

**PENTAMASTER INTERNATIONAL LIMITED,  
PUGA HOLDINGS LIMITED  
AND  
PENTAMASTER CORPORATION BERHAD**

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**IMPLEMENTATION AGREEMENT**

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**THIS IMPLEMENTATION AGREEMENT** (this “**Agreement**”) is made and entered into as of December 19, 2024, by and among:

- (1) **PENTAMASTER INTERNATIONAL LIMITED**, an exempted company incorporated in the Cayman Islands with its registered office at P.O. Box 309, Uglund House, Grand Cayman KY1-1104, Cayman Islands and which is listed on The Stock Exchange of Hong Kong Limited (stock code: 1665) (the “**Company**”);
- (2) **PUGA HOLDINGS LIMITED**, a company incorporated in British Virgin Islands with limited liability, whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (“**Puga**”); and
- (3) **PENTAMASTER CORPORATION BERHAD**, a company incorporated in Malaysia with its registered office at 35, 1st Floor, Jalan Kelisa Emas 1, Taman Kelisa Emas, 13700 Seberang Jaya, Penang, Malaysia and which is listed on the Main Market of Bursa Malaysia Securities Berhad (stock code: 7160) (“**PCB**”).

Puga and PCB are hereinafter referred to collectively as the “**Joint Offerors**” and individually as a “**Joint Offeror**”. The foregoing parties are hereinafter referred to collectively as the “**Parties**” and individually as a “**Party**”.

#### **WHEREAS:**

- (A) The Joint Offerors propose to acquire all issued Shares (as defined below) other than the Shares held by PCB (the “**Scheme Shares**”) by means of a Scheme (as defined below) on the terms and conditions as set out in the Announcement (as defined below) or as otherwise agreed by the Parties. Upon the Scheme having become effective and binding, the Company will be owned as to approximately 29% and 71% by Puga and PCB, respectively. A special dividend (the “**Special Dividend**”) will be declared by the Company which, subject to (i) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders (as defined below) present and voting in person or by proxy at the EGM (as defined below) to approve the Special Dividend; and (ii) the Scheme becoming effective and binding, shall be payable to all Shareholders whose names are on the register of members of the Company on the record date to be announced for determining entitlements of the Shareholders to the Special Dividend. The foregoing proposals are hereinafter referred to collectively as the “**Proposal**”.
- (B) The Parties agree to implement the Proposal on the terms and conditions set out in this Agreement and the Announcement (as defined below).

**THE PARTIES HEREBY AGREE** as follows:

#### **1. INTERPRETATION**

##### **1.1** In this Agreement (including the recitals):

“**affiliate**” means, in respect of any person, any other person that directly or indirectly controls, is controlled by or is under the common control with, the first mentioned person;

“**Audited Financial Statements**” means the audited consolidated financial statements of the Group for the twelve months ended December 31, 2021, December 31, 2022 and December 31, 2023, together with the auditor’s report thereon and the financial notes thereto;

“**Announcement**” means the joint announcement to be issued by the Joint Offerors and the Company pursuant to Rule 3.5 of the Code relating to the Proposal, substantially in the form set out in Schedule 1 to this Agreement;

“**Applicable Laws**” means with respect to any person, any laws, rules, regulations, guidelines, directives, treaties, judgments, decrees, orders or notices of any Authority that is applicable to such person (including the Listing Rules, the Code, the Companies Act and the Companies Ordinance, as applicable);

“**Arbitration Rules**” has the meaning given to it in Clause 15.2;

“**Authority**” means any relevant government, administrative or regulatory body, or court, tribunal, arbitrator or governmental agency or authority or department or a recognized stock exchange;

“**Board**” means the board of directors of the Company;

“**Business Day**” means any day on which the Stock Exchange is open for the transaction of business;

“**Code**” means the Hong Kong Code on Takeovers and Mergers;

“**Companies Act**” means the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands;

“**Companies Ordinance**” means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);

“**Conditions**” means the conditions to the implementation of the Proposal as set out in the Announcement or any other Scheme Documentation, and “**Condition**” means any one of them;

“**Confidential Information**” has the meaning given to it in Clause 10.1;

“**control**” means (i) the possession, directly or indirectly, of more than 50% of the equity share capital or other ownership interests of a person or (ii) the power to direct the management and policies of such person (whether through the ownership of voting securities, by contract or otherwise), and “**controlled**” shall be construed accordingly;

“**Court**” means the Grand Court of the Cayman Islands;

“**Court Hearing**” means the Court hearing and any adjourned hearing to sanction the Scheme and to confirm the Reduction;

“**Court Meeting**” means a meeting of the Scheme Shareholders (including any adjournment thereof) to be convened at the direction of the Court at which the Scheme will be voted upon, or any adjournment thereof;

“**Despatch Date**” means the date of despatch of the Scheme Document;

“**Effective Date**” means the date on which the Scheme becomes effective in accordance with its terms and which date shall be no later than the Long Stop Date (or such other date as the Parties may agree from time to time);

“**EGM**” means an extraordinary general meeting of the Company (including any adjournment thereof) to be convened to consider and vote on, among other things, all resolutions necessary to implement the Proposal and the Scheme;

“**Executive**” means the Executive Director of the Corporate Finance Division of the SFC;

“**Group**” means the Company, its subsidiaries, and “**Group Company**” means any of them

“**HKS**” means Hong Kong dollars, the lawful currency of Hong Kong;

“**HKIAC**” has the meaning given to it in Clause 15.2;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Joint Offeror Warranties**” means the warranties given by the Joint Offerors and contained in this Agreement as set out in Schedule 3, and “**Joint Offeror Warranty**” means any one of them;

“**Listing Rules**” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

“**Long Stop Date**” means June 19, 2025;

“**Meetings**” means the Court Meeting and the EGM;

“**Notice**” has the meaning given to it in Clause 13.1;

“**Proposal**” has the meaning given to it in paragraph (A) of the recitals;

“**Public Release**” has the meaning given to it in Clause 9.1;

“**Reduction**” means any reduction of issued share capital of the Company in connection with the Proposal under section 14 of the Companies Act;

“**Relevant Information**” means the information and documents provided by or on behalf of the Company to the Joint Offerors (including their respective affiliates and professional advisers) on or before the date of this Agreement for the purpose of the Joint Offerors’ due diligence in respect of the Proposal;

“**Representative**” has the meaning given to it in Clause 10.2.4;

“**Scheme**” means the scheme of arrangement under section 86 of the Companies Act to be proposed by the Company to the Shareholders in connection with the Proposal involving, among other things, the cancellation and extinguishment of all Scheme Shares together with a reduction in the share capital of the Company, and the simultaneous issue of new Share(s) to the Joint Offerors to restore the share capital of the Company to the former amount by the issue to the Joint Offerors, at par, of an aggregate number of Shares as is equal to the number of Scheme Shares cancelled and extinguished, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by the Parties;

“**Scheme Document**” means the composite document to be addressed to, among others, the Shareholders in relation to the Proposal containing, among other things, the Scheme, the notices

of the Meetings and proxy forms in respect of the Meetings;

“**Scheme Documentation**” means the Announcement, the Scheme Document and any other document required to be published (including, for the avoidance of doubt, any future and/or supplemental announcements or circulars) in connection with the Proposal;

“**Scheme Shares**” has the meaning given to it in paragraph (A) of the recitals;

“**Scheme Shareholder**” means any registered holder of the Scheme Shares as at the record date to be announced for determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlement of the Shareholders to attend and vote at the EGM;

“**SFC**” means the Securities and Futures Commission of Hong Kong

“**Shareholder**” means any registered holder of the Shares;

“**Shares**” means the ordinary shares of par value HK\$0.01 each in the share capital of the Company;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited;

“**Tax**” means any form of taxation, levy, duty, charge, contribution or impost of whatever nature (including any related fine, penalty, surcharge or interest) imposed by any Authority;

“**Termination Date**” means the date on which this Agreement terminates in accordance with Clause 11;

“**Transaction Documents**” means this Agreement and the Scheme Documentation;

“**Transaction Expenses**” means the costs and expenses incurred in connection with the implementation of the Proposal;

“**Unaudited Financial Statements**” means the unaudited interim consolidated financial statements of the Group for the six months ended June 30, 2024; and

“**Warranties**” means the warranties given by the Company and contained in this Agreement as set out in Schedule 2, and “**Warranty**” means any one of them.

1.2 In this Agreement, unless otherwise specified:

1.2.1 references to Clauses and Schedules are to clauses in and schedules to this Agreement (unless the context otherwise requires);

1.2.2 use of any gender includes the other genders and use of the singular includes the plural and vice versa unless the context requires otherwise;

1.2.3 references to a “**person**” shall be construed so as to include any individual, firm, company, government, state or agency of a state, local or municipal authority or government body or any joint venture, association or partnership (whether or not having separate legal personality);

- 1.2.4 words and expressions defined in the Companies Ordinance shall bear the same respective meanings when used in this Agreement;
  - 1.2.5 a reference to any party to this Agreement or any other agreement or document includes the party's successors and permitted assigns;
  - 1.2.6 the ejusdem generis principle of construction shall not apply to this Agreement. Accordingly general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words;
  - 1.2.7 references in this Agreement to statutory provisions shall be construed as references to those provisions as respectively amended, consolidated, extended or re-enacted from time to time and any orders, regulations, instruments or other subordinate legislation made from time to time under the statute concerned;
  - 1.2.8 references to times are to Hong Kong time; and
  - 1.2.9 a reference to any other document referred to in this Agreement is a reference to that other document as amended, varied, novated or supplemented at any time.
- 1.3 All headings and titles are inserted for convenience only and shall not affect the construction of this Agreement.
- 1.4 The Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement and any reference to this Agreement shall include the Schedules.

## **2. ANNOUNCEMENT AND CONDITIONS**

- 2.1 Each Party will, subject to the approval of the Announcement by the Stock Exchange and the SFC, do all things as are necessary within its power to release or procure the release of the Announcement on the website of the Stock Exchange and the Company as soon as practicable and in any event no later than three (3) Business Days after the date of this Agreement. All rights and obligations in this Agreement (other than the rights and obligations in this Clause 2.1 and in Clauses 5 and 9 to 15 (inclusive)) shall be conditional upon such release of the Announcement.
- 2.2 The Parties acknowledge and agree that the Proposal is subject to the Conditions.

## **3. IMPLEMENTATION OF THE PROPOSAL**

- 3.1 Each Party will use all commercially reasonable endeavors to:
- 3.1.1 do and execute, or procure the doing and execution of, each necessary act, document and thing within its power to (a) implement the Proposal on the terms and subject to the conditions referred to in this Agreement and the Conditions and (b) give effect to the matters specified in, and act in accordance with, the Scheme Documentation; and
  - 3.1.2 without requiring the Joint Offerors to waive any Condition or to treat any Condition as satisfied, achieve satisfaction of the Conditions as promptly as reasonably practicable and in any event by no later than the date of the Court Meeting (or such other date as the

Parties may agree from time to time), save that nothing in this Clause 3.1 shall oblige the Joint Offerors to waive any of the Conditions or treat them as satisfied.

3.2 The Parties will co-operate with a view to obtain all necessary statutory or regulatory clearances or comply with their respective obligations (including under the Listing Rules, the Code and the Companies Act) in connection with the Proposal in a timely manner.

3.2.1 Each Party agrees to:

- (a) promptly share with the other Parties all information reasonably necessary for incorporation into the Scheme Documentation (including any draft thereof) or the making of (or responding to any requests for further information consequent upon) any notifications, submissions or filings (including any draft thereof) in respect of the Proposal; and
- (b) ensure the accuracy of the information supplied to the other Parties pursuant to Clause 3.2.1(a);

3.2.2 Each Party further agrees to:

- (a) unless such provision is not permitted under law, provide the other Parties (or its nominated advisers) with copies (including draft copies and the submitted form) of all notifications and communications to and from any relevant Authority in connection with obtaining any relevant consent or approval with respect to the Proposal (except where such notifications and communications relate solely to such Party and/or such Party's advisers) at such time as will allow the other Parties a reasonable opportunity to provide comments thereon; and
- (b) to the extent reasonably practicable and appropriate, take into account any comments on the draft notifications and communications provided by the other Parties pursuant to 3.2.2(a) before submitting them to the relevant Authorities; and

3.2.3 each Party will, so far as permitted by the relevant Authorities, allow persons nominated by the other Parties to attend all meetings (save for any meeting at which privileged information may be conveyed) relating to the implementation of the Scheme with the relevant Authorities and, where appropriate, make oral submissions at such meetings.

3.3 If at any time a Party becomes aware of (a) the satisfaction of any of the Conditions and/or (b) anything that might prevent any of the Conditions from being satisfied, it shall inform the other Parties of the same as soon as is reasonably practicable.

#### **4. OBLIGATIONS WITH REGARD TO THE SCHEME**

4.1 The Company will do all things as are reasonably necessary to implement the Scheme in accordance with the terms and conditions thereof as set out in the Announcement.

4.2 Each of the Joint Offerors undertakes to provide any necessary assistance that the Company may reasonably request in connection with the implementation of the Scheme.



- 4.3 Without prejudice to the Company's obligations under Clause 4.1, the Company undertakes to (a) consult with the Joint Offerors as to the form and content of the Scheme Documentation and not to finalize, publish or despatch any Scheme Documentation without appropriate consultation with the Joint Offerors and (b) provide to the Joint Offerors copies of all Scheme Documentation prior to any publication of the same.
- 4.4 The Company undertakes not to withdraw the Scheme or allow the Scheme to lapse or procure the withdrawal or lapse of the Scheme without the express written consent of the Joint Offerors (such consent not to be unreasonably withheld or delayed) and the Executive. For the avoidance of doubt, nothing in this Agreement shall require the directors of the Company to act contrary to their fiduciary duties, including but not limited to the duty to act in good faith and in the interests of the Company.
- 4.5 Upon a request by the Joint Offerors to vary or amend the terms and conditions of the Scheme, the Company shall, to the extent practicable and appropriate, comply with any such request and do all things reasonably necessary to give effect to such variation or amendment (including but not limited to giving written notice of such variation or amendment to the Shareholders and, where applicable, making an application to the Court).

## **5. CONDUCT OF BUSINESS**

- 5.1 The Company undertakes to each of the Joint Offerors that, save for any action required to give effect to the Proposal and other than as contemplated in the Transaction Documents, it will not, and will procure that each Group Company will not, without the prior consent of the Joint Offerors (such consent not to be unreasonably withheld or delayed), prior to the earlier of (i) the Effective Date and (ii) the Termination Date:
- 5.1.1 carry on their respective businesses other than in the ordinary and usual course;
  - 5.1.2 allot, issue, authorise or propose the issue of any securities or make any change to its share capital;
  - 5.1.3 recommend, propose, declare, pay or make any bonus issue, dividend or other distribution (other than the Special Dividend) whether payable in cash or otherwise;
  - 5.1.4 merge with any body corporate or acquire or dispose of any assets (other than in the ordinary and usual course of business) or authorise, propose or announce any intention to propose any such merger, demerger, acquisition or disposal;
  - 5.1.5 save in the ordinary course of business, incur or increase any indebtedness or contingent liability; and
  - 5.1.6 enter into any contract, arrangement or commitment which is outside the ordinary and usual course of business of the relevant Group Company and is material in the context of the Group taken as a whole.

## **6. REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

- 6.1 The Company warrants to each of the Joint Offerors that each of the Warranties is true, accurate and not misleading as at the date of this Agreement, the Despatch Date and as at the Effective Date, or the date as otherwise specified in the relevant Warranty, by reference to the facts and

circumstances existing at such dates. For the purpose of this Clause 6.1, where in a Warranty there is an express or implied reference to the “date of this Agreement”, that reference is to be construed as a reference to the Despatch Date or the Effective Date (as the case may be).

- 6.2 The Company acknowledges that the Joint Offerors are implementing the Proposal in reliance upon the Warranties.
- 6.3 Each of the Warranties shall be separate and independent and shall not be limited by reference to or inference any other Warranty or any other term of this Agreement which is not expressly referenced to the Warranty concerned.
- 6.4 The Company undertakes that, at any time after the date of this Agreement up to and including the Effective Date, it will promptly disclose to the Joint Offerors in writing any event, fact or circumstance which (a) has become known to the Company and (b) is inconsistent with any Warranty or could reasonably be expected to constitute a breach of any of the Warranties.

## **7. REPRESENTATIONS AND WARRANTIES OF THE JOINT OFFERORS**

- 7.1 Each of the Joint Offerors represents and warrants to the Company that each of the Joint Offeror Warranties (with respect to such Joint Offeror only) is true, accurate and not misleading as at the date of this Agreement, the Despatch Date and as at the Effective Date, by reference to the facts and circumstances existing at such date. For the purpose of this Clause 7, where in a representation or warranty there is an express or implied reference to the “date of this Agreement”, that reference is to be construed as a reference to the Despatch Date or the Effective Date (as the case may be).
- 7.2 The Joint Offerors acknowledge that the Company is implementing the Proposal in reliance upon the Joint Offeror Warranties.
- 7.3 Each of the Joint Offeror Warranties shall be separate and independent and shall not be limited by reference to or inference any other Joint Offeror Warranty or any other term of this Agreement which is not expressly referenced to the Joint Offeror Warranty concerned.
- 7.4 Each of the Joint Offerors undertake that, at any time after the date of this Agreement up to and including the Effective Date, it will promptly disclose to the Company in writing any event, fact or circumstance which (a) has become known to such Joint Offeror and (b) is inconsistent with any Joint Offeror Warranty (with respect to such Joint Offeror only) or could reasonably be expected to constitute a breach of any of the Joint Offeror Warranties (with respect to such Joint Offeror only).

## **8. STOCK EXCHANGE DELISTING**

The Company shall use commercially reasonable endeavours to take, or cause to be taken, all actions, and do or cause to be done all things necessary, proper or advisable under the Applicable Law to enable the delisting of the Shares from the Stock Exchange as promptly as practicable after the Effective Date.

## **9. ANNOUNCEMENTS**

- 9.1 No announcement, press release, public statement, or other communications (“**Public Release**”) concerning the existence or the subject matter of this Agreement (including but not limited to the

Proposal, the Scheme or any discussions between the Parties concerning the foregoing) shall be issued by or on behalf of any Party in any form without the prior written consent of the other Parties, such consent not to be unreasonably withheld or delayed or conditioned, except to the extent that any such announcements are required by any Applicable Law.

- 9.2 Where any announcement is required to be made under Applicable Law, the Party required to make the announcement must, to the extent permitted by the Applicable Law, (a) consult with the other Parties as to the form and content of the announcement prior to its publication; (b) to the extent appropriate, take into account the other Parties' reasonable requirements as to the timing, content and manner of publication of the announcement. If it is not practicable for the Party required to make the announcement to consult with the other Parties before the announcement is made, such Party must inform the other Parties of the circumstances, timing, content and manner of publication of the announcement promptly after such announcement is made.

## 10. CONFIDENTIALITY

- 10.1 Each Party shall treat as strictly confidential and shall not disclose to any other person any and all information: (i) received or obtained as a result of entering into or performing this Agreement; (ii) which relates to the provisions, negotiations or subject matter of this Agreement; or (iii) which relates to the other Parties (collectively, the "**Confidential Information**").
- 10.2 A Party may disclose or use Confidential Information which would otherwise be subject to the provisions of Clause 10.1 if and to the extent:
- 10.2.1 the Confidential Information is disclosed in any published Scheme Documentation;
  - 10.2.2 the disclosure or use is required by any Applicable Law to which such Party is subject to or submits (whether or not the request for information has the force of law);
  - 10.2.3 the disclosure or use is required by existing contractual obligations which it is subject to prior to the date of this Agreement (provided that it has informed the other Parties of such contractual obligations in writing before the execution of this Agreement);
  - 10.2.4 the Confidential Information is disclosed on a need-to-know and strictly confidential basis to its affiliates or its or their respective directors, officers, managers, members, partners, employees, agents, professional advisers and potential providers of financing (collectively the "**Representative**") solely for the purpose of the implementation of the Proposal;
  - 10.2.5 the Confidential Information was lawfully in its possession or in the possession of any of its affiliates or their respective Representatives;
  - 10.2.6 the Confidential Information is or becomes in the public domain through no fault of that Party or any of its affiliates or their respective Representatives;
  - 10.2.7 the other Parties have given prior written consent to the disclosure or use;
  - 10.2.8 the Confidential Information is independently developed by that Party after the date of this Agreement without any use of the Confidential Information in breach of this Agreement; or

- 10.2.9 the disclosure or use is required to enable that Party to perform this Agreement or enforce its rights under this Agreement or otherwise vest the full benefit of this Agreement in that Party.
- 10.3 The restrictions contained in this Clause 10 shall continue to apply after termination of this Agreement without limit in time.
- 11. TERMINATION**
- 11.1 Subject to Clauses 11.2 to 11.4, the obligations, consents and agreements of the Parties under this Agreement will (unless the Parties otherwise agree in writing) terminate upon the occurrence of any of the following events (whichever is earlier):
- 11.1.1 the Announcement fails to be published in accordance with Clause 2.1; or
- 11.1.2 the Proposal and the Scheme are otherwise not implemented by the Long Stop Date; or
- 11.1.3 the Scheme is not approved at the Court Meeting; or
- 11.1.4 the Reduction or the Proposal is not approved at the EGM; or
- 11.1.5 the Court does not sanction the Scheme or confirm the Reduction at the Court Hearing.
- 11.2 The Joint Offerors may terminate this Agreement, by a notice in writing to the Company at any time:
- 11.2.1 following the non-satisfaction of any Condition (which cannot be waived or is not waived by the Joint Offerors in accordance with the terms of the Proposal);
- 11.2.2 following the withdrawal of the recommendation of the directors of the Company as to whether the Scheme Shareholders should vote to approve the Proposal at the Court Meeting and at the EGM contained in the Scheme Document at any time prior to the Court's sanctioning of the Scheme and confirmation of the Reduction; or
- 11.2.3 upon a material breach of any of the Warranties by the Company.
- 11.3 The Company may terminate this Agreement, by a notice in writing to the Joint Offerors at any time upon a material breach of any of the Joint Offeror Warranties by the Joint Offerors.
- 11.4 Upon the termination of this Agreement, the rights and obligations of each Party under this Agreement shall terminate immediately, subject to the following:
- 11.4.1 The termination of this Agreement shall not affect a Party's accrued rights and obligations thereunder at the time of termination; and
- 11.4.2 Clauses 1 and 9 to 15 (inclusive) will survive termination.
- 12. COSTS**
- 12.1 The Parties agree to bear certain Transaction Expenses in the manner as set out in Schedule 4. Other than as set out in Schedule 4, the Company and the Joint Offerors shall bear their respective Transaction Expenses, subject always to the provisions of the Code.

### 13. NOTICES

13.1 A notice under or in connection with this Agreement (a “Notice”)

13.1.1 must be in writing and in the English language; and

13.1.2 sent to a Party at its address or email address specified in Clause 13.2 and for the attention of the individual set out in Clause 13.2, provided that a Party may change its notice details by giving Notice to the other Parties of the change in accordance with this Clause 13.1, which Notice shall only be effective on the day falling five (5) clear Business Days after the notification has been received or such later date as may be specified in the Notice.

13.2 The addresses and specified individuals referred to in Clause 13.1.2 are:

13.2.1 in the case of the Company:

Address: Plot 18 & 19, Technoplex  
Medan Bayan Lepas  
Taman Perindustrian Bayan Lepas  
Phase IV, 11900 Penang  
Malaysia

Email: cbchuah@pentamaster.com.my

Attention: Chuah Choon Bin

with a copy to (which shall not constitute notice):

Reed Smith Richards Butler LLP  
17<sup>th</sup> Floor, One Island East,  
Taikoo Place  
18 Westlands Road,  
Quarry Bay  
Hong Kong

Email: Denise.Jong@Reedsmith.com; May.Wong@Reedsmith.com

Attention: Denise Jong; May Wong

13.2.2 in the case of Puga:

Address: 2/F, No.156, Sec. 4  
Xinyi Rd., Daan Dist.  
Taipei, City 106049  
Taiwan

Email: [justinwang@achicapital.com](mailto:justinwang@achicapital.com); [matthsu@achicapital.com](mailto:matthsu@achicapital.com)

Attention: Wang Li-Wei; Hsu Heng-Cheng

with a copy to (which shall not constitute notice):

Sullivan & Cromwell (Hong Kong) LLP  
20th Floor, Alexandra House  
18 Chater Road, Central  
Hong Kong

Email: [king@sullcrom.com](mailto:king@sullcrom.com); [linc@sullcrom.com](mailto:linc@sullcrom.com)

Attention: Ng Kay Ian; Lin Ching-Yang

13.2.3 in the case of PCB:

Address: Plot 18 & 19, Technoplex  
Medan Bayan Lepas  
Taman Perindustrian Bayan Lepas  
Phase IV, 11900 Penang  
Malaysia

Email: [cbchuah@pentamaster.com.my](mailto:cbchuah@pentamaster.com.my)

Attention: Chuah Choon Bin

13.3 A Notice is deemed given:

13.3.1 if delivered by hand, upon delivery to the relevant address specified above, if delivered during a Business Day or at the start of the next Business Day, if delivered at any other time;

13.3.2 if delivered by post or airmail, two Business Days after the date of posting if sent to an address in the same country or five Business Days after the date of posting if sent to an address in a different country; and

13.3.3 if by email, at the time of transmission by the sender, if such time is during a Business Day, or at the start of the next Business Day, if delivered at any other time, provided that the sender does not receive a message that the email was unable to be sent.

**14. GENERAL**

14.1 The obligations, consents and agreements of the Parties hereunder shall be subject to and shall not prevent any Party from discharging its obligations under any Applicable Laws.

14.2 The Transaction Documents constitute the whole and only agreement between the Parties relating to the subject matter herein and no Party has entered into the Transaction Documents in reliance

upon any representation, warranty or undertaking of any other parties which is not set out expressly herein and therein. Nothing in this Clause shall have the effect of limiting or restricting the liability of any Party arising as a result of any wilful misconduct, gross negligence and/or fraud.

- 14.3 This Agreement may be executed in any number of counterparts but shall not be effective until each Party has executed at least one counterpart. Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute but one and the same instrument.
- 14.4 No Party shall assign, transfer or create any trust in respect of, or purport to assign, transfer or create any trust in respect of, a right or obligation under this Agreement.
- 14.5 Except as otherwise expressly provided, time is of the essence of this Agreement.
- 14.6 No delay or omission by any Party to this Agreement in exercising any right, power or remedy provided by law or under this Agreement shall affect that right, power or remedy or operate as a waiver of it. The single or partial exercise of any right, power or remedy provided by law or under this Agreement shall not preclude any other or further exercise of it or the exercise of any other right, power or remedy.
- 14.7 Nothing in this Agreement and no action taken by the Parties under this Agreement shall constitute a partnership, association, joint venture or other co-operative entity between any of the parties.
- 14.8 A variation of this Agreement is valid only if it is in writing and signed by or on behalf of each Party.
- 14.9 The invalidity, illegality or unenforceability of a provision of this Agreement does not affect or impair the continuation in force of the remainder of this Agreement.
- 14.10 A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any of its terms.

## **15. GOVERNING LAW AND JURISDICTION**

- 15.1 This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong for the time being in force.
- 15.2 Any dispute, controversy, or claim of whatever nature arising out of or relating to this Agreement, including a dispute regarding the validity, invalidity, existence, interpretation, performance, breach or termination of this Agreement and also any dispute relating to any non-contractual rights or obligations arising out of, relating to or having any connection with this Agreement, shall be referred to and finally resolved by binding arbitration administered by the Hong Kong International Arbitration Centre (“**HKIAC**”) in accordance with the HKIAC Administered Arbitration Rules (the “**Arbitration Rules**”) in force when the Notice of Arbitration is submitted in accordance with such Arbitration Rules. The Arbitration Rules are deemed to be incorporated by reference into this Clause and as may be amended by the rest of this Clause. The arbitration tribunal shall consist of a sole arbitrator to be appointed in accordance with the Arbitration Rules. The seat of the arbitration shall be Hong Kong. The language of the arbitration proceedings shall be English. This arbitration clause shall be governed by the laws of Hong Kong.

- 15.3 The Parties agree that irreparable damage would occur in the event that any of the terms of this Agreement were not performed by a Party in accordance with their specific terms or were otherwise breached by a Party. The Parties accordingly agree that in addition to any other remedy to which a Party is entitled at law or in equity, each Party is entitled to seek injunctive relief to prevent breaches of this Agreement by the other Parties and otherwise to enforce specifically the terms of this Agreement against the other Parties. Each Party expressly waives any requirement that the other Parties obtain any bond or provide any indemnity in connection with any action seeking injunctive relief or specific enforcement of the terms of this Agreement.
- 15.4 Each Party irrevocably waives, to the fullest extent permitted by Applicable Laws, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:
- 15.4.1 suit;
  - 15.4.2 jurisdiction of any court;
  - 15.4.3 relief by way of injunction or order for specific performance or recovery of property;
  - 15.4.4 attachment of its assets (whether before or after judgment); and
  - 15.4.5 execution or enforcement of any judgment to which it or its revenues or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by Applicable Laws, that it will not claim any immunity in any such proceedings).



**SCHEDULE 1**  
**ANNOUNCEMENT**

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

*This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Joint Offerors or the Company nor is it a solicitation of any vote or approval in any jurisdiction.*

*This announcement is not for release, publication or distribution, in whole or in part, in, into or from any jurisdiction where to do so would constitute a violation of the applicable laws or regulations of such jurisdiction.*



**Puga Holdings Limited**

*(Incorporated in the British Virgin Islands with limited liability)*

**Pentamaster Corporation Berhad**

*(A public limited liability company incorporated in Malaysia)*

**PENTAMASTER INTERNATIONAL LIMITED**

檳傑科達國際有限公司

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

**(Stock Code: 1665)**

- (1) PROPOSAL TO PRIVATISE PENTAMASTER INTERNATIONAL LIMITED;**
- (2) PROPOSED WITHDRAWAL OF LISTING;**
- (3) PROPOSED SPECIAL DIVIDEND;**
- (4) INDEPENDENT BOARD COMMITTEE; AND**
- (5) RESUMPTION OF TRADING**

**Financial Adviser to the Joint Offerors**

**ALTUS CAPITAL LIMITED**

## INTRODUCTION

On December 18, 2024, the Joint Offerors and the Company entered into the Implementation Agreement, pursuant to which the Joint Offerors requested the Board to put forward the Proposal to the holders of Scheme Shares for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act.

## THE PROPOSAL

The Scheme will provide that the Scheme Shares be cancelled in exchange for the payment to the Scheme Shareholders of the Cancellation Price of HK\$0.93 in cash for each Scheme Share to be paid by the Joint Offerors to the Scheme Shareholders whose names appear on the register of members of the Company on the Record Date.

Under the Proposal, the Company will also declare a Special Dividend of HK\$0.07 which, subject to (i) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the Special Dividend; and (ii) the Scheme having become binding and effective in accordance with its terms and conditions, shall be payable to the Shareholders whose names appear on the register of members of the Company on the Record Date, including PCB.

PCB has undertaken (to the extent permitted under Takeovers Code, the Listing Rules and applicable laws and regulations) to exercise or procure the exercise of the voting rights in respect of the Shares held by PCB immediately prior to the Scheme becoming effective to vote in favour of the ordinary resolution at the EGM to approve the Special Dividend. **Accordingly, if the Scheme becomes binding and effective in accordance with its terms and conditions, the Scheme Shareholders whose names appear on the register of members of the Company on the Record Date will receive a total of HK\$1.00 in cash per Scheme Share under the Proposal comprising:**

<b>Cancellation Price .....</b>	<b>HK\$0.93 per Scheme Share</b>
<b>Special Dividend .....</b>	<b>HK\$0.07 per Scheme Share</b>
<b>Total .....</b>	<b>HK\$1.00 per Scheme Share</b>

**The Cancellation Price will not be increased, and the Joint Offerors do not reserve the right to do so. Shareholders, Share Award Holders and potential investors should be aware that, following the making of this statement, the Joint Offerors will not be allowed to increase the Cancellation Price, except in wholly exceptional circumstances in accordance with Rule 18.3 of the Takeovers Code.**

Pursuant to the Joint Offerors Agreement, upon the Scheme becoming effective, the Company will be owned as to approximately 29.00% and 71.00% by Puga and PCB, respectively, and the listing of the Shares will be withdrawn from the Stock Exchange.

## CONDITIONS OF THE PROPOSAL AND THE SCHEME

The implementation of the Proposal and the Scheme will be conditional upon the fulfilment or waiver, as applicable, of all the Conditions as described in the section headed “Conditions of the Proposal and the Scheme” below. All of the Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

### **THE JOINT OFFERORS AGREEMENT AND THE SHAREHOLDER ARRANGEMENTS**

The Joint Offerors have entered into the Joint Offerors Agreement on December 18, 2024 pursuant to which the Joint Offerors agreed that, upon the Scheme having become binding and effective in accordance with its terms and conditions, (i) in addition to its existing shareholding in the Company, PCB will acquire a further 170,400,000 Shares (representing approximately 7.10% of the issued Shares) under the Proposal, thereby increasing its shareholding in the Company to 1,703,949,989 Shares (representing approximately 71.00% of the issued Shares); and (ii) Puga will acquire 696,050,011 Shares (representing approximately 29.00% of the issued Shares) under the Proposal.

The Joint Offerors also agreed to enter into the Shareholders’ Agreement setting out their mutual agreement regarding the Shareholder Arrangements within 5 Business Days after the withdrawal of listing of the Shares on the Stock Exchange, subject to the Scheme becoming effective.

### **FINANCIAL RESOURCES**

Payment of the Cancellation Price under the Scheme by the Joint Offerors will be funded by the internal resources of the Joint Offerors in proportion to the percentage of the Scheme Shares to be acquired by each of the Joint Offerors under the Proposal.

Payment of the Special Dividend by the Company will be funded by the internal cash resources of the Group.

Altus, as financial adviser to the Joint Offerors, is satisfied that sufficient financial resources are available to (i) the Joint Offerors to satisfy the Cancellation Price under the Proposal; and (ii) the Company to satisfy the Special Dividend for the Scheme Shareholders.

### **INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee, which comprises independent non-executive directors of the Company who are not Joint Offerors Concert Parties, namely Dr. Chuah Jin Chong, Ms. Chan May May and Mr. Sim Seng Loong @ Tai Seng, has been established by the Board to make a recommendation to the Disinterested Shareholders as to whether the terms of the Proposal and the Scheme are fair and reasonable and as to voting at the Court Meeting and the EGM.

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee is required to comprise all non-executive directors of the Company who have no direct or indirect interest in the matters to be considered by the Independent Board Committee, other than as a Shareholder. Mr. Leng is the non-executive director of the Company and is also a non-independent non-executive director and a shareholder of PCB. He is therefore considered to be acting in concert with the Joint Offerors and is therefore not a member of the Independent Board Committee.

## **INDEPENDENT FINANCIAL ADVISER**

The Independent Financial Adviser will be appointed by the Board with the approval of the Independent Board Committee in due course (i) to advise the Independent Board Committee on the Proposal and the Scheme pursuant to Rule 2.1 of the Takeovers Code; and (ii) to report on the unaudited consolidated financial results of the Group for the nine months ended September 30, 2024 published by the Company on November 7, 2024 pursuant to Rule 10.3(d) of the Takeovers Code. A further announcement will be made after the appointment of the Independent Financial Adviser.

## **DESPATCH OF SCHEME DOCUMENT**

The Scheme Document containing, among others: (i) further details of the Proposal and the Scheme; (ii) the expected timetable in relation to the Proposal and the Scheme; (iii) an explanatory memorandum as required under the Companies Act and the rules of the Grand Court; (iv) information regarding the Company; (v) recommendations from the Independent Board Committee with respect to the Proposal and the Scheme, and the letter of advice from the Independent Financial Adviser to the Independent Board Committee; and (vi) a notice of the Court Meeting and a notice of the EGM, together with forms of proxy in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Companies Act, the Grand Court and other applicable laws and regulations.

## **WITHDRAWAL OF LISTING OF SHARES**

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates for 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 in accordance with Rule 6.15 of the Listing Rules immediately following the Scheme becoming effective.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on December 4, 2024, pending the issue of this 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 December 19, 2024.

## **WARNINGS**

**Shareholders, Share Award Holders and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective.**

**Shareholders, Share Award Holders and potential investors of the Company should also be aware that the payment of the Special Dividend is in turn subject to, amongst other things, the Scheme having become binding and effective in accordance with its terms and conditions. Accordingly, the Special Dividend may or may not materialise. Shareholders, Share Award**

**Holders 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.**

*This announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Proposal or otherwise, nor shall there be any sale, issuance or transfer of securities of the Company in any jurisdiction in contravention of applicable law. The Proposal will be made solely through the Scheme Document, which will contain the full terms and conditions of the Proposal, including details of how to vote on the Proposal. Any approval, rejection or other response to the Proposal should be made only on the basis of information in the Scheme Document or any other document by which the Proposal is made.*

*The availability of the Proposal to persons who are not resident in Hong Kong may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not so resident in Hong Kong should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders will be set out in the Scheme Document.*

## **INTRODUCTION**

On December 18, 2024, the Joint Offerors and the Company entered into the Implementation Agreement, pursuant to which the Joint Offerors requested the Board to put forward the Proposal to the holders of Scheme Shares for the proposed privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Act, which involves the cancellation of the Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share, and the withdrawal of the listing of the Shares on the Stock Exchange.

Under the Proposal, the Company will also declare a Special Dividend of HK\$0.07, further details of which are set out below.

If the Proposal is approved and implemented, under the Scheme, the Scheme Shares will, on the Effective Date, be cancelled and extinguished. Simultaneously with such cancellation and extinguishment, the share capital of the Company will be maintained by the issuance at par to the Joint Offerors, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled pursuant to the Scheme. The reserve created in the Company's books of account as a result of the cancellation 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 Joint Offerors.

Upon the Scheme becoming effective, the Company will be owned as to approximately 29.00% and 71.00% by Puga and PCB, respectively, and the listing of the Shares will be withdrawn from the Stock Exchange.

## **TERMS OF THE PROPOSAL**

### **The Cancellation Price and the Special Dividend**

The Proposal will provide that each of the Scheme Shares be cancelled in exchange for the payment of the Cancellation Price of HK\$0.93 per Scheme Share, which shall be paid by the Joint Offerors to the Scheme Shareholders (including the Disinterested Shareholders) whose names appear on the register of members of the Company on the Record Date.

Under the Proposal, the Company will also declare a Special Dividend of HK\$0.07 which, subject to (i) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the Special Dividend; and (ii) the Scheme having become binding and effective in accordance with its terms and conditions, shall be payable to the Shareholders whose names appear on the register of members of the Company on the Record Date, including PCB.

PCB has undertaken (to the extent permitted under Takeovers Code, the Listing Rules and applicable laws and regulations) to exercise or procure the exercise of the voting rights in respect of the Shares held by PCB immediately prior to the Scheme becoming effective to vote in favour of the ordinary

resolution at the EGM to approve the Special Dividend. **Accordingly, if the Scheme becomes binding and effective in accordance with its terms and conditions, the Scheme Shareholders whose names appear on the register of members of the Company on the Record Date will receive a total of HK\$1.00 in cash per Scheme Share under the Proposal comprising:**

<b>Cancellation Price .....</b>	<b>HK\$0.93 per Scheme Share</b>
<b>Special Dividend .....</b>	<b>HK\$0.07 per Scheme Share</b>
<b>Total .....</b>	<b>HK\$1.00 per Scheme Share</b>

As at the Announcement Date, the Company has 2,400,000,000 Shares in issue. Save for the Shares (including the Awarded Shares), the Company does not have any outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

If, after the Announcement Date, any dividend and/or other distribution and/or other return of capital other than the Special Dividend is announced, declared or paid in respect of the Shares, the Joint Offerors reserve the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this announcement, the Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced. The Company has confirmed that, other than the Special Dividend, it does not intend to announce, declare or pay any dividend, distribution or other return of capital before the Long Stop Date or the lapse, withdrawal or termination of the Scheme (whichever is earlier). As at the Announcement Date, the Company has no declared but unpaid dividends and/or other distribution and/or other return of capital.

#### **No price increase statement**

**The Cancellation Price will not be increased, and the Joint Offerors do not reserve the right to do so. Shareholders, Share Award Holders and potential investors should be aware that, following the making of this statement, the Joint Offerors will not be allowed to increase the Cancellation Price, except in wholly exceptional circumstances in accordance with Rule 18.3 of the Takeovers Code.**

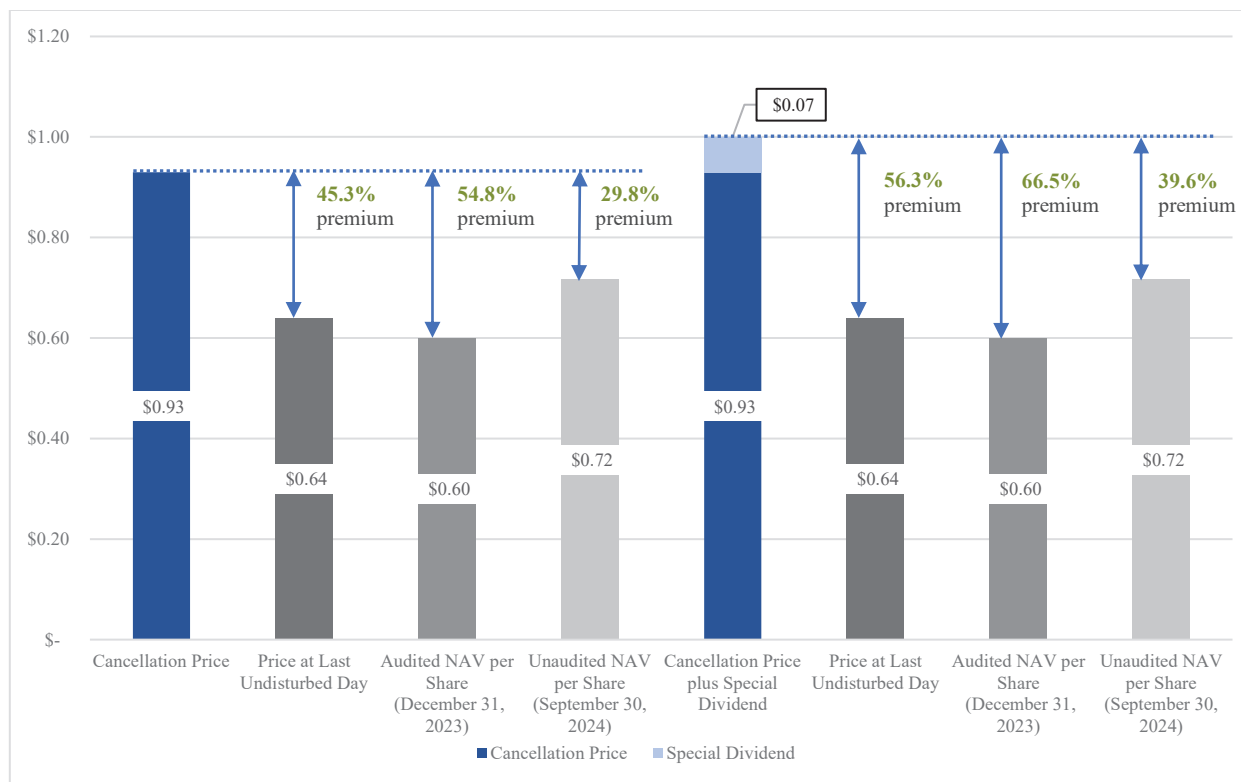
#### **Comparisons of value**

The share price of the Company started experiencing an increase at relatively high volume on December 2, 2024 and then a sharp increase of 19.4% on December 3, 2024 (being the Last Trading Day). To exclude the distortions of such unusual price and volume movements, comparisons of value are therefore also made against the Last Undisturbed Day.

The premium of (i) the Cancellation Price, and (ii) the Cancellation Price *plus* Special Dividend, relative to the respective closing price of the Shares at the Last Undisturbed Day, the audited consolidated net asset value attributable to Shareholders per Share (“NAV per Share”) as at



December 31, 2023, and the unaudited consolidated net asset value attributable to Shareholders per Share as at September 30, 2024, was as follows:



Note: The NAV per Share was derived based on an exchange rate of MYR to HKD of 1:1.70 as at December 31, 2023 and 1:1.89 as at September 30, 2024.

The table below sets out the premiums of (i) the Cancellation Price of HK\$0.93 per Scheme Share; and (ii) the Cancellation Price *plus* Special Dividend of HK\$1.00 per Scheme Share respectively compared to various benchmarks, including historical trading prices of the Shares and the audited and unaudited consolidated net asset values attributable to Shareholders:

Comparison Metric	Price/net asset value per Share HK\$	Premium represented by Cancellation Price %	Premium represented by Cancellation Price <i>plus</i> Special Dividend %
Closing price on the Last Trading Day	0.800	16.3	25.0
Average of: Closing price for the 10 consecutive trading days up to and including the Last Trading Day	0.651	42.9	53.6

Closing price for the 30 consecutive trading days up to and including the Last Trading Day	0.655	42.0	52.7
Closing price for the 60 consecutive trading days up to and including the Last Trading Day	0.666	39.7	50.2
Closing price for the 90 consecutive trading days up to and including the Last Trading Day	0.662	40.4	51.0
Closing price for the 120 consecutive trading days up to and including the Last Trading Day	0.666	39.7	50.2
<b>Closing price on the Last Undisturbed Day</b>	<b>0.640</b>	<b>45.3</b>	<b>56.3</b>
Average of:			
Closing price for the 10 consecutive trading days up to and including the Last Undisturbed Day	0.631	47.4	58.5
Closing price for the 30 consecutive trading days up to and including the Last Undisturbed Day	0.652	42.6	53.4
Closing price for the 60 consecutive trading days up to and including the Last Undisturbed Day	0.663	40.3	50.8
Closing price for the 90 consecutive trading days up to and including the Last Undisturbed Day	0.660	40.9	51.5
Closing price for the 120 consecutive trading days up to and including the Last Undisturbed Day	0.666	39.7	50.2
<b>Audited consolidated net asset value attributable to Shareholders per Share as at December 31, 2023 (Note 1)</b>	<b>0.601</b>	<b>54.8</b>	<b>66.5</b>
<b>Unaudited consolidated net asset value attributable to Shareholders per Share as at September 30, 2024 (Note 2)</b>	<b>0.716</b>	<b>29.8</b>	<b>39.6</b>

*Note 1: Based on an exchange rate of MYR1.0 = HK\$1.70 as at December 31, 2023*

*Note 2: Based on an exchange rate of MYR1.0 = HK\$1.89 as at September 30, 2024*

The Cancellation Price has been determined on an arm's length commercial basis after taking into account the financial information of the Group, the prices of the Shares traded on the Stock Exchange, and with reference to other privatisation transactions in Hong Kong in the two years leading up to the Last Undisturbed Day.

## **Highest and lowest prices**

During the six-month period immediately up to and including the Last Undisturbed Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.740 on June 5, 6 and 7, 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.610 on November 14, 2024.

During the six-month period immediately up to and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.800 on the Last Trading Day and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.610 on November 14, 2024.

## **Total Cancellation Price and Total Special Dividend Payable to Scheme Shareholders**

As at the Announcement Date, the Company has 2,400,000,000 Shares in issue. The 866,450,011 Scheme Shares represents approximately 36.10% of the total number of Shares in issue of the Company.

On the assumption that there is no other change in the shareholding structure of the Company before the completion of the Proposal, the total amount of cash consideration required to effect the Scheme will be HK\$805,798,510 (representing the aggregate Cancellation Price payable under the Scheme), which will be funded by the Joint Offerors in proportion to the percentage of the Scheme Shares to be acquired by each of the Joint Offerors under the Proposal.

On the assumption that there is no other change in the shareholding structure of the Company before the completion of the Proposal, subject to (i) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the Special Dividend; and (ii) the Scheme having become binding and effective in accordance with its terms and conditions, the total amount of Special Dividend payable to the Scheme Shareholders will be HK\$60,651,501, which will be funded by the Company.

The sum of total Cancellation Price and total Special Dividend payable to Scheme Shareholders amounts to HK\$866,450,011, the payment of which will be subject to satisfaction of their respective conditions.

## **Financial Resources**

Payment of the Cancellation Price under the Scheme by the Joint Offerors will be funded entirely by the internal resources of the Joint Offerors in proportion to the percentage of the Scheme Shares to be acquired by each of the Joint Offerors under the Proposal.

Payment of the Special Dividend by the Company will be funded by the internal cash resources of the Company.

Altus, as financial adviser to the Joint Offerors, is satisfied that sufficient financial resources are available to (i) the Joint Offerors to satisfy the Cancellation Price under the Proposal; and (ii) the Company to satisfy the Special Dividend for the Scheme Shareholders.

## **CONDITIONS OF THE PROPOSAL AND THE SCHEME**

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Shareholders, subject to the fulfilment or waiver (as applicable) of the following Conditions:

- (a) the approval of the Scheme (by way of poll) by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) by Disinterested Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by Disinterested Shareholders that are voted either in person or by proxy at the Court Meeting, provided that the number of votes cast (by way of poll) by the Disinterested 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 the Scheme Shares held by all Disinterested Shareholders;
- (c) the passing of (i) a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to any reduction of the share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares; and (ii) an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the simultaneous maintenance of the share capital of the Company at the amount prior to the cancellation of the Scheme Shares by the issuance at par to the Joint Offerors, credited as fully paid, such number of new Shares as is equal to the number of Scheme Shares cancelled, and applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par the new Shares so issued, credited as fully paid, for issuance to the Joint Offerors;
- (d) the Grand Court's sanction of the Scheme (with or without modifications) and, to the extent necessary, its confirmation of any reduction of the share capital of the Company, and the delivery

to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;

- (e) compliance, to the extent necessary, with the procedural requirements and conditions, if any, under Sections 15 and 16 of the Companies Act in relation to any reduction of the issued share capital of the Company;
- (f) all necessary authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals in connection with the Proposal having been obtained from, given by or made with (as the case may be) the Relevant Authorities, in the Cayman Islands, Hong Kong and any other relevant jurisdictions;
- (g) all necessary authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals in connection with the Proposal 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 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, in each aforesaid case up to and at the time when the Scheme becomes effective;
- (h) all necessary consents which may be required for the implementation of the Proposal and the Scheme under any existing contractual obligations of the Company having been obtained or waived by the relevant party(ies), where any failure to obtain such consent or waiver would have a material adverse effect on the business of the Group;
- (i) 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 or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order that would make the Proposal or the Scheme 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 the Scheme 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 Joint Offerors to proceed with the Proposal or the Scheme;
- (j) since the Announcement Date, there having been no adverse change in the business, assets, prospects, profits, losses, results of operations, financial position or condition 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 or the Scheme);

- (k) there being no material breach of the representations and warranties made by the Company under the Implementation Agreement as at the date of the Implementation Agreement, the date of despatch of the Scheme Document and the effective date of the Scheme, or the date as otherwise specified in the relevant representations and warranties, by reference to the facts and circumstances existing at such dates; and
- (l) there being no material breach of the representations and warranties made by the Joint Offerors under the Implementation Agreement as at the date of the Implementation Agreement, the date of despatch of the Scheme Document and the effective date of the Scheme, or the date as otherwise specified in the relevant representations and warranties, by reference to the facts and circumstances existing at such dates.

The Joint Offerors reserve the right to waive conditions (f), (g), (h), (i), (j) and (k) either in whole or in part, either generally or in respect of any particular matter. Conditions (a) to (e) cannot be waived in any event. Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Joint Offerors 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 Joint Offerors in the context of the Proposal. The Company reserves the right to waive condition (l) either in whole or in part, either generally or in respect of any particular matter.

All of the above Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

In respect of Condition (f) and (g), as at the Announcement Date, other than those set out in Conditions (a) to (e) (inclusive), the Joint Offerors and the Company are not aware of any necessary authorisations, registrations, filings, rulings, consents, opinions, permissions and approvals required for the Proposal. As at the Announcement Date, the Joint Offerors and the Company are not aware of any circumstances which may result in Conditions (h), (i), (j), (k) and (l) not being satisfied.

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

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the Announcement Date, the authorised share capital of the Company is HK\$50,000,000 divided into 5,000,000,000 Shares, and the Company has 2,400,000,000 Shares in issue. Save for the Shares (including the Awarded Shares), the Company does not have any outstanding options, warrants,

derivatives or convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue as at the Announcement Date.

As at the Announcement Date, Puga does not hold any Shares and PCB, together with the Joint Offerors Concert Parties, are interested in an aggregate of 1,597,296,757 Shares, representing approximately 66.55% of the issued Shares. As at the Announcement Date, the Scheme Shares, comprising 866,450,011 Shares, represent approximately 36.10% of the issued Shares.

The table below sets out the shareholding structure of the Company as at the Announcement Date and immediately upon completion of the Proposal (assuming that there is no change in the shareholding structure of the Company before the effective date of the Scheme):

	As at the Announcement Date		Immediately upon completion of the Proposal	
	Number of Shares	Approximate % of total issued Shares <sup>(7)</sup>	Number of Shares <sup>(9)</sup>	Approximate % of total issued Shares <sup>(7)</sup>
<b>Shareholders</b>				
<b>Joint Offerors</b>				
Puga Holdings Limited	-	-	696,050,011	29.00%
PCB <sup>(1)</sup>	1,533,549,989	63.90%	1,703,949,989	71.00%
<b>Joint Offerors Concert Parties</b>				
Mr. Chuah <sup>(2)</sup>	26,611,200	1.11%	-	-
Ms. Gan <sup>(3)</sup>	7,622,544	0.32%	-	-
Mr. Leng <sup>(4)</sup>	250,000	0.01%	-	-
Dato' Loh Nam Hooi <sup>(5)</sup>	1,012,000	0.04%	-	-
Trustee <sup>(6)</sup>	28,251,024	1.18%	-	-
<b>Aggregate number of Shares of the Joint Offerors and the Joint Offerors Concert Parties</b>	<b>1,597,296,757</b>	<b>66.55%<sup>(7)</sup></b>	<b>2,400,000,000</b>	<b>100.00%<sup>(7)</sup></b>
<b>Disinterested Shareholders</b>				
Trustee <sup>(6)</sup>	35,816,716	1.49%		
Dr. Chuah Jin Chong <sup>(8)</sup>	112,000	0.005%		
Other Disinterested Shareholders	766,774,527	31.95%		
<b>Aggregate number of Shares held by Disinterested Shareholders</b>	<b>802,703,243</b>	<b>33.45%<sup>(7)</sup></b>	-	-
<b>Total number of Shares in issue</b>	<b>2,400,000,000</b>	<b>100.00%<sup>(7)</sup></b>	<b>2,400,000,000</b>	<b>100.00%<sup>(7)</sup></b>
<b>Total number of Scheme Shares</b>	<b>866,450,011<sup>(10)</sup></b>	<b>36.10%<sup>(7)</sup></b>	-	-

Notes:

1. The Shares held by PCB will not form part of the Scheme Shares and therefore, PCB will not be able to vote on the Scheme at the Court Meeting. Upon the Scheme becoming effective, PCB will acquire a further 170,400,000 Shares (representing approximately 7.10% of the issued Shares) under the Scheme and increase its shareholding in the Company to approximately 71.00%.
2. Mr. Chuah, the executive director and chairman of the Company and the executive chairman of PCB, is considered to be acting in concert with the Joint Offerors. The Shares held by Mr. Chuah will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective. The vote of Mr. Chuah will not be counted as a vote of a Disinterested Shareholder in determining whether the requirements under Condition (b) under the section headed “Conditions of the Proposal and the Scheme” (as required under Rule 2.10 of the Takeovers Code) are satisfied.
3. Ms. Gan, the executive director of the Company and an executive director of PCB, is considered to be acting in concert with the Joint Offerors. The Shares held by Ms. Gan will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective. The vote of Ms. Gan will not be counted as a vote of a Disinterested Shareholder in determining whether the requirements under Condition (b) under the section headed “Conditions of the Proposal and the Scheme” (as required under Rule 2.10 of the Takeovers Code) are satisfied. In addition to the 7,622,544 Shares held by Ms. Gan, she is also interested in 835,000 Awarded Shares under the Share Award Scheme, which comprise (i) 695,000 vested Awarded Shares that are held by the Trustee for her; and (ii) 140,000 granted but unvested Awarded Shares (of which 100,000, 20,000 and 20,000 Awarded Shares shall vest on July 1, 2025, August 7, 2025 and August 7, 2026, respectively, subject to the fulfilment of relevant vesting conditions).
4. Mr. Leng, the non-executive director of the Company and a non-independent non-executive director of PCB, is considered to be acting in concert with the Joint Offerors. The Shares held by Mr. Leng will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective. The vote of Mr. Leng will not be counted as a vote of a Disinterested Shareholder in determining whether the requirements under Condition (b) under the section headed “Conditions of the Proposal and the Scheme” (as required under Rule 2.10 of the Takeovers Code) are satisfied.
5. Dato’ Loh Nam Hooi, a non-independent non-executive director of PCB, is considered to be acting in concert with the Joint Offerors. The Shares held by Dato’ Loh Nam Hooi will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective. The vote of Dato’ Loh Nam Hooi will not be counted as a vote of a Disinterested Shareholder in determining whether the requirements under Condition (b) under the section headed “Conditions of the Proposal and the Scheme” (as required under Rule 2.10 of the Takeovers Code) are satisfied.
6. Although the Trustee is not controlled by the Company and/or any of the Joint Offerors Concert Parties, as its principal purpose is to hold the Trustee Held Shares for the sole purpose of satisfying the awards under the Share Award Scheme, which is in turn administered by the Board, it is considered to be acting in concert with the Joint Offerors. As at the Announcement Date, the Trustee holds 64,067,740 Trustee Held Shares pursuant to the Share Award Scheme in respect of which 35,816,716 Shares are Trustee Held Awarded Shares held for Share Award Holders (other than Share Award Holders who are Joint Offerors Concert Parties) whose awards have vested. The remaining 28,251,024 Shares are held on trust by the Trustee for (i) Share Award Holders who are Joint Offerors Concert Parties whose awards have vested (namely, the 695,000 Awarded Shares held for Ms. Gan); (ii) Share Award Holders whose awards have not yet vested as at the Announcement Date (including, for the avoidance of doubt, the 140,000 Awarded Shares held for Ms. Gan); and (iii) as Trustee Held Pool Shares. The Trustee has undertaken to the Company that it will only exercise voting rights in respect of the 35,816,716 Trustee Held Awarded



Shares according to the express instructions of the relevant Share Award Holders and that it will not have any discretionary voting powers in respect of such Shares. Accordingly, such 35,816,716 Trustee Held Awarded Shares are included as Shares held by Disinterested Shareholders. In respect of the remaining 28,251,024 Shares, notwithstanding the Trustee is the legal registered holder of such Shares, as the Trustee is considered to be acting in concert with the Joint Offerors, such Shares are not considered to be Shares held by Disinterested Shareholders and will not be voted on in respect of the resolution to approve the Scheme at the Court Meeting and at the EGM. This is on the assumption that none of the vested Trustee Held Awarded Shares are transferred to the relevant Share Award Holder in accordance with the rules of the Share Award scheme on or prior to the Meeting Record Date.

It is expected that, during the offer period, the Trustee will not acquire further Shares to satisfy the share awards.

7. All percentages in the above table are approximations and rounded to the nearest 2 decimal places. The aggregate percentages may not add up due to such rounding.
8. As at the Announcement Date, Dr. Chuah Jin Chong, an independent non-executive Director, holds 112,000 Shares. Dr. Chuah is a Disinterested Shareholder and his Shares will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective. Save as disclosed, no other Directors hold any Shares as at the Announcement Date.
9. Under the Scheme, the Scheme Shares will, on the Effective Date, be cancelled and extinguished. Simultaneously with such cancellation and extinguishment, the share capital of the Company will be maintained by the issuance at par to the Joint Offerors, credited as fully paid, of the aggregate number of Shares equal to the number of Scheme Shares cancelled pursuant to the Scheme. The reserve created in the Company's books of account as a result of the cancellation 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 Joint Offerors.
10. Scheme Shares are the Shares held by the Shareholders, other than those held by PCB. For the avoidance of doubt, the Shares held by (i) Mr. Chuah; (ii) Ms. Gan; (iii) Mr. Leng; (iv) Dato' Loh Nam Hooi and (v) Dr. Chuah Jin Chong will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective.

Save as disclosed below, none of the Joint Offerors and the Joint Offerors Concert Parties has dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the six months prior to the Announcement Date and up to and including the Announcement Date:

Name	Date of transaction (D/M/Y)	Nature of transaction	On/off the Stock Exchange	No. of Shares involved	Closing price on the relevant date (HK\$)	Actual transaction price per Share (HK\$) (Note 5)
Ms. Gan <sup>(Note 1)</sup>	1/7/2024	Vesting of Awarded Shares <sup>(Note 2)</sup>	Off	183,334	0.69 (28/6/2024)	-
	7/8/2024	Grant of Awarded Shares <sup>(Note 3)</sup>	-	60,000	0.65 (7/8/2024)	-

	7/8/2024	Vesting of Awarded Shares <sup>(Note 2)</sup>	Off	20,000	0.65 (7/8/2024)	-
	7/8/2024	Sale	On	6,000	0.65 (7/8/2024)	0.65
Trustee <sup>(Note 4)</sup>	21/6/2024	Sale	On	112,000	0.69 (21/6/2024)	0.7020
	24/6/2024	Sale	On	38,000	0.69 (24/6/2024)	0.7000
	9/7/2024	Sale	On	172,000	0.66 (9/7/2024)	0.66
	10/7/2024	Sale	On	110,000	0.66 (10/7/2024)	0.6655
	11/7/2024	Sale	On	68,000	0.65 (11/7/2024)	0.66
	12/7/2024	Sale	On	20,000	0.65 (12/7/2024)	0.66
	19/7/2024	Sale	On	520,000	0.64 (19/7/2024)	0.6233
	23/7/2024	Sale	On	288,466	0.65 (23/7/2024)	0.64
	2/8/2024	Sale	On	274,664	0.65 (2/8/2024)	0.648
	6/8/2024	Sale	On	100,750	0.64 (6/8/2024)	0.6397
	7/8/2024	Sale	On	168,000	0.65 (7/8/2024)	0.6505
	8/8/2024	Purchase	On	28,000	0.65 (8/8/2024)	0.65
	9/8/2024	Purchase	On	172,000	0.66 (9/8/2024)	0.65
	9/8/2024	Sale	On	172,000	0.66 (9/8/2024)	0.65
	12/8/2024	Purchase	On	398,000	0.66 (12/8/2024)	0.65
	15/8/2024	Purchase	On	500,000	0.65 (15/8/2024)	0.65
	15/8/2024	Sale	On	18,000	0.65 (15/8/2024)	0.67
	16/8/2024	Purchase	On	3,200,000	0.65 (16/8/2024)	0.65
	19/8/2024	Sale	On	42,000	0.64 (19/8/2024)	0.67
	22/8/2024	Sale	On	283,336	0.68 (22/8/2024)	0.6599
	12/9/2024	Sale	On	162,500	0.65 (12/9/2024)	0.6499
	26/9/2024	Purchase	On	126,000	0.67 (26/9/2024)	0.69
	26/9/2024	Sale	On	126,000	0.67 (26/9/2024)	0.69
3/10/2024	Purchase	On	283,000	0.69 (3/10/2024)	0.6811	
3/10/2024	Sale	On	283,000	0.69 (3/10/2024)	0.6811	

4/10/2024	Purchase	On	608,000	0.68 (4/10/2024)	0.6501
7/10/2024	Purchase	On	202,000	0.68 (7/10/2024)	0.68
8/10/2024	Purchase	On	268,000	0.67 (8/10/2024)	0.67
9/10/2024	Purchase	On	52,000	0.67 (9/10/2024)	0.6719
10/10/2024	Purchase	On	478,000	0.68 (10/10/2024)	0.68
10/10/2024	Sale	On	160,000	0.68 (10/10/2024)	0.68
14/10/2024	Purchase	On	258,000	0.68 (14/10/2024)	0.68
15/10/2024	Purchase	On	316,000	0.68 (15/10/2024)	0.6762
15/10/2024	Sale	On	316,000	0.68 (15/10/2024)	0.6762
17/10/2024	Purchase	On	202,000	0.69 (17/10/2024)	0.68
18/10/2024	Purchase	On	188,000	0.69 (18/10/2024)	0.68
21/10/2024	Purchase	On	176,000	0.69 (21/10/2024)	0.6811
22/10/2024	Purchase	On	50,000	0.69 (22/10/2024)	0.6872
23/10/2024	Purchase	On	126,000	0.68 (23/10/2024)	0.68
24/10/2024	Purchase	On	550,000	0.67 (24/10/2024)	0.68
25/10/2024	Purchase	On	1,000,000	0.67 (25/10/2024)	0.67
28/10/2024	Purchase	On	184,000	0.67 (28/10/2024)	0.67
29/10/2024	Purchase	On	1,108,629	0.68 (29/10/2024)	0.6791
29/10/2024	Sale	On	1,108,629	0.68 (29/10/2024)	0.6791
30/10/2024	Purchase	On	682,000	0.68 (30/10/2024)	0.68
1/11/2024	Purchase	On	153,066	0.68 (1/11/2024)	0.6741
1/11/2024	Sale	On	91,066	0.68 (1/11/2024)	0.67
4/11/2024	Purchase	On	220,000	0.67 (4/11/2024)	0.68
5/11/2024	Sale	On	1,400,000	0.67 (5/11/2024)	0.68
6/11/2024	Sale	On	1,500,000	0.66 (6/11/2024)	0.6582
7/11/2024	Sale	On	1,500,000	0.67 (7/11/2024)	0.6602
8/11/2024	Sale	On	1,500,000	0.65 (8/11/2024)	0.66
11/11/2024	Sale	On	10,000	0.63 (11/11/2024)	0.65

	12/11/2024	Purchase	On	60,000	0.64 (12/11/2024)	0.63
	12/11/2024	Sale	On	4,610,000	0.64 (12/11/2024)	0.6400

Notes:

1. Ms. Gan, the executive director of the Company and an executive director of PCB, is considered to be acting in concert with the Joint Offerors.
2. The Shares were vested with Ms. Gan pursuant to the rules of the Share Award Scheme.
3. On August 7, 2024, the Company granted awards involving 6,035,000 Awarded Shares to selected employees (including Ms. Gan) in accordance with the terms of the Share Award Scheme.
4. Although the Trustee is not controlled by the Company and/or any of the Joint Offerors Concert Parties, as its principal purpose is to hold the Trustee Held Shares for the sole purpose of satisfying the awards under the Share Award Scheme, which is in turn administered by the Board, it is considered to be acting in concert with the Joint Offerors.
5. In the case of the Trustee, as multiple transactions were executed throughout each day, the actual transaction price per Share represents the average price per Share for the sale and/or purchase of Shares on the relevant date. The Trustee has confirmed to the Company that during the period disclosed, it did not acquire Shares at a price higher than the Cancellation Price of HK\$0.93.

## **THE IMPLEMENTATION AGREEMENT**

On December 18, 2024, the Joint Offerors and the Company entered into the Implementation Agreement, pursuant to which the Joint Offerors requested the Board to put forward the Proposal to the holders of Scheme Shares.

Pursuant to the Implementation Agreement, conditional upon the release of this announcement, each of the Joint Offerors and the Company has agreed, among other things, to use all commercially reasonable endeavours to implement the Proposal. The Company has undertaken to do all things as are reasonably necessary to implement the Scheme, and the Joint Offerors have undertaken to provide necessary assistance that the Company may reasonably request in connection with the implementation of the Scheme.

Pursuant to the Implementation Agreement, the Company has undertaken, among other things, that subject to certain exclusions in the Implementation Agreement, it will not (and will procure that each member of the Group will not), without the prior consent of the Joint Offerors (such consent not to be unreasonably withheld or delayed), conduct its business other than in the ordinary and usual course as set forth in the Implementation Agreement during the period between the date of the Implementation Agreement and the earlier of the Effective Date and the date of termination of the Implementation Agreement.

Subject to the Takeovers Code, the Joint Offerors and the Company have agreed to bear certain costs and expenses incurred by them in connection with the implementation of the Proposal in the manner as set forth in the Implementation Agreement.

Under the terms of the Implementation Agreement, the Implementation Agreement will terminate if the Proposal and the Scheme are not implemented by the Long Stop Date. The Joint Offerors will be entitled to terminate the Implementation Agreement following the non-satisfaction of any Condition (which cannot be waived or is not waived by the Joint Offerors in accordance with the terms of the Proposal), or if the recommendation of the directors of the Company as to whether the Scheme Shareholders should vote to approve the Proposal at the Court Meeting and at the EGM contained in the Scheme Document is withdrawn at any time prior to the Grand Court's sanction of the Scheme and confirmation of the reduction of the share capital of the Company, or upon a material breach of any warranty by the Company. The Company will be entitled to terminate the Implementation Agreement upon a material breach of any warranty by the Joint Offerors.

## **THE JOINT OFFERORS AGREEMENT AND THE SHAREHOLDER ARRANGEMENTS**

### **The Joint Offerors Agreement**

As at the Announcement Date, PCB holds 1,533,549,989 Shares, representing approximately 63.90% of the issued Shares. The Joint Offerors have entered into the Joint Offerors Agreement on December 18, 2024, pursuant to which the Joint Offerors agreed to make the Proposal to the Board and request the Board to put forward the Proposal to the Scheme Shareholders and that, upon the Scheme having

become binding and effective in accordance with its terms and conditions, (i) in addition to its existing shareholding in the Company, PCB will acquire a further 170,400,000 Shares (representing approximately 7.10% of the issued Shares) under the Proposal, thereby increasing its shareholding in the Company to 1,703,949,989 Shares (representing approximately 71.00% of the issued Shares); and (ii) Puga will acquire 696,050,011 Shares (representing approximately 29.00% of the issued Shares) under the Proposal.

Pursuant to the Joint Offerors Agreement, the Joint Offerors have agreed, among other things, that (a) each Joint Offeror undertakes to contribute sufficient financial resources to fulfill its obligation to pay the Cancellation Price in proportion to the percentage of the Scheme Shares to be acquired by such party under the Proposal, to discharge its obligation of contribution on a several but not joint basis and be solely responsible for all obligations and liabilities in relation to the arrangement in connection with its financial resources, and to arrange such financing as necessary to satisfy its commitment to the reasonable satisfaction of the financial adviser to the Joint Offerors, notwithstanding that PCB has agreed to bear 70% of the out-of-pocket costs and expenses incurred in connection with the Proposal by the Joint Offerors and the Investors; (b) all decisions relating to the Proposal will be jointly made by Puga and PCB; (c) each Joint Offeror shall use its reasonable endeavors to do (or procure to be done), and to assist and co-operate with each other in doing, all things reasonably necessary, proper or advisable to consummate and make effective, as promptly as practicable, the Proposal; (d) each Joint Offeror shall cooperate with each other and their professional advisers and proceed in good faith to consummate the Proposal and to consult with each other and to keep each other fully informed of any relevant material developments and the status of implementation in respect of the Proposal; and (e) each Joint Offeror acknowledges and agrees that it shall be fully responsible for ensuring the accuracy of all statements of fact furnished or confirmed by it in each of the transaction documents relating to it and its associates.

Pursuant to the Joint Offerors Agreement, (a) PCB has undertaken, to the extent permitted under the Takeovers Code, the Listing Rules and applicable laws and regulations, to exercise, or, as the case may be, to procure the exercise of the voting rights in respect of the Shares held by PCB immediately prior to the Scheme becoming effective on resolutions in relation to the implementation of the Proposal to vote in favour of all resolutions which are necessary to implement the Scheme proposed at the EGM (including the ordinary resolution at the EGM to approve the Special Dividend), and that it shall take all actions necessary to implement the Proposal; and (b) PCB has further undertaken that, during the period between the date of the Joint Offerors Agreement and the earlier of the Scheme becomes effective, lapses or is withdrawn, it shall comply with certain dealing restrictions and refrain from doing any prejudicial actions, including not, directly or indirectly, sell, transfer, charge, encumber, grant any option over or otherwise dispose of any interest in any of the Shares held by PCB immediately prior to the Scheme becoming effective, nor to accept any other offer in respect of all or any of such Shares.

The Joint Offerors Agreement will be terminated if the Scheme lapses or is withdrawn, terminated, rescinded by the Joint Offerors or is finally dismissed, refused or rejected by the Grand Court.

## **The Shareholder Arrangements**

Pursuant to the Joint Offerors Agreement, the Joint Offerors have also agreed to enter into the Shareholders' Agreement, which sets out the Joint Offerors' mutual agreement on the arrangements pertaining to the management and governance of the Company upon the Scheme becoming effective within 5 Business Days after the withdrawal of listing of the Shares on the Stock Exchange subject to the Scheme becoming effective.

The Shareholder Arrangements contemplate that the Board will establish an IPO steering committee to oversee and approve any matters in connection with the implementation of an IPO of the Company within four years from the effective date of the Scheme (or such other dates to be agreed between the Joint Offerors). As at the Announcement Date, the Joint Offerors have not agreed on any proposal or material terms with respect to the implementation of any separate listing of the Company (including whether the IPO will be conducted in Hong Kong or elsewhere or whether it is an IPO of the same Company).

### SHARE AWARD SCHEME

As at the Announcement Date, there were a total of 64,067,740 Trustee Held Shares under the Share Award Scheme, which comprise:

- (a) 36,511,716 Shares were held as Trustee Held Awarded Shares which are granted and vested with the designated Share Award Holders but not yet transferred to the designated Share Award Holders, of which, 695,000 Shares were held for Ms. Gan, a Joint Offerors Concert Party, and the remaining 35,816,716 Shares were held for other employee grantees, none of whom are Joint Offerors Concert Parties;
- (b) 6,468,933 Shares were held as Trustee Held Awarded Shares which are granted but yet to be vested with the designated Share Award Holders (including, for the avoidance of doubt, the 140,000 Shares held for Ms. Gan); and
- (c) 21,087,091 Shares were held as Trustee Held Pool Shares that are unutilised under the Share Award Scheme.

In respect of the Trustee Held Awarded Shares which have been granted but yet to be vested with the designated Share Award Holders, the vesting schedule of the relevant awards is as follows:

Name of Share Award Holder	Total number of Unvested Share Awards	Date of Grant	Vesting Date	No. of Share Awards
Ms. Gan	140,000	July 1, 2023	July 1, 2025	100,000
		August 7, 2024	August 7, 2025	20,000
			August 7, 2026	20,000
Employees (in aggregate)	6,328,933	July 1, 2023	July 1, 2025	2,345,599

	August 7, 2024	August 7, 2025	1,991,667
		August 7, 2026	1,991,667

The Trustee is wholly owned by an independent third party of the Company and has been engaged by the Company as the trustee of the Share Award Scheme to assist with the administration of the Share Award Scheme (including purchasing, administering, and holding the Shares for the Share Award Scheme). Although the Trustee is not controlled by the Company and/or any of the Joint Offerors Concert Parties, as its principal purpose is to hold the Trustee Held Shares for the sole purpose of satisfying the awards under the Share Award Scheme, which is in turn administered by the Board, it is considered to be acting in concert with the Joint Offerors.

In respect of the 64,067,740 Trustee Held Shares:

- (i) 35,816,716 Shares are Trustee Held Awarded Shares held for Share Award Holders who are not Joint Offerors Concert Parties and whose awards have vested;
- (ii) the remaining 28,251,024 Shares are held on trust by the Trustee:
  - (a) as to 695,000 Shares, being Trustee Held Awarded Shares held for Ms. Gan, a Joint Offerors Concert Party, as a Share Award Holder where such awards have vested;
  - (b) as to 6,468,933 Shares for Share Award Holders whose awards have not yet vested as at the Announcement Date (including, for the avoidance of doubt, the 140,000 Shares held for Ms. Gan); and
  - (c) as to 21,087,091 as Trustee Held Pool Shares.

The Trustee has undertaken to the Company that it will only exercise voting rights in respect of the 35,816,716 Trustee Held Awarded Shares set out in (i) above according to the express instructions of the relevant Share Award Holders and that it will not have any discretionary voting powers in respect of such Shares. Accordingly, such 35,816,716 Trustee Held Awarded Shares are included as Shares held by Disinterested Shareholders. In respect of the remaining 28,251,024 Shares as set out in (ii) above, notwithstanding the Trustee is the legal registered holder of such Shares, as the Trustee is considered to be acting in concert with the Joint Offerors, such Shares are not considered to be Shares held by Disinterested Shareholders and will not be voted on in respect of the resolution to approve the Scheme at the Court Meeting.

However, if any Trustee Held Awarded Shares (i) which have vested but where the relevant Shares have not yet been transferred or (ii) become vested prior to the Meeting Record Date (as the case may be), and the corresponding Shares are transferred by the Trustee to the relevant holder of Awarded Shares (other than Ms. Gan) prior to the Meeting Record Date, any such Share may be voted by the relevant Shareholder at the Court Meeting and the EGM. As at the Announcement Date, the Trustee has not received any instructions from the Share Award Holders in respect of the transfer of Trustee Held Awarded Shares which have been granted and vested with the designated Share Award Holders. Any transfer of vested Awarded Shares is subject to instructions which may be initiated by the relevant Share Award Holders and there is no deadline under the rules of the Share Award Scheme for such



transfer. For the avoidance of doubt, as Ms. Gan, the executive director of the Company and an executive director of PCB, is considered to be acting in concert with the Joint Offerors, the vote of Ms. Gan will not be counted as a vote of a Disinterested Shareholder in determining whether the requirements under Condition (b) under the section headed “Conditions of the Proposal and the Scheme” (as required under Rule 2.10 of the Takeovers Code) are satisfied, notwithstanding that such Shares form part of the Scheme Shares. Save and except for Ms. Gan’s interest in the 835,000 Trustee Held Awarded Shares (including 695,000 vested Awarded Shares and 140,000 granted but unvested Awarded Shares held by the Trustee for Ms. Gan under the Share Award Scheme), no other Joint Offerors Concert Parties are interested in any Awarded Shares, whether vested but not yet transferred and/or unvested.

Conditional upon the Scheme becoming effective and the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the Special Dividend, the Trustee shall receive an amount equivalent to the sum of the Cancellation Price and the Special Dividend multiplied by the number of the Trustee Held Shares, which:

- (a) for the amount which corresponds to the Trustee Held Awarded Shares, shall be held on trust by the Trustee for the relevant holders of Awarded Shares and shall be payable by the Trustee to such holders; and
- (b) for the amount which corresponds to the Trustee Held Pool Shares, shall be paid by the Trustee to the Company after the Trustee receives such amount in accordance with the terms of the Trust Deed.

It is expected that, during the offer period, the Trustee will not acquire further Shares to satisfy the awards.

## **SPECIAL DIVIDEND**

Under the Proposal, the Company will declare a Special Dividend of HK\$0.07 which, subject to (i) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the Special Dividend; and (ii) the Scheme having become binding and effective in accordance with its terms and conditions, shall be payable in cash to the Shareholders whose names appear on the register of members of the Company on the Record Date, including PCB. None of the foregoing conditions to the payment of the Special Dividend can be waived.

The Board recommended the amount of the Special Dividend of HK\$0.07, subject to the conditions of the Special Dividend being satisfied on or before the Long Stop Date.

**Pursuant to the Joint Offerors Agreement, PCB (which holds 1,533,549,989 Shares representing approximately 63.90% of the issued Shares as at the Announcement Date) has undertaken, to the extent permitted under the Takeovers Code, the Listing Rules and applicable laws and regulations, to exercise, or, as the case may be, to procure the exercise of the voting rights in respect of the Shares held by PCB immediately prior to the Scheme becoming effective to vote in favour of the ordinary resolution at the EGM to approve the Special Dividend.**

The Special Dividend will be paid by the Company to the Shareholders in cash after the Scheme having become binding and effective in accordance with its terms and conditions and will be paid on the same date on which the Cancellation Price will be paid by the Joint Offerors to the Scheme Shareholders.

The Scheme Document, which will be despatched to the Shareholders in due course, will contain further details of the Special Dividend, including but not limited to the arrangements regarding the payment of the Special Dividend, overseas shareholders' entitlements, and the expected timetable of the Special Dividend.

**Shareholders, Share Award Holders and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective.**

**Shareholders, Share Award Holders and potential investors of the Company should be aware that the payment of the Special Dividend is in turn subject to, amongst other things, the Scheme having become binding and effective in accordance with its terms and conditions. Accordingly, the Special Dividend may or may not materialise. Shareholders, Share Award Holders 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.**

#### **INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee, which comprises independent non-executive directors of the Company who are not Joint Offerors Concert Parties, namely Dr. Chuah Jin Chong, Ms. Chan May May and Mr. Sim Seng Loong @ Tai Seng, has been established by the Board to make a recommendation to the Disinterested Shareholders as to whether the terms of the Proposal and the Scheme are fair and reasonable and as to voting at the Court Meeting and the EGM.

Pursuant to Rule 2.8 of the Takeovers Code, the Independent Board Committee is required to comprise all non-executive directors of the Company who have no direct or indirect interest in the matters to be considered by the Independent Board Committee, other than as a Shareholder. Mr. Leng is the non-executive director of the Company and is also a non-independent non-executive director and a shareholder of PCB. He is therefore considered to be acting in concert with the Joint Offerors and is therefore not a member of the Independent Board Committee.

#### **INDEPENDENT FINANCIAL ADVISER**

The Independent Financial Adviser will be appointed by the Board with the approval of the Independent Board Committee in due course (i) to advise the Independent Board Committee on the Proposal and the Scheme pursuant to Rule 2.1 of the Takeovers Code; and (ii) to report on the unaudited consolidated financial results of the Group for the nine months ended September 30, 2024 published by the Company on November 7, 2024 pursuant to Rule 10.3(d) of the Takeovers Code. A further announcement will be made after the appointment of the Independent Financial Adviser.

## **THE JOINT OFFERORS' INTENTION REGARDING THE COMPANY**

The Joint Offerors intend for the Group's existing operations to continue without disruption, regardless of the Proposal or its completion. Subject to the Group's business requirements and prevailing market conditions, the Joint Offerors may explore various opportunities to further develop the Group's business, enhance efficiency and create long-term shareholder value.

## **REASONS FOR AND BENEFITS OF THE PROPOSAL**

The Joint Offerors are of the view that the terms of the Proposal are attractive and beneficial to the Scheme Shareholders and the Company. The reasons and benefits of the Proposal are elaborated as follows:

### **For the Scheme Shareholders:**

#### *Unlocking value at a premium*

The Proposal provides Scheme Shareholders with an opportunity to monetise their investments at a significant premium to the market price. The Cancellation Price represents a premium of approximately 45.3% over the closing price of HK\$0.640 per Share on the Last Undisturbed Day, and a premium of approximately 42.6% and 40.3% over the average closing prices of HK\$0.652 and HK\$0.663 per Share over the 30-day and 60-day periods leading up to and including the Last Undisturbed Day, respectively. Additional details can be found in the section headed "Comparisons of Value".

#### *Opportunity to fully monetise investments amid limited liquidity*

The Shares have experienced consistently low trading volumes over a prolonged period over two years, making it difficult for Scheme Shareholders to make substantial disposals without impacting the Share price. The average daily trading volume for the 6, 12, and 24 months prior to and including the Last Trading Day represented only approximately 0.138%, 0.083%, and 0.066% of the Company's issued Shares. The Joint Offerors recognise this challenge faced by Scheme Shareholders and believes the Proposal offers them a rare and immediate opportunity to fully realise their investments, providing liquidity and funds that can be reinvested in other opportunities.

#### *Realising gains in uncertain market conditions*

The Proposal allows Scheme Shareholders to exit their investments for cash during a period of heightened market volatility, driven by global geopolitical tensions and fluctuating investor sentiment. The Hong Kong equity market, in particular, has been volatile, with the Hang Seng Index having declined approximately 36.6% from its peak in 2021 up to the Last Undisturbed Day. In this uncertain climate, the Proposal provides a clear path for Shareholders to realise funds and secure liquidity.

### **For the Company**

The Company's persistently low trading volumes and lack of public equity raising since its 2017 initial public offering highlight the inefficiencies of its current listing status. Moreover, the Company's shares have traded at a significantly lower price-to-earnings ("P/E") multiple compared to its parent company, which is listed on Bursa Malaysia. As the Company constitutes a significant portion of its parent company (such as over 95% of its revenue for its financial year ended December 31, 2023 and over 85% of its assets as at December 31, 2023), the disparity in their prevailing P/E multiples reflects the significant market undervaluation of the Company on the Stock Exchange. Given this and the limited benefits derived, the costs and regulatory requirements of maintaining a listing on the Main Board of the Stock Exchange are no longer justified.

AchiCapital engages in private equity investment with a strong focus on the semiconductor and technology industry and are positioned to bring substantial strategic advantages and synergies to the Company, potentially driving growth through its network and industry expertise. Given its listed status, the presence of PCB strengthens the Company's access to both equity and debt capital markets, thereby enhancing the Company's ability to secure future financing, if required. While the Company, as subsidiary to PCB, will remain part of a publicly listed group, the Proposal will nevertheless allow the Company to streamline operations and reduce compliance costs, and provide Scheme Shareholders with a premium to market exit, creating a win-win outcome for all parties involved.

## **THE CONSORTIUM AGREEMENT**

On October 31, 2024, the Investors entered into the Consortium Agreement in connection with the implementation of the Proposal.

Pursuant to the Consortium Agreement, each of the Investors would make cash contribution to Puga in proportion to their respective percentage ownerships in Puga for the purpose of satisfying in full Puga's obligations in respect of the Cancellation Price payable for 29.00% of the issued Shares under the Proposal.

The Consortium Agreement shall terminate in accordance with its terms (a) upon the completion of the Proposal or (b) upon a written agreement by the parties to terminate the Consortium Agreement or (c) on the Long Stop Date, whichever is earlier.

## **INFORMATION ON THE JOINT OFFERORS**

### **Puga**

Puga is a company incorporated under the laws of the British Virgin Islands. As at the Announcement Date, Puga is held as to 17.38% by Beacon Path, 67.02% by Supari, 6.00% by Digimoc Holdings Limited, 3.60% by Fortune Venture Capital Corporation, 3.00% by Mr. Chen Hsin-Yu, and 3.00% by Mr. Chen Hsin-Tso, respectively. Puga is a special purpose vehicle established for the purpose of acquiring the Scheme Shares under the Proposal. As of the Announcement Date, Puga does not hold any investments or assets other than cash to fund the Proposal. The sole director of Puga is Mr. Wang

Li-Wei, who currently serves as a partner of AchiCapital and has over 15 years' experience in corporate finance and accounting.

## **PCB**

Pentamaster Corporation Berhad is a public limited liability company incorporated in Malaysia. PCB has been listed on the Main Market of Bursa Malaysia Securities Berhad (stock code: 7160) since 2004 and has been included in the constituents of the FTSE4Good Bursa Malaysia Index since 2021. As at the Announcement Date, Mr. Chuah is the single largest shareholder of PCB, who owned approximately 19.74% of the shares in PCB. PCB is an investment holding company and, as at the Announcement Date, together with its subsidiaries including the Company, has two operating segments, namely (i) automated test equipment and (ii) factory automation solutions.

## **INFORMATION ON THE INVESTORS**

### **Beacon Path and Supari**

Beacon Path is a company incorporated under the laws of the British Virgin Islands. Supari is a company incorporated under the laws of the British Virgin Islands. As at the Announcement Date, each of Beacon Path and Supari is indirectly wholly owned by Achi Capital Partners Fund LP, a limited partnership registered under the laws of Cayman Islands. Achi Capital Partners Fund LP's general partner is AchiCapital GP Limited and, as at the Announcement Date, Achi Capital Partners Fund LP has over twenty (20) limited partners, none of which held more than 20% of the limited partnership interest therein. AchiCapital GP Limited is owned as to (i) 75% by its director, Mr. Chen Chu-Wan, and (ii) 25% by the late Mr. Lee Ming-Shan. Mr. Chen Chu-Wan currently serves as the managing partner of AchiCapital and has over 25 years' experience in marketing, operations and investment management within the global semiconductor industry. AchiCapital is a private equity investment firm which is principally engaged in managing equity investments in the semiconductor and technology industry, ranging from early-stage venture investments to late-stage buyout investments in semiconductor companies. As of November 30, 2024, AchiCapital manages assets totaling US\$723 million across a diversified portfolio of global semiconductor and technology companies, such as ITH Corporation (stock code: 6962.TW), Alchip Technologies, Limited (stock code: 3661.TW) and DigitalLand Holdings Limited (a subsidiary controlled by GDS Holdings Limited (stock code: 9698.HK; NASDAQ: GDS)).

### **Digimoc Holdings Limited**

Digimoc Holdings Limited is a company incorporated under the laws of the British Virgin Islands which is principally engaged in investment holding. As at the Announcement Date, Digimoc Holdings Limited is wholly owned by MediaTek Inc., a fabless semiconductor company which is listed on the Taiwan Stock Exchange (stock code: 2454).

### **Fortune Venture Capital Corporation**

Fortune Venture Capital Corporation is a company incorporated under the laws of Taiwan. As at the Announcement Date, Fortune Venture Capital Corporation is wholly-owned by United Microelectronics Corporation, a semiconductor foundry company which is listed on the Taiwan Stock Exchange (stock code: 2303) and New York Stock Exchange (stock code: UMC). Fortune Venture Capital Corporation is principally engaged in venture capital investment.

**Mr. Chen Hsin-Yu**

Mr. Chen Hsin-Yu is a Taiwanese private investor with years of experience in property investments.

**Mr. Chen Hsin-Tso**

Mr. Chen Hsin-Tso is a Taiwanese individual and the brother of Mr. Chen Hsin-Yu. He is a private investor with a background in the electronics and biomedical industries.

**INFORMATION ON THE JOINT OFFERORS CONCERT PARTIES**

**Mr. Chuah**

Mr. Chuah, the executive director and chairman of the Company and the executive chairman of PCB, is considered to be acting in concert with the Joint Offerors. The Shares held by Mr. Chuah will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective.

**Ms. Gan**

Ms. Gan, an executive director of the Company and an executive director of PCB, is considered to be acting in concert with the Joint Offerors. The Shares held by Ms. Gan will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective.

**Mr. Leng**

Mr. Leng, the non-executive director of the Company and a non-independent non-executive director of PCB, is considered to be acting in concert with the Joint Offerors. The Shares held by Mr. Leng will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective.

**Dato' Loh Nam Hooi**

Dato' Loh Nam Hooi, a non-independent non-executive director of PCB, is considered to be acting in concert with the Joint Offerors. The Shares held by Dato' Loh Nam Hooi will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective.

**Trustee**

PIL – PERKERJA SS LIMITED, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned structured entity of the Company, which was appointed by the Company as trustee to assist with the administration of the Share Award Scheme (including

purchasing, administering, and holding the Shares for the Share Award Scheme), is considered to be acting in concert with the Joint Offerors. The Trustee Held Shares will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective. The power that the Company has over the Trustee is with respect to directing the activities of the Trustee to affect its exposure to returns, and as a result of which, the assets and liabilities of the Trustee are included in the consolidated statement of financial position of the Company, notwithstanding that it is not a subsidiary of the Company and the Company has no control over the shareholding of the Trustee.

## INFORMATION ON THE COMPANY

The Company is an exempted company incorporated in the Cayman Islands with limited liability whose Shares have been listed on the Main Board of the Stock Exchange since January 19, 2018. The Company is an investment holding company and, together with its subsidiaries, is principally engaged in (i) designing, development and manufacturing of standard and non-standard automated test equipment; (ii) designing, development and installation of integrated factory automation solutions; and (iii) manufacturing and assembling of medical machines and manufacturing of die casting parts. A summary of the latest financial information of the Group is as follows:

	Financial year ended		Nine months ended
	December 31, 2022 MYR'000 (audited)	December 31, 2023 MYR'000 (audited)	September 30, 2024 MYR'000 (unaudited)
<b>Revenue</b>	<b>600,587</b>	<b>691,850</b>	<b>492,179</b>
Cost of Sales	(415,135)	(482,206)	(351,012)
<b>Gross profit</b>	<b>185,452</b>	<b>209,644</b>	<b>141,167</b>
Other income	11,402	17,917	13,127
Distribution costs	(9,965)	(9,254)	(6,134)
Administrative expenses	(55,120)	(76,208)	(57,352)
(Allowance)/Reversal of expected credit loss allowance on trade receivables, net	4,798	1,141	(415)
Other operating expenses	(86)	(174)	(168)
<b>Operating profit</b>	<b>136,481</b>	<b>143,066</b>	<b>90,225</b>
Finance costs	(87)	-	-
Share of results of associates	(1,636)	41	(310)
<b>Profit before taxation</b>	<b>134,758</b>	<b>143,107</b>	<b>89,915</b>
Taxation	(1,457)	(874)	(1,115)
<b>Profit for the period/year</b>	<b>133,301</b>	<b>142,233</b>	<b>88,800</b>
<b>Other comprehensive income/(expense)</b>			
<i>Item that will be reclassified subsequently to profit or loss</i>			
Exchange gain/(loss) on translation of financial statements of foreign operations	(136)	47	(303)

<b>Profit and total comprehensive income for the period/year</b>	<b>133,165</b>	<b>142,280</b>	<b>88,497</b>
<b>Earnings per share (sen)</b>			
Basic	5.59	5.97	3.73
Diluted	5.58	5.96	3.73

	<b>December 31, 2022</b>	<b>As at December 31, 2023</b>	<b>September 30, 2024</b>
	MYR'000 <i>(audited)</i>	MYR'000 <i>(audited)</i>	MYR'000 <i>(unaudited)</i>
Total Assets	1,001,661	1,159,041	1,139,515
Total Liabilities	264,948	311,069	229,731
Net Assets	736,713	847,972	909,784

## **WITHDRAWAL OF LISTING OF SHARES**

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates for 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 in accordance with Rule 6.15 of the Listing Rules immediately following the Scheme becoming effective.

The Scheme Shareholders will be notified by way of an announcement of the exact date of the last day for dealing in the Shares and 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 Scheme will be included in the Scheme Document, which will also contain, inter alia, further details of the Scheme.

## **IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal otherwise lapses.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under Rule 31.1 of the Takeovers Code on making subsequent offers, to the effect that, neither the Joint Offerors nor any person who acted in concert with them 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 Joint Offerors or the Joint Offerors Concert Parties 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.



## **OVERSEAS SHAREHOLDERS**

The making of the Proposal to Scheme Shareholders who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders are located. Such Scheme Shareholders should inform themselves about and observe any applicable legal, tax or regulatory requirements.

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, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

Any acceptance by the Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Joint Offerors and the Company and their respective advisers (including Altus) 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 Joint Offerors or the Board regard as unduly onerous or burdensome (or otherwise not in the best interests of the Joint Offerors or the Company or their respective shareholders), the Scheme Document may not be despatched to such overseas Scheme Shareholders. For that purpose, the Company will apply for a waiver pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Scheme Document to such overseas Scheme Shareholders. In granting the waiver, the Executive will be concerned to see that all material information in the Scheme Document is made available to such Scheme Shareholders. For the avoidance of doubt, the Executive may or may not grant such waiver under Note 3 to Rule 8 of the Takeovers Code upon receiving the Company's application for such waiver.

## **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. It is emphasised that none of the Joint Offerors, the Joint Offerors Concert Parties, the Company and Altus or any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility (other than in respect of themselves, if applicable) for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Proposal.

## **SCHEME SHARES, COURT MEETING AND EGM**

As at the Announcement Date, Puga does not hold any Shares, and PCB holds an aggregate of 1,533,549,989 Shares representing approximately 63.90% of the issued Shares. The Shares held by PCB immediately prior to the Scheme becoming effective will not constitute Scheme Shares and will not be voted on in respect of the resolution to approve the Scheme at the Court Meeting.

As at the Announcement Date, Mr. Chuah, Ms. Gan, Mr. Leng and Dato' Loh Nam Hooi are interested in an aggregate of 26,611,200, 8,457,544 (which includes Ms. Gan's (i) 695,000 vested Awarded Shares and (ii) 140,000 granted but unvested Awarded Shares, the Shares relating to which are held by the Trustee), 250,000 and 1,012,000 Shares (representing approximately 1.11%, 0.35%, 0.01% and 0.04% of the issued Shares) respectively. The Shares held by Mr. Chuah, Ms. Gan, Mr. Leng and Dato' Loh Nam Hooi will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective. The votes of each of Mr. Chuah, Ms. Gan, Mr. Leng and Dato' Loh Nam Hooi will not be counted as a vote of a Disinterested Shareholder in determining whether the requirements under Condition (b) under the section headed "Conditions of the Proposal and the Scheme" (as required under Rule 2.10 of the Takeovers Code) are satisfied.

As at the Announcement Date, the Trustee holds 64,067,740 Trustee Held Shares pursuant to the Share Award Scheme which comprises (a) 42,980,649 Trustee Held Awarded Shares; and (b) 21,087,091 Trustee Held Pool Shares. The Trustee has undertaken to the Company that it will only exercise voting rights in respect of the 35,816,716 Trustee Held Shares (being Trustee Held Awarded Shares held for Share Award Holders who are not Joint Offerors Concert Parties and whose awards have vested) according to the express instructions of the relevant Share Award Holders and that it will not have any discretionary voting powers in respect of such Shares. In respect of the remaining 28,251,024 Shares, notwithstanding the Trustee is the legal registered holder of such Shares, as the Trustee is considered to be acting in concert with the Joint Offerors, such Shares are not considered to be Shares held by Disinterested Shareholders and will not be voted on in respect of the resolution to approve the Scheme at the Court Meeting. For further details, please refer to the section headed "Share Award Scheme" above.

The Joint Offerors will undertake to the Grand Court that they 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.

All Shareholders will be entitled to attend the EGM and vote on the resolutions with respect to the Special Dividend and the implementation of the Scheme (including to: (i) approve and give effect to any reduction of the share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares; and (ii) simultaneously maintain the share capital of the Company at the amount prior to the cancellation of the Scheme Shares by the issuance at par to the Joint Offerors, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled and extinguished and applying the reserve created as a result of the aforesaid cancellation of the Scheme Shares to pay up in full at par such number of new Shares).

The Joint Offerors and the Joint Offerors Concert Parties (excluding the Trustee, the voting arrangements in respect of the Trustee Held Shares are as disclosed above) have indicated that if the Scheme is approved at the Court Meeting, those Shares held by them (if any) will be voted in favour of the resolutions to be proposed at the EGM to implement the Scheme, including any reduction of capital and the simultaneous maintenance of the share capital of the Company by the issue of new Shares to the Joint Offerors as described above. Pursuant to the Joint Offerors Agreement, PCB has undertaken (to the extent permitted under Takeovers Code, the Listing Rules and applicable laws and regulations) to exercise or procure the exercise of the voting rights in respect of the Shares held by PCB immediately prior to the Scheme becoming effective to vote in favour of the ordinary resolution at the EGM to approve the Special Dividend. The Trustee has given an undertaking to the Company in respect of the manner in which it can exercise the voting rights attaching to the Trustee Held Shares, further details of which are set out in the section above headed “Share Award Scheme”.

## **COSTS OF THE SCHEME**

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

## **GENERAL**

The Joint Offerors have appointed Altus as its financial adviser in connection with the Proposal.

The directors of the Company (excluding members of the Independent Board Committee), being Mr. Chuah, Ms. Gan and Mr. Leng, are considered to be acting in concert with the Joint Offerors due to their positions at PCB.

Members of the Independent Board Committee will give their views on whether the terms of the Proposal and the Scheme are fair and reasonable and in the interests of the Shareholders as a whole after considering the advice of the Independent Financial Adviser to the Independent Board Committee.

The Scheme Shareholders are reminded to carefully read the Scheme Document, the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the letter from the Independent Board Committee to the Disinterested Shareholders contained therein before making a decision.

As at the Announcement Date:

- (a) save as disclosed in the section headed “Shareholding Structure of the Company” above, neither the Joint Offerors nor the Joint Offerors Concert Parties own, control or have direction over any Shares;

- (b) save as disclosed in the section headed “Shareholding Structure of the Company” above, there are no securities, warrants or options convertible into Shares held, controlled or directed by the Joint Offerors or the Joint Offerors Concert Parties;
- (c) neither the Joint Offerors nor the Joint Offerors Concert Parties have entered into any outstanding derivative in respect of the securities in the Company;
- (d) neither the Joint Offerors nor the Joint Offerors Concert Parties have borrowed or lent any Shares or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company;
- (e) save for the Joint Offerors Agreement, no irrevocable commitment to vote for or against the Proposal has been received by the Joint Offerors or the Joint Offerors Concert Parties;
- (f) other than the Cancellation Price for each Scheme Share payable under the Scheme, the Joint Offerors or the Joint Offerors Concert Parties have not paid and will not pay any other consideration, compensation or benefit in whatever form to the Scheme Shareholders or persons acting in concert with them in connection with the Scheme Shares;
- (g) save for the Implementation Agreement, there are no arrangements (whether by way of option, indemnity or otherwise) in relation to the Shares or the shares of the Joint Offerors between the Joint Offerors or any of the Joint Offerors Concert Parties on the one hand, and any other person on the other hand which might be material to the Proposal;
- (h) save for the Implementation Agreement, there are no agreements or arrangements to which any Joint Offeror is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Condition to the Proposal;
- (i) there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (i) any Shareholder; and (ii) either (a) the Joint Offerors or the Joint Offerors Concert Parties; or (b) the Company or the Company’s subsidiaries or associated companies;
- (j) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Joint Offerors or any of the Joint Offerors Concert Parties on the one hand, and the Scheme Shareholders and persons acting in concert with any of them on the other hand; and
- (k) save as disclosed in the section headed “Shareholding Structure of the Company” above, none of the Joint Offerors and the Joint Offerors Concert Parties has dealt for value in any Shares or any convertible securities, warrants, options or derivatives in respect of any Shares during the six months prior to and up to and including the Announcement Date.

## **DESPATCH OF SCHEME DOCUMENT**

The Scheme Document containing, among others: (i) further details of the Proposal and the Scheme; (ii) the expected timetable in relation to the Proposal and the Scheme; (iii) an explanatory memorandum as required under the Companies Act and the rules of the Grand Court; (iv) information regarding the Company; (v) recommendations from the Independent Board Committee with respect to the Proposal and the Scheme, and the letter of advice from the Independent Financial Adviser to the Independent Board Committee; and (vi) a notice of the Court Meeting and a notice of the EGM, together with forms of proxy in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Companies Act, the Grand Court and other applicable laws and regulations.

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

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 9:00 a.m. on December 4, 2024, pending the issue of this 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 December 19, 2024.

## **DISCLOSURE OF DEALINGS**

In accordance with Rule 3.8 of the Takeovers Code, the respective associates (as defined in the Takeovers Code) of the Joint Offerors and the Company (including any person who owns or controls 5% or more of any class of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company) are hereby reminded to disclose their dealings in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company under Rule 22 of the Takeovers Code.

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

*“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.”*

## **UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF THE GROUP FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024**

Reference is made to the announcement of the Company dated November 7, 2024 regarding the unaudited third quarterly results of the Group. The Group’s unaudited third quarterly results were released in conjunction with the quarterly results announcement of PCB pursuant to the Listing Requirements of the Main Market of the Bursa Malaysia Securities Berhad. The unaudited consolidated financial results of the Group for the nine months ended September 30, 2024 in such announcement is regarded as a profit forecast under Rule 10 of the Takeovers Code and is required to be reported on in accordance with Rule 10.3(d) of the Takeovers Code, and the relevant reports will be set out in the next document to be sent to the Shareholders (which is expected to be the Scheme Document) in accordance with Rule 10 of the Takeovers Code.

**WARNING: The aforesaid announcement dated November 7, 2024 and this announcement do not meet the standard required by Rule 10 of the Takeovers Code. Shareholders, Share Award Holders and potential investors of the Company should therefore exercise caution in placing reliance on such unaudited financial information in assessing the merits and demerits of the Proposal and the Scheme.**

## **ANNOUNCEMENT PUBLISHED BY PCB ON BURSA MALAYSIA SECURITIES BERHAD**

PCB’s shares are listed on the Main Market of Bursa Malaysia Securities Berhad (stock code: 7160). In compliance with Main Market Listing Requirements of Bursa Malaysia Securities Berhad, PCB will publish on Bursa Malaysia Securities Berhad an announcement titled “(i) Corporate Proposal Undertaken By the Company In Relation To Pentamaster International Limited, A Subsidiary Of The Company; (ii) Proposed Acquisition Of An Additional 7.1% Equity Interest In Pentamaster International Limited By The Company” on the Announcement Date. The full text of the aforesaid announcement are published in English on the website of Bursa Malaysia Securities Berhad at [https://www.bursamalaysia.com/trade/trading\\_resources/listing\\_directory/company-profile?stock\\_code=7160](https://www.bursamalaysia.com/trade/trading_resources/listing_directory/company-profile?stock_code=7160).

In compliance with Main Market Listing Requirements of Bursa Malaysia Securities Berhad, PCB will also make available for inspection at the registered office of PCB at 35, Jalan Kelisa Emas 1, Taman Kelisa Emas, 13700 Seberang Jaya, Penang, during normal business hours from Mondays to Fridays (except public holidays in Malaysia) for a period of 3 months from the Announcement Date,

copies of the Implementation Agreement and the Joint Offerors Agreement. During such period, copies of the Implementation Agreement and the Joint Offerors Agreement will also be made available for inspection at the principal place of business of the Company in Hong Kong at Room 1901, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong during business hours from 9:00 a.m. to 6:00 p.m. (except Saturdays, Sundays and public holidays). Pursuant to Rule 8 of the Takeovers Code, such agreements would also be available for inspection on the website of the Company ([www.pentamaster.com.my](http://www.pentamaster.com.my)) and the website of the SFC ([www.sfc.hk](http://www.sfc.hk)) from the date of the Scheme Document until the Effective Date or the date on which the Scheme lapses or is withdrawn, whichever is the earlier.

## **PRECAUTIONARY LANGUAGE REGARDING FORWARD-LOOKING STATEMENTS**

This announcement includes certain “forward-looking statements”. These statements are based on the current expectations of the management of the Joint Offerors and/or the Company (as the case may be) and are naturally subject to uncertainty and changes in circumstances. The forward-looking statements contained in this announcement include statements about the expected effects on the Company of the Proposal, the expected timing and scope of the Proposal, and all other statements in this announcement other than historical facts.

Forward-looking statements include, without limitation, statements typically containing words such as “intends”, “expects”, “anticipates”, “targets”, “estimates”, “envisages” and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the conditions to the Proposal, as well as additional factors, such as general, social, economic and political conditions in the countries in which the Joint Offerors and/or the Group operate or other countries which have an impact on the Joint Offerors and/or the Group’s business activities or investments, interest rates, the monetary and interest rate policies of the countries in which the Joint Offerors and/or the Group operate, inflation or deflation, foreign exchange rates, the performance of the financial markets in the countries in which the Joint Offerors and/or Group operate and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environments in the countries in which the Joint Offerors and/or Group operate and regional or general changes in asset valuations. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements.

All written and oral forward-looking statements attributable to the Joint Offerors, the Company or persons acting on behalf of any of them are expressly qualified in their entirety by the cautionary statements above. The forward-looking statements included herein are made only as at the Announcement Date.

Shareholders will be informed of any new material information of the Company as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

## DEFINITIONS

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

“AchiCapital”	AchiCapital GP Limited and its affiliates (including, for the avoidance of doubt, Puga, Beacon Path and Supari)
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“affiliates”	in respect of any person, any other person that directly or indirectly controls, is controlled by or is under the common control with, the first mentioned person. For the purpose of this definition, “control” means (i) the possession, directly or indirectly, of more than 50% of the equity share capital or other ownership interests of a person or (ii) the power to direct the management and policies of such person (whether through the ownership of voting securities, by contract or otherwise), and “controlled” shall be construed accordingly
“Altus”	Altus Capital Limited, a corporation licensed to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO and the financial adviser to the Joint Offerors in respect of the Proposal
“Announcement Date”	December 18, 2024, being the date of this announcement
“associates”	has the meaning ascribed to it under the Takeovers Code
“Awarded Share(s)”	the Shares (vested or unvested) awarded by the Company pursuant to the Share Award Scheme
“Beacon Path”	Beacon Path Limited, a company incorporated under the laws of the British Virgin Islands which is ultimately owned by Mr. Chen Chu-Wan
“Board”	the board of directors of the Company
“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business



“Cancellation Price”	the cancellation price of HK\$0.93 in cash for each Scheme Share to be paid by the Joint Offerors in proportion to the percentage of the Scheme Shares to be acquired by each of the Joint Offerors under the Proposal to the Scheme Shareholders whose names appear on the register of members of the Company on the Record Date
“Companies Act”	the Companies Act (2023 Revision) of the Cayman Islands
“Company”	Pentamaster International Limited, an exempted company incorporated in the Cayman Islands with limited liability, the ordinary shares of which are currently listed on the Main Board of the Stock Exchange (stock code: 1665)
“Conditions”	the conditions to the implementation of the Proposal and the Scheme as set out in the section headed “Conditions of the Proposal and the Scheme” of this announcement
“Consortium Agreement”	the consortium agreement entered into by and among the Investors on October 31, 2024
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof
“Disinterested Shareholders”	Shareholders other than the Joint Offerors and the Joint Offerors Concert Parties and for the avoidance of doubt, 35,816,716 Trustee Held Awarded Shares which are held for Share Award Holders (other than Share Award Holders who are Joint Offerors Concert Parties) whose awards have vested shall be counted as Shares held by Disinterested Shareholders.
“Effective Date”	the date on which the Scheme becomes effective in accordance with the Companies Act
“EGM”	the extraordinary general meeting of the Company to be convened for the purposes of considering, and if thought fit, approving, among other things, all necessary resolutions for the implementation of the Proposal (including the Scheme and the Special Dividend), or any adjournment thereof

“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong 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 People’s Republic of China
“Implementation Agreement”	the agreement entered into between the Joint Offerors and the Company on December 18, 2024 pursuant to which, among other things, the Joint Offerors requested the Company to put forward the Scheme to the Shareholders and the Company agreed to do so on the terms set out therein
“Independent Board Committee”	the independent board committee of the Company established by the Board to make a recommendation to the Disinterested Shareholders in respect of the Proposal and the Scheme
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Board with the approval of the Independent Board Committee in due course (i) to advise the Independent Board Committee in connection with the Proposal and the Scheme; and (ii) to report on the unaudited consolidated financial results of the Group for the nine months ended September 30, 2024 published by the Company on November 7, 2024
“Investors”	Beacon Path, Supari, Digimoc Holdings Limited, Fortune Venture Capital Corporation, Mr. Chen Hsin-Yu, and Mr. Chen Hsin-Tso
“IPO”	a potential initial public offering of the Company after the Scheme becomes binding and effective
“Joint Offerors”	Puga and PCB, and “Joint Offeror” means any of them
“Joint Offerors Agreement”	the agreement entered into between the Joint Offerors on December 18, 2024 in connection with the Proposal

“Joint Offerors Concert Parties”	parties acting in concert or presumed to be acting in concert with any of the Joint Offerors under the definition of “acting in concert” under the Takeovers Code, including Mr. Chuah, Ms. Gan, Mr. Leng, Dato’ Loh Nam Hooi, the Investors and the Trustee
“Last Trading Day”	December 3, 2024, being the last trading day prior to the issue of this announcement
“Last Undisturbed Day”	November 29, 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
“Long Stop Date”	means June 18, 2025 or such other date as the Company and the Joint Offerors may agree or, to the extent applicable, as the Grand Court may direct and in all cases, as permitted by the Executive
“Meeting Record Date”	the appropriate record date to be announced for determining the entitlement of the Shareholders to attend and vote at the Court Meeting and at the EGM
“Mr. Chuah”	Mr. Chuah Choon Bin, an executive director of the Company and the executive chairman of PCB
“Ms. Gan”	Ms. Gan Pei Joo, an executive director of the Company and an executive director of PCB
“Mr. Leng”	Mr. Leng Kean Yong, a non-executive director of the Company and a non-independent non-executive director of PCB
“MYR”	Malaysian ringgit, the lawful currency of Malaysia
“PCB”	Pentamaster Corporation Berhad, a public limited liability company incorporated in Malaysia, the ordinary shares of which are currently listed on the Main Market of Bursa Malaysia Securities Berhad (stock code: 7160)

“Proposal”	the proposal for the privatisation of the Company by the Joint Offerors by way of the Scheme, the Special Dividend, and the withdrawal of the listing of the Shares on the Stock Exchange, on the terms and subject to the conditions set out in this announcement and to be set out in the Scheme Document
“Puga”	Puga Holdings Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and which, as at the Announcement Date, is held as to 17.38% by Beacon Path, 67.02% by Supari, 6.00% by Digimoc Holdings Limited, 3.60% by Fortune Venture Capital Corporation, 3.00% by Mr. Chen Hsin-Yu, and 3.00% by Mr. Chen Hsin-Tso, respectively
“Record Date”	the appropriate record date to be announced for determining entitlements of the Scheme Shareholders to receive the Cancellation Price and for determining the entitlements of the Shareholders to receive the Special Dividend under the Proposal
“Relevant Authorities”	appropriate governments and/or governmental bodies, regulatory bodies, courts or institutions
Scheme”	a scheme of arrangement under Section 86 of the Companies Act involving the cancellation of all the Scheme Shares and the simultaneous maintenance of the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares
“Scheme Document”	the composite scheme document of the Company and the Joint Offerors to be issued to all Shareholders containing, inter alia, further details of the Proposal together with the additional information specified in the section of this announcement headed “Despatch of Scheme Document” above
“Scheme Share(s)”	Share(s) held by the Shareholders, other than those held by PCB
“Scheme Shareholder(s)”	registered holder(s) of Scheme Shares
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Shares

“Shareholder Arrangements”	the agreed arrangements between the Joint Offerors pertaining to the management and governance of the Company upon the Scheme becoming effective, further details of which are set out in the section headed “ <i>The Joint Offerors Agreement and the Shareholder Arrangements – The Shareholder Arrangements</i> ”
“Shareholders’ Agreement”	the definitive shareholders’ agreement between the Joint Offerors for the purpose of, among other things, setting out their mutual agreement regarding the corporate governance of the Company, their respective rights and obligations and other shareholder arrangements, to be entered into between the Joint Offerors within 5 Business Days after the withdrawal of listing of the Shares on the Stock Exchange subject to the Scheme becoming effective, further details of which are set out in the section headed “ <i>The Joint Offerors Agreement and the Shareholder Arrangements – The Shareholder Arrangements</i> ”
“Share Award Holder(s)”	the holders of unvested (or vested but not yet transferred) Awarded Shares
“Share Award Scheme”	the share award scheme adopted by the Company on April 1, 2020
“Special Dividend”	the special dividend of HK\$0.07 in cash for each Share to be paid by the Company to the Shareholders whose names appear on the register of members of the Company on the Record Date subject to (i) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the Special Dividend; and (ii) the Scheme having become binding and effective in accordance with its terms and conditions
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supari”	Supari Holdings Limited, a company incorporated under the laws of the British Virgin Islands which is ultimately owned by Mr. Chen Chu-Wan
“Takeovers Code”	The Code on Takeovers and Mergers in Hong Kong
“trading day”	a day on which the Stock Exchange is open for the business of dealings in securities

“Trust Deed”	the trust deed relating to the Share Award Scheme, dated April 1, 2020 and entered into between the Company and the Trustee
“Trustee”	PIL – PERKERJA SS LIMITED, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned structured entity of the Company, which was appointed by the Company as trustee to assist with the administration of the Share Award Scheme (including purchasing, administering, and holding the Shares for the Share Award Scheme), further details of which are set out in the section headed “ <i>The Joint Offerors Concert Parties – Trustee</i> ”
“Trustee Held Share(s)”	Shares held by the Trustee
“Trustee Held Awarded Share(s)”	Shares representing the Awarded Shares which are held by the Trustee for the relevant Share Award Holders under the Share Award Scheme until the vesting or transfer of such Awarded Shares pursuant to the rules of the Share Award Scheme
“Trustee Held Pool Share(s)”	Shares held by the Trustee that are unutilised under the Share Award Scheme
“%”	per cent.

By order of the board of directors of  
**Puga Holdings Limited**  
**Wang Li-Wei**  
*Director*

By order of the board of directors of  
**Pentamaster Corporation Berhad**  
**Chuah Choon Bin**  
*Executive Chairman*

By order of the board of directors of  
**Pentamaster International Limited**  
**Chuah Choon Bin**  
*Chairman and Executive Director*

Hong Kong, December 18, 2024

*As at the Announcement Date, the sole director of Puga is Mr. Wang Li-Wei.*

*As at the Announcement Date, the directors of AchiCapital GP Limited are Mr. Chen Chu-Wan and Mr. Wang Li-Wei.*

*The sole director of Puga and the directors of AchiCapital GP Limited jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group and PCB) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the directors of PCB or the directors of the Company) 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 Announcement Date, the directors of PCB comprise of Mr. Chuah Choon Bin (executive chairman), Ms. Gan Pei Joo, Mr. Leng Kean Yong, Dato' Loh Nam Hooi, Mr. Lee Kean Cheong and Pn. Roslinda Binti Ahmad.*

*The directors of PCB jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to Puga, the Investors and the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the sole director of Puga, the directors of AchiCapital GP Limited or the directors of the Company in their capacity as such) 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 Announcement Date, the Board comprises two executive directors, namely Mr. Chuah Choon Bin and Ms. Gan Pei Joo; one non-executive director, namely Mr. Leng Kean Yong; and three independent non-executive directors, namely Dr. Chuah Jin Chong, Ms. Chan May May and Mr. Sim Seng Loong @ Tai Seng.*

*The directors of the Company jointly and severally accept full responsibility for accuracy of the information contained in this announcement (other than that relating to the Joint Offerors and the Investors) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the sole director of Puga, the directors of AchiCapital GP Limited or the directors of PCB in their capacity as such) 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.*

## SCHEDULE 2

### WARRANTIES

#### 1. **Capacity of the Company and relevant authorization**

- 1.1 Each Group Company is duly incorporated or established and validly existing under the laws of its jurisdiction of incorporation.
- 1.2 The Company has full capacity, power and authority to, and has taken (or will have taken at the Effective Date) all corporate actions necessary to enter into and perform its obligations under this Agreement and the transactions contemplated hereby. This Agreement constitutes a valid, legal and binding agreement of the Company and is enforceable against the Company in accordance with the terms thereof.
- 1.3 The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not result in any breach of the constitutional document of the Company or violate any Applicable Law to which any Group Company is subject.
- 1.4 Other than the Conditions, the Proposal is not subject to any consent, authorization or approval by any Authorities or third parties.

#### 2. **The Scheme Shares**

- 2.1 The Scheme Shares have been fully paid, validly allotted and issued.

#### 3. **Information Disclosed on the Website of the Stock Exchange**

- 3.1 All disclosures made and information released by the Company on the website of the Stock Exchange during the three-year period immediately preceding the date of this Agreement (i) is true and accurate; (ii) is disclosed or released in compliance with Applicable Laws; and (iii) to the extent applicable to the relevant disclosure or release of information, does not omit any material fact necessary to enable an investor or shareholder to have an informed assessment of the financial or trading position of the Group, in each case by reference to facts and circumstances existing on the date of such disclosure or release.

#### 4. **Relevant Information**

- 4.1 The Relevant Information has been collated in good faith by or on behalf of the Company and is true, complete and accurate and not misleading.

#### 5. **Audited Financial Statements and Unaudited Financial Statements**

- 5.1 The Audited Financial Statements were prepared in accordance with the requirements of Applicable Laws and the International Financial Reporting Standards and audited in accordance with the International Standards on Auditing.
- 5.2 The Audited Financial Statements show a true and fair view of, and do not materially misstate the assets and liabilities of the Group, nor the profits and losses of the Group, for the relevant financial period.



- 5.3 The Unaudited Financial Statements were prepared in accordance with the basis of preparation set out in such documents.
- 5.4 The Unaudited Financial Statements fairly present, and do not materially misstate the assets and liabilities of the Group, nor the profits and losses of the Group, for the relevant financial period.
- 5.5 The Group does not have any material liability (actual or contingent) or indebtedness which is not shown or otherwise specifically provided for in the Audited Financial Statements or the Unaudited Financial Statements or as disclosed on the website of the Stock Exchange.
- 5.6 Since June 30, 2024, and except as disclosed in the Relevant Information or on the website of the Stock Exchange,
- (a). the Company has not (i) declared, paid or made any dividends, bonuses or distributions, (ii) incurred any liabilities or indebtedness, except trade payables or other liabilities or indebtedness incurred in the ordinary course of business, and (iii) made any loans or advances of any kind to any third parties save in its ordinary course of business; and
  - (b). there has not been any material adverse change in the financial or trading position of the Group.

## 6. **Scheme Documentation**

- 6.1 The information contained in the Scheme Documentation, other than that relating to the Joint Offerors and the Investors (as defined in the Announcement), (i) is true and accurate; (ii) is disclosed or released in compliance with Applicable Laws; and (iii) does not omit any material fact necessary to enable an investor or shareholder to have an informed assessment of the financial or trading position or prospects of the Group, in each case by reference to facts and circumstances existing on the date of such disclosure or release.

## 7. **Legal Compliance and Litigation**

- 7.1 Each Group Company has conducted its business and affairs in compliance with all Applicable Laws in all material respects.
- 7.2 None of the Group Companies is
- (a). the subject of any investigation, litigation or other legal proceedings by any relevant Authority; or
  - (b). a party to any current, pending or threatened litigation or arbitration, administrative or criminal or other legal proceeding,

which, in each case, has or is reasonably likely to have a material adverse effect on the business of the Group taken as a whole.

- 7.3 There are no unfulfilled or unsatisfied judgments, court orders or tribunal or arbitral awards outstanding against any Group Company and no distress, execution or process has been levied on any Group Company.

## 8. **Tax, Records and Returns**

Each Group Company: (a) has within the last three (3) years filed all returns in relation to Tax in accordance with the Applicable Laws; (b) has within the last three (3) years paid all Taxes that have become due and payable other than such Taxes that are being contested in good faith by appropriate proceedings; and (c) is not involved in a dispute with any Authority in relation to Tax.

9. **Intellectual Property**

The Group holds the right to use all intellectual properties which are material to the business carried on by the Group free of any conflict with or infringement of the rights of others in any material respect.

10. **Employment**

10.1 Each Group Company has complied in all material respects with its obligations to its employees and former employees, including obligations under the Applicable Law and the applicable agreement, terms and conditions of employment, orders and awards relevant to their conditions of services.

10.2 No Group Company is the subject of any claims or disputes with its current or former directors or employees which, in each case, if determined against the relevant Group Company, would be expected to have a material adverse effect on the business of the Group taken as a whole.

11. **Insolvency**

11.1 No Group Company is insolvent or unable to pay its debts as they fall due.

11.2 No order has been made and no petition has been presented or resolution passed for the winding-up or administration, or for the appointment of a liquidator or provisional liquidator of, any Group Company.

11.3 No receiver or other similar officer has been appointed over the whole or part of the business and/or assets of any Group Company.

11.4 No composition in satisfaction of the debts of any Group Company, or (other than as contemplated by the Proposal) scheme of arrangement of its affairs, or compromise or arrangement between it and its creditors and/or members or any class of its creditors and/or members, has been proposed, sanctioned or approved.

### **SCHEDULE 3**

#### **JOINT OFFERORS' REPRESENTATIONS AND WARRANTIES**

1. Each of the Joint Offerors is duly incorporated and validly existing under the laws of its jurisdiction of incorporation.
2. Each of the Joint Offerors has full capacity, power and authority to, and has taken all corporate actions necessary to enter into and perform its obligations under this Agreement and the transactions contemplated hereby. This Agreement constitutes a valid, legal and binding agreement of the Joint Offerors and is enforceable against the Joint Offerors in accordance with the terms thereof.
3. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby will not result in any breach of the constitutional document of the Joint Offerors or violate any Applicable Law to which the Joint Offerors are subject.
4. Sufficient financial resources are available to the Joint Offerors (a) to satisfy the Cancellation Price (as defined in the Announcement) under the Proposal in accordance with the Code and (b) for Altus Capital Limited, in its capacity as financial adviser to the Joint Offerors in respect of the Proposal, to provide confirmation on financial resources with respect to the Cancellation Price to the SFC in accordance with the Code.
5. The information contained in the Scheme Documentation, other than that relating to (a) (in the case of Puga) the Group and PCB and (b) (in the case of PCB) Puga, the Investors (as defined in the Announcement) and the Group, (i) is true and accurate; (ii) is disclosed or released in compliance with Applicable Laws; and (iii) does not omit any material fact necessary to enable a Shareholder to have an informed assessment of the Proposal.

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**SCHEDULE 4**

**ALLOCATION OF EXPENSES**

	<b>Costs and expenses</b>	<b>Responsibility</b>
1.	All fees, expenses and disbursements payable to any advisers retained by the Joint Offerors in connection with the Proposal, including but not limited to any financial adviser and legal adviser	To be borne by the Joint Offerors
2.	All fees, expenses and disbursements payable to any advisers and service providers retained by the Company in connection with the Proposal, including but not limited to any financial adviser, legal adviser, independent financial adviser (within the meaning of the Code), property valuer, share registrar and financial printer	To be borne by the Company
3.	All costs and expenses in connection with any rulings sought from and any vetting fees payable to the SFC in relation to the Proposal (excluding item 4 below)	To be borne by the Joint Offerors
4.	All costs and expenses in connection with any rulings sought from the SFC solely with respect to the Company, its financial adviser in connection with the Proposal and/or any of their respective affiliates	To be borne by the Company


**IN WITNESS WHEREOF**, each of the Parties hereto has caused this Agreement to be executed by its duly authorized representative, as of the date first above written.

**PENTAMASTER INTERNATIONAL LIMITED**

By:  \_\_\_\_\_  
Name: Chuah Choon Bin  
Title: Executive Chairman

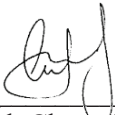
**IN WITNESS WHEREOF**, each of the Parties hereto has caused this Agreement to be executed by its duly authorized representative, as of the date first above written.

**PUGA HOLDINGS LIMITED**

By:   
Name: Wang Li-Wei  
Title: Director

**IN WITNESS WHEREOF**, each of the Parties hereto has caused this Agreement to be executed by its duly authorized representative, as of the date first above written.

**PENTAMASTER CORPORATION BERHAD**

By:  \_\_\_\_\_  
Name: Chuah Choon Bin  
Title: Executive Chairman