

Unless otherwise defined, terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus dated 24 January 2014 (the “**Prospectus**”) issued by Perfect Optronics Limited (the “**Company**”).

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This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for shares or other securities of the Company. Potential investors should read the Prospectus for detailed information about the Placing described below before deciding whether or not to invest in the Placing Shares thereby being offered.



圓美光電有限公司
PERFECT OPTRONICS LIMITED

Perfect Optronics Limited 圓美光電有限公司

(Incorporated in the Cayman Islands with limited liability)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF PLACING

Number of Placing Shares : 330,000,000 Placing Shares

Placing Price : HK\$0.30 per Placing Share (plus brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%)

Nominal value : HK\$0.01 per Share

Stock code : 8311

Sole Sponsor



Grand Vinco Capital Limited

(a wholly-owned subsidiary of Vinco Financial Group Limited)

Lead Manager



Grand Vinco Capital Limited

(a wholly-owned subsidiary of Vinco Financial Group Limited)

- The net proceeds to be received by the Company from the Placing are estimated to be approximately HK\$76 million.
- The 330,000,000 Placing Shares offered by the Company under the Placing were slightly over-subscribed.
- Pursuant to the Placing, 330,000,000 Placing Shares have been conditionally allocated to a total of 160 selected professional, institutional and other investors.
- 66,000,000 Placing Shares (representing 20% of the Placing Shares or 5% of the Company's enlarged issued share capital immediately following the completion of the Capitalisation Issue and the Placing) were placed to Warriors Technology Investments Ltd., which is a wholly-owned subsidiary of a supplier of the Group.
- The Directors confirm that, to the best of their knowledge and belief, all the placees are independent of and not connected with the Company, any of the Directors, chief executive, Controlling Shareholders, Substantial Shareholders or any other significant shareholders (as defined in the GEM Listing Rules) of the Company or any of its subsidiaries and their respective associates, and there are no other placees being person or group of persons as stated in Note 1 to Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. No placee will, individually, be placed with more than 10% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing.
- The Directors confirm that immediately after completion of the Capitalisation Issue and the Placing, the public float of the Company will be 25% of the enlarged issued share capital of the Company and not more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Friday, 7 February 2014. Shares will be traded in board lots of 10,000 Shares each. The stock code of the Shares is 8311.
- **Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

PLACING PRICE AND USE OF PROCEEDS

The Placing Price is HK\$0.30 per Placing Share (plus brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%). The net proceeds of the Placing, after deducting the related expenses, are estimated to be approximately HK\$76 million.

The Directors intend to apply such net proceeds in the following manner:

- HK\$40 million, representing approximately 52.6% of the net proceeds, for establishing or acquiring panel processing plants to expand the Group's business vertically;
- HK\$17 million, representing approximately 22.4 % of the net proceeds, for repayment of bank loans;

- HK\$8 million, representing approximately 10.5% of the net proceeds, for expanding the Group's sales and support team in the PRC to provide high quality customer services to the Group's customers;
- HK\$4 million, representing approximately 5.3% of the net proceeds, for expanding the Group's product portfolio to strengthen the Group's product offerings; and
- HK\$7 million, representing approximately 9.2% of the net proceeds, for working capital and other general corporate purposes.

LEVEL OF INDICATION OF INTEREST IN THE PLACING

The 330,000,000 Placing Shares offered by the Company under the Placing were slightly over-subscribed.

RESULTS OF ALLOCATION

Pursuant to the Placing, 330,000,000 Placing Shares have been conditionally allocated to a total of 160 selected professional, institutional and other investors. The distribution of the Placing Shares is set out below:

	Aggregate number of Placing Shares allocated	Approximate percentage of the total number of Placing Shares allocated	Approximate percentage of shareholding over the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing
Top placee	66,000,000	20.00%	5.00%
Top 5 placees	159,000,000	48.18%	12.05%
Top 10 placees	229,600,000	69.58%	17.39%
Top 25 placees	295,770,000	89.63%	22.41%

Number of Placing Shares allocated	Number of placees
10,000 to 100,000	91
100,001 to 500,000	30
500,001 to 1,000,000	7
1,000,001 to 2,000,000	6
2,000,001 to 5,000,000	12
5,000,001 to 10,000,000	6
10,000,001 to 20,000,000	4
20,000,001 and above	4

66,000,000 Placing Shares (representing 20% of the Placing Shares or 5% of the Company's enlarged issued share capital immediately following the completion of the Capitalisation Issue and the Placing) were placed to Warriors Technology Investments Ltd., which is a wholly-owned subsidiary of a supplier of the Group.

The Directors confirm that, to the best of their knowledge and belief, all placees are independent of and not connected with the Company, any of the Directors, chief executive, Controlling Shareholders, Substantial Shareholders or any other significant shareholders (as defined in the GEM Listing Rules) of the Company or any of its subsidiaries and their respective associates, and there are no other placees being person or group of persons as stated in Note 1 to Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. No placee will, individually, be placed with more than 10% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of at least 25% of its total issued share capital at the time of the Listing and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50% of the Shares in public hands at the time of the Listing shall be owned by the three largest public Shareholders. The Directors confirm that immediately after completion of the Capitalisation Issue and the Placing, the public float of the Company will be 25% of the issued share capital of the Company and not more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM and the compliance by the Company with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

No receipt will be issued for any application monies paid. The Company will not issue any temporary documents of title.

The share certificates issued in respect of the Placing Shares will be deposited into CCASS on or before Thursday, 6 February 2014 for credit to the relevant CCASS Participants' stock accounts or CCASS Investor Participants' stock accounts designated by the Lead Manager, the placees or their respective agents (as the case may be).

Prospective investors of the Placing Shares should note that the Lead Manager (for itself and on behalf of the Underwriters) are entitled to terminate the Underwriting Agreement by giving written notice to the Company upon the occurrence of any of the events set forth under the paragraph headed "Grounds for termination" in the section headed "Underwriting" in the Prospectus at any time prior to 8:00 a.m. on the Listing Date (i.e. Friday, 7 February 2014). In the event that the Underwriting Agreement does not become unconditional or is terminated in accordance with its terms and conditions, the Placing will lapse and the Stock Exchange will be

notified immediately. Notice of the lapse of the Placing will be published by the Company on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.perfect-optronics.com accordingly.

All share certificates for the Placing Shares will only become valid certificates of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its terms at any time prior to 8:00 a.m. on the Listing Date (i.e. Friday, 7 February 2014).

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Friday, 7 February 2014.

If there is any change to the expected timetable, an announcement will be published immediately by the Company on the Stock Exchange's at www.hkexnews.hk and the Company's website at www.perfect-optronics.com. Shares will be traded in board lots of 10,000 Shares each. The stock code of the Shares is 8311.

By order of the Board
Perfect Optronics Limited
Cheng Wai Tak
Executive Director

Hong Kong, 6 February 2014

As at the date of this announcement, the executive Directors are Mr. Cheng Wai Tak, Mr. Cheng Cheung Wai and Mr. Liu Ka Wing and the independent non-executive Directors are Mr. Wong Yik Chung John, Mr. Wong Chi Chiu, and Mr. Li Shui Yan.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its posting. This announcement will also be published on the Company's website at www.perfect-optronics.com.