (excluding members of the Independent Board Committee whose views will be given after considering the advice of the Independent Financial Adviser to the Independent Board Committee) believe that the Proposal and the Scheme are fair and reasonable and in the interests of the Shareholders as a whole.

The Company will appoint the Independent Financial Adviser (with the approval of the Independent Board Committee) to advise the Independent Board Committee as to (a) whether the Proposal and the Scheme are, or are not, fair and reasonable; and (b) voting by the Disinterested Scheme Shareholders at the Court Meeting and at the EGM, respectively. A further announcement will be made after the Independent Financial Adviser has been appointed.

REASONS FOR, AND BENEFITS OF, THE PROPOSAL

For Scheme Shareholders

An opportunity to secure attractive cash returns and mitigate uncertainties on macro-economic and business outlook

The U.S. housing market continues to be impacted by the U.S. Federal Reserve's maintenance of higher interest rates such that the home furnishing sector has encountered substantial challenges. The downturn in price and demand within this sector has directly affected the Company's financial performance.

In light of these circumstances, the Proposal presents a valuable opportunity for the Scheme Shareholders to reduce exposure to the volatile U.S. home furnishing sector and mitigate the risks associated with the sector's broader macro-economic and business uncertainties.

An appealing opportunity for Scheme Shareholders to fully monetise their investments

The trading liquidity of the Shares has been at a low level over a prolonged period in recent years. The average daily trading volume of the Shares for the three-month period, six-month period, 12-month period and 24-month period up to and including the Last Undisturbed Day were approximately 694,324 Shares, 498,411 Shares, 330,517 Shares and 287,428 Shares per trading day, representing only approximately 0.02%, 0.02%, 0.01% and 0.01% respectively of the total number of issued Shares as at the date of this announcement.

Given this low trading liquidity, it would be challenging for the Scheme Shareholders to sell significant portions of their holdings on the open market without adversely affecting the Share price.

In this regard, the Proposal provides an excellent opportunity for the Scheme Shareholders to liquidate their investments at a premium in one go and allows the Scheme Shareholders to utilise the proceeds from the Proposal for other investment opportunities.

Offer Price represents an exit premium to the prevailing price of the Shares

The Proposal offers an exit to the Scheme Shareholders at a premium to the prevailing price of the Shares. The Offer Price represents a premium of approximately 150.09%, 186.74% and 184.45% over the average closing price of approximately HK\$0.192, HK\$0.167 and HK\$0.169 per Share for the 30, 60 and 90 trading days up to and including the Last Undisturbed Day, respectively.

For the Offeror and the Company

The listed platform has provided limited equity financing capabilities

Since the Company was listed on the Stock Exchange, the Company has not engaged in any equity fundraising activities, which is typically one of the main benefits of being publicly listed. This is largely due to the low liquidity of the Shares and the consistent downward trend in their trading price. As a result, the Company has been unable to effectively utilise its listing platform as a viable source of funding for its long-term growth.

The Proposal offers the Company an opportunity to reduce the costs and expenses associated with maintaining its listing status, while affording the Offeror and the Company enhanced flexibility to pursue its long-term growth strategy

The Proposal, which entails the delisting of the Company, is expected to reduce the administrative costs and management resources associated with maintaining the Company's listing status and compliance with regulatory requirements. This strategic move will also allow the Offeror and the Company to concentrate on long-term initiatives without the pressures of short-term financial performance, market expectations, share price volatility, and compliance obligations associated with maintaining the listing status.

The Board (other than members of the Independent Board Committee, whose views will be given after receiving the opinion of the Independent Financial Adviser) is of the view that the terms of the Proposal and the Scheme are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

WITHDRAWAL OF LISTING OF THE SHARES

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished and the share certificates in respect of the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange following the Effective Date in accordance with Rule 6.15 of the Listing Rules.

The Shareholders will be notified by way of an announcement of the exact dates of the last day for dealing in the Shares and on the Stock Exchange and the day on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed timetable of the implementation of the Proposal will be included in the Scheme Document, which will also contain, amongst others, further details of the Scheme.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

Subject to the requirements of the Takeovers Code (including Note 2 to Rule 30.1), the Proposal and the Scheme will lapse if any of the Conditions has not been fulfilled or waived (where applicable) on or before the Long Stop Date. If the Scheme is not approved or the Proposal otherwise lapses, the listing of the Shares on the Stock Exchange will not be withdrawn.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with it in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, (i) announce an offer or possible offer for the Company, or (ii) acquire any voting rights of the Company if the Offeror or persons acting in concert with it would thereby become obliged under Rule 26 of the Takeovers Code to make an offer, in each case except with the consent of the Executive.

GENERAL MATTERS RELATING TO THE PROPOSAL

Overseas Holders of the Scheme Shares

The making and implementation of the Proposal to the Scheme Shareholders who are not residents in Hong Kong may be affected by the applicable laws of the relevant jurisdictions.

Such Scheme Shareholders should inform themselves about and observe any applicable legal, tax or regulatory requirements in their respective jurisdictions and, where necessary, seek their own legal advice. Further information in relation to overseas Scheme Shareholders will be contained in the Scheme Document.

It is the responsibility of any overseas Scheme Shareholders wishing to take any action in relation to the Proposal to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with the necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

Any approval or acceptance by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their respective advisers that those laws and regulatory requirements have been complied with. If you are in doubt as to your position, you should consult your professional advisers.

In the event that the despatch of the Scheme Document to overseas Scheme Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the directors of the Offeror or the Company regard as unduly onerous or burdensome (or otherwise not in the best interests of the Company or the Shareholders), the Scheme Document may not be despatched to such overseas Scheme Shareholders. For that purpose, the Company will apply for such waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Taxation Advice

Scheme Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of the Proposal or the Scheme. It is emphasised that none of the Offeror, the Offeror Concert Parties, the Company and DBSAC or any of their respective ultimate beneficial owners, directors, officers, employees, agents and associates and any other person involved in the Proposal or the Scheme accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of the Proposal or the Scheme.

Costs of the Scheme

If either the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal, and the Scheme is not approved, all costs and expenses incurred by the Company in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

Despatch of Scheme Document

The Scheme Document containing, among other things: (a) further details of the Proposal and the Scheme; (b) the expected timetable in relation to the Proposal and the Scheme; (c) an explanatory memorandum as required under the Companies Act; (d) a letter from the Independent Board Committee containing its recommendations to the Disinterested Scheme Shareholders in respect of the Proposal and the Scheme; (e) a letter of advice from the Independent Financial Adviser containing its advice to the Independent Board Committee in respect of the Proposal and the Scheme; and (f) notices of the Court Meeting and the EGM, together with proxy forms in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code and other applicable laws and regulations.

The Scheme Document will be despatched to the Scheme Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the rules and orders of the Grand Court and any other applicable laws and regulations.

The Scheme Document will contain important information and the Scheme Shareholders are urged to read the Scheme Document carefully before casting any vote at (or providing any proxy in respect of) the Court Meeting and the EGM.

DISCLOSURE OF DEALINGS

Associates of the Offeror and the Company (as defined in the Takeovers Code, including any person who own or control 5% or more of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of any of the Offeror and the Company) are hereby reminded to disclose their dealings in any relevant securities of the Company under Rule 22 of the Takeovers Code during the offer period.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 3:16 p.m. on 9 July 2024 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 17 July 2024.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert”	has the meaning ascribed to it in the Takeovers Code and “concert party” shall be construed accordingly
“Advent Group Limited”	Advent Group Limited, a company incorporated in the British Virgin Islands with limited liability, which is owned as to 70% by Magnificent Capital Holding Limited and as to 30% by certain family members of Mr. Kuo. Magnificent Capital Holding Limited is owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu.
“Announcement Date”	16 July 2024, being the date of this joint announcement
“associate(s)”	has the meaning ascribed to it in the Takeovers Code
“Authorisations”	all necessary notifications, registrations, applications, filings, authorisations, orders, recognitions, grants, waivers, consents, licences, confirmations, clearances, permissions, no-action relief, exemption relief orders and approvals, and all appropriate waiting periods (including extensions thereof), which are required or necessary in connection with the Proposal under any applicable laws or regulations
“Board”	the board of Directors
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands, as consolidated and revised from time to time
“Company”	Samson Holding Ltd. (順誠控股有限公司*), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 00531)
“Condition(s)”	the condition(s) to the implementation of the Proposal and the Scheme as set out in the section headed “Conditions to the Proposal and the Scheme” of this joint announcement

“Court Meeting”	a meeting of the Scheme Shareholders to be convened and held at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“DBSAC”	DBS Asia Capital Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in relation to the Proposal
“DBS Group”	DBS Group Holdings Limited and its subsidiaries from time to time, including but not limited to DBSAC
“Director(s)”	the director(s) of the Company
“Disinterested Scheme Shareholder(s)”	Scheme Shareholder(s) other than Mr. Aminozakeri
“Effective Date”	the date on which the Scheme, if approved and sanctioned by the Grand Court, becomes effective in accordance with its terms and the Companies Act, being the date on which a copy of the order of the Grand Court sanctioning the Scheme and confirming the Reduction is delivered to the Registrar of Companies in the Cayman Islands for registration pursuant to Section 86(3) of the Companies Act
“EGM”	an extraordinary general meeting of the Company to be convened and held as soon as practicable following the conclusion or adjournment of the Court Meeting for the purposes of passing all necessary resolution(s) for, amongst other things, a special resolution to approve and give effect to (i) the Reduction; (ii) the increase of the issued share capital of the Company to the amount prior to the cancellation of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled as a result of the Scheme; and (iii) the application of the credit arising in the Company’s books of accounts as a result of such issued share capital reduction in paying up in full at par value the new Shares issued to the Offeror, credited as fully paid
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate thereof
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board which comprises Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Lin, being all of the independent non-executive Directors, established by the Board to make recommendation to the Disinterested Scheme Shareholders in relation to the Proposal and the Scheme

“Independent Financial Adviser”	the independent financial adviser which will be appointed to advise the Independent Board Committee in relation to the Proposal and the Scheme
“Last Trading Day”	9 July 2024, being the last trading day on which the Shares were traded on the Stock Exchange before publication of this joint announcement
“Last Undisturbed Day”	8 July 2024, being the last trading day prior to when there were irregular trading volumes and price movements in the Shares
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Long Stop Date”	31 January 2025 or such later date as the Offeror and the Company may agree in writing or, to the extent applicable, as the Grand Court on application of the Offeror or the Company may direct and in all cases, as permitted by the Executive
“Mr. Aminozakeri”	Mr. Mohamad AMINOZZAKERI, an executive Director
“Mr. Kuo”	Mr. Shan Huei KUO, the chairman of the Company and an executive Director
“Mr. Lin”	Mr. Hung Kang LIN, an independent non-executive Director
“Ms. Liu”	Ms. Yi-Mei LIU, the deputy chairman of the Company and an executive Director
“Offeror”	Glory Mount (HK) Limited, a company incorporated in Hong Kong with limited liability, which is ultimately beneficially owned as to 50% by Mr. Kuo, and as to 50% by his spouse, Ms. Liu
“Offeror Concert Party(ies)”	parties acting in concert or presumed to be acting in concert with the Offeror, including but not limited to (a) Mr. Kuo, Ms. Liu, Green Bliss Limited, Advent Group Limited and Magnificent Capital Holding Limited; and (b) Mr. Aminozakeri
“Offer Price”	the offer price of HK\$0.480 for the cancellation of each Scheme Share cancelled and extinguished payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“PRC”	the People’s Republic of China (for the purpose of this joint announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China, and Taiwan)
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme on the terms and subject to the Conditions
“Reduction”	the reduction of the issued share capital of the Company by the cancellation and extinguishment of the Scheme Shares

“Registrar of Companies”	the Registrar of Companies in the Cayman Islands
“Relevant Authorities”	any competent governments and/or governmental bodies, regulatory bodies, courts or institutions (including without limitation the SFC and the Stock Exchange)
“Reference Exchange Rate”	US\$1.00: HK\$7.80
“Scheme”	a scheme of arrangement to be proposed under Section 86 of the Companies Act between the Company and the Scheme Shareholders (subject to the Conditions) involving the cancellation and extinguishment of all the Scheme Shares and the simultaneous restoration of the number of issued Shares in the share capital of the Company to the amount immediately before the cancellation and extinguishment of the Scheme Shares, with or subject to any modifications, additions or conditions as may be approved or imposed by the Grand Court
“Scheme Document”	the composite scheme document to be jointly despatched by the Offeror and the Company to the Shareholders containing, among others, further details of the Proposal and the Scheme together with the additional information as described in the section headed “General Matters Relating to the Proposal – Despatch of Scheme Document” in this joint announcement
“Scheme Record Date”	the record date to be announced for determining the entitlements of the Scheme Shareholders under the Scheme
“Scheme Share(s)”	the Share(s) in issue on the Scheme Record Date other than those directly or indirectly held by the Offeror and the Offeror Concert Parties (excluding Mr. Aminozakeri)
“Scheme Shareholder(s)”	the registered holder(s) of the Scheme Share(s) as at the Scheme Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of a par value of US\$0.05 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers issued by the SFC as amended from time to time

“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities
“United States” or “U.S.”	the United States of America
“US\$”	United States Dollars(s), the lawful currency of the United States
“%”	per cent.

In the event of any inconsistency between the English version and the Chinese version of this joint announcement, the English version shall prevail.

By order of the board of directors of
Glory Mount (HK) Limited
Shan Huei KUO
Director

By order of the Board of
SAMSON HOLDING LTD.
Shan Huei KUO
Chairman

Hong Kong, 16 July 2024

* *For identification purposes only*

As at the Announcement Date, Mr. Shan Huei KUO (Chairman), Ms. Yi-Mei LIU and Mr. Mohamad AMINOZZAKERI are the executive Directors; Mr. Sheng Hsiung PAN is the non-executive Director; and Mr. Ming-Jian KUO, Mr. Siu Ki LAU, Mr. Sui-Yu WU and Mr. Hung Kang LIN are the independent non-executive Directors.

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 the Offeror Concert Parties) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by directors of the Offeror in their capacity as the directors of the Offeror) 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 Announcement Date, the directors of the Offeror are Mr. Shan Huei KUO and Ms. Yi-Mei LIU.

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