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Sage Global Holdings Limited
*(Incorporated in British Virgin Islands
with limited liability)*

PINE 
PINE TECHNOLOGY HOLDINGS LIMITED
松景科技控股有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 1079)

JOINT ANNOUNCEMENT

- (1) AGREEMENT IN RELATION TO THE SALE AND PURCHASE OF SHARES
IN PINE TECHNOLOGY HOLDINGS LIMITED;**
- (2) DISCLOSEABLE AND CONNECTED TRANSACTION AND SPECIAL DEAL
IN RELATION TO THE SALE AND PURCHASE OF A 15% INTEREST IN
PINE TECHNOLOGY (BVI) LIMITED;**
- (3) POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS BY
CCB INTERNATIONAL CAPITAL LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES
(OTHER THAN THOSE ALREADY OWNED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH IT) AND
TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS
OF PINE TECHNOLOGY HOLDINGS LIMITED;**
- (4) APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER;
AND
(5) RESUMPTION OF TRADING**

**Financial Advisers to
Sage Global Holdings Limited**


Optima Capital Limited

 **建银国际**
CCB International

**Financial Adviser to PINE
Technology Holdings Limited**

VEDA | CAPITAL
智略资本

Independent Financial Adviser to the Independent Board Committee

 **红日资本有限公司**
RED SUN CAPITAL LIMITED

THE SALE AND PURCHASE AGREEMENT

The Company was informed by the Shares Vendors that on 22 March 2017 (after trading hours), the Shares Vendors, the Offeror and the Guarantor had entered into the Sale and Purchase Agreement, pursuant to which the Shares Vendors have conditionally agreed to sell and the Offeror has conditionally agreed to purchase the 539,964,042 Sale Shares (representing approximately 58.59% of the entire issued share capital of the Company as at the date of the Sale and Purchase Agreement), free from all Encumbrances together with all rights attaching thereto as at the Sale and Purchase Completion Date, at an aggregate consideration of HK\$351,516,591 (equivalent to HK\$0.651) per Sale Share). The Sale and Purchase Completion is conditional upon the fulfilment or waiver (where applicable) of the conditions specified in the Sale and Purchase Agreement and as described under the subsection headed “Sale and Purchase Conditions” under the section headed “1. Sale and Purchase Agreement” of this joint announcement.

THE DISPOSAL – DISCLOSEABLE AND CONNECTED TRANSACTION AND SPECIAL DEAL

On 22 March 2017 (after trading hours), the Company and Simply Perfect entered into the Disposal Agreement, pursuant to which the Company has conditionally agreed to sell and Simply Perfect has conditionally agreed to purchase the Disposal Shares (representing 15% of the issued share capital of Pine Technology BVI), free from all Encumbrances together with all rights attaching thereto as at the Disposal Completion Date, at a consideration of US\$2,916,942 (equivalent to HK\$22,632,553). The Disposal Completion is conditional upon fulfillment or waiver of the conditions specified in the Disposal Agreement and as described under the subsection headed “Disposal Conditions” under the section headed “2. The Disposal – Discloseable and Connected Transaction and Special Deal” below. The Disposal Agreement, upon the fulfillment or waiver of the Disposal Conditions, will be completed contemporaneously with the Sale and Purchase Agreement. Pursuant to the terms and conditions of the Disposal Agreement, upon the Disposal Completion, the Company, Simply Perfect and Pine Technology BVI shall enter into the Shareholders’ Agreement relating to Pine Technology BVI.

IMPLICATIONS OF THE DISPOSAL AGREEMENT UNDER THE LISTING RULES AND THE TAKEOVERS CODE

Special Deal

Since the Disposal Agreement is not capable of being extended to all Shareholders, the Disposal constitutes a “special deal” under Note 4 to Rule 25 of the Takeovers Code, which requires the consent of the Executive and such consent, if granted, will normally be conditional upon the Independent Financial Adviser publicly stating in its opinion that the terms of the Disposal Agreement are fair and reasonable and the approval of the Independent Shareholders having been obtained by way of a poll at the SGM. An application will be made to the Executive for consent

to proceed with the Disposal under Rule 25 of the Takeovers Code. Shareholders should note that such consent may or may not be granted by the Executive. As the obtaining of such consent is one of the Sale and Purchase Conditions which is not capable of being waived, the Sale and Purchase Completion will not take place if such consent is not obtained at or before the Sale and Purchase Long Stop Date (or such later date as the Offeror and the Shares Vendors may agree).

Discloseable and connected transaction

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. In addition, by virtue of the interests of the Second Vendor, the Third Vendor, the Fourth Vendor and the Fifth Vendor in Simply Perfect, Simply Perfect is a connected person of the Company and the Disposal also constitutes a connected transaction on the part of the Company, which is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS

Pursuant to the Sale and Purchase Agreement, the Offeror has conditionally agreed to acquire the Sale Shares, representing approximately 58.59% of the issued share capital of the Company as at the date of this joint announcement. Upon the Sale and Purchase Completion, the Offeror and parties acting in concert with it will be interested in 539,964,042 Shares, representing approximately 58.59% of the issued share capital of the Company as at the date of this joint announcement.

In accordance with Rules 13 and 26.1 of the Takeovers Code, on the Sale and Purchase Completion, the Offeror will be required to make mandatory unconditional offers in cash (i) for the Offer Shares, being all the Shares in issue during the Offer Period other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it; and (ii) to cancel all the Share Options. The Offers comprising the Share Offer and the Option Offer, if and when made, will be unconditional in all respects.

As at the date of this joint announcement, the Company has 921,584,783 Shares in issue and 1,000,000 outstanding Share Options which entitle the holders thereof to subscribe for 1,000,000 new Shares at an exercise price of HK\$0.207 per Share. There is no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

Subject to and upon the Sale and Purchase Completion, CCBI, one of the financial advisers to the Offeror, will make the Offers for and on behalf of the Offeror in compliance with the Takeovers Code on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

The Share Offer

For each Offer Share HK\$0.651 in cash

The Share Offer Price of HK\$0.651 per Offer Share under the Share Offer is the same as the purchase price per Sale Share payable by the Offeror under the Sale and Purchase Agreement.

The Option Offer

For cancellation of each Share Option HK\$0.444 in cash

The Option Offer Price for each Share Option represents the difference between the Share Offer Price and the exercise price of HK\$0.207 of these Share Options.

Financial resources available to the Offeror

After taking into account of the First Deposit and the Second Deposit (as defined under the subsection headed “Consideration for the Sale Shares” under the section headed “1. Sale and Purchase Agreement”) to be released to the Shares Vendors upon the signing of the Sale and Purchase Agreement, the maximum aggregate amount payable by the Offeror for the remaining balance of the Consideration and the consideration payable upon full acceptances of the Share Offer (assuming all the Share Options are exercised before the close of the Share Offer) will be HK\$580,602,694.

The Offeror intends to finance and satisfy the remaining balance of the Consideration and the consideration payable under the Offers by cash and a credit facility provided by CCBI. CCBI, being one of the financial advisers to the Offeror, is satisfied that there are sufficient financial resources available to the Offeror to satisfy the balance of the Consideration and the consideration payable upon full acceptances of the Offers.

The principal terms of the Offers are set out in the section headed “4. Possible Mandatory Unconditional Cash Offers” of this joint announcement.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE OF THE COMPANY AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

In connection with the Disposal and the Offers and in accordance with the Takeovers Code and the Listing Rules, the Company has formed the Independent Board Committee, comprising Mr. So Stephen Hon Cheung, Dr. Huang Zhijian and Dr. Chung Wai Ming, being all the independent non-executive Directors, to advise (i) the Independent Shareholders on (a) whether the Disposal is in the interests of the Company and the Shareholders as a whole, (b) whether the terms of the Disposal Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned, and are in

the ordinary and usual course of business of the Group, and (c) the voting action that should be taken; and (ii) the Independent Shareholders and the Optionholders in respect of the terms of the Offers and as to acceptance of the Offers. The non-executive Directors, namely, Mr. Chiu Herbert Hang Tat and Mr. Li Chi Chung, are not included in the Independent Board Committee as (i) Mr. Chiu Herbert Hang Tat, who is the Fourth Vendor under the Sale and Purchase Agreement, has direct interests in the Offers; and (ii) Mr. Li Chi Chung was appointed by certain Directors and their associates as their legal adviser in relation to the Disposal and the Offers and hence Mr. Li Chi Chung is considered as having an indirect interest in the Offers.

Red Sun Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of (i) the Disposal Agreement and the transactions contemplated thereunder; and (ii) the Offers. The appointment of Red Sun Capital Limited as the independent financial adviser has been approved by the Independent Board Committee.

SGM AND DESPATCH OF THE COMPOSITE DOCUMENT

The SGM will be convened to approve, among others, the Disposal Agreement and the transactions contemplated thereunder. The Circular containing, among other things, information regarding the Disposal Agreement and transactions contemplated thereunder, the recommendation from the Independent Board Committee and the advice of the Independent Financial Adviser on the Disposal Agreement and transactions contemplated thereunder, and the notice of the SGM is expected to be despatched by the Company to the Shareholders on or before 14 April 2017.

Pursuant to the Takeovers Code, within 21 days after the date of this joint announcement or such later date as the Executive may approve, the Offeror is required to despatch an offer document in relation to the Offers and the Company is required to send to Shareholders and the Optionholders within 14 days of the posting of the offer document a circular containing, among other things, financial information of the Company, information as required under the Takeovers Code, together with any other information the Company considers to be relevant to enable Shareholders and the Optionholders to reach a properly informed decision on the Offers. It is the intention of the Offeror and the Board that the offer document and the offeree board circular in respect of the Offers be combined in the Composite Document. Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, the consent of the Executive is required if the making of the Offers are subject to the prior fulfillment of certain pre-conditions and the pre-conditions cannot be fulfilled within the time period required by Rule 8.2 of the Takeovers Code.

As the making of the Offers is conditional upon the Disposal Completion and the Sale and Purchase Completion, it is expected that an application will be made to the Executive to extend the deadline for the despatch of the Composite Document, together with the form(s) of acceptance and transfer, to a date within 7 days upon the Disposal Completion and the Sale and

Purchase Completion or such later date as the Executive may approve. Further announcement (s) will be made by the Offeror and the Company on the timing of the despatch of the Composite Document.

TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 23 March 2017 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 27 March 2017.

WARNING

Shareholders and potential investors of the Company should note that the Disposal Completion and the Sale and Purchase Completion are conditional upon the fulfillment or waiver of the Disposal Conditions and the Sale and Purchase Conditions respectively and the Offers will only be made if the Disposal Completion and the Sale and Purchase Completion take place. Accordingly, the Disposal Completion and the Sale and Purchase Completion may or may not take place and the Offers may or may not proceed.

Shareholders and potential investors should also note that the Independent Board Committee has yet to consider and evaluate the Offers and the terms of the Disposal. Insofar as the Company is concerned, this joint announcement is made in compliance with the Takeovers Code for the sole purpose of informing the Shareholders of the fact that the Company has been informed that the Offers may be made. The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement and strongly recommend the Shareholders not to form a view on the Offers unless and until they have received and read the Composite Document, including the recommendations of the Independent Board Committee in respect of the Offers and a letter of advice from the Independent Financial Adviser.

Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

References are made to the announcements of the Company dated 18 January 2017, 17 February 2017 and 1 March 2017 in relation to, among other things, the possible sale by the Shares Vendors of their shareholding interest in the Company and the possible sale of 15% equity interest in Pine Technology BVI by the Company to Simply Perfect.

The Company has been informed by the Shares Vendors that on 22 March 2017 (after trading hours), the Shares Vendors, the Offeror and the Guarantor entered into the Sale and Purchase Agreement. Contemporaneously, the Company and Simply Perfect entered into the Disposal Agreement in relation to the Disposal. Details of the Sale and Purchase Agreement and the Disposal Agreement are set out below.

1. SALE AND PURCHASE AGREEMENT

Date

22 March 2017

Parties

- Vendors:
- (a) Alliance Express, being the First Vendor, which is legally and beneficially wholly-owned by the Second Vendor;
 - (b) Mr. Chiu Hang Tai, being the Second Vendor;
 - (c) Mr. Chiu Samson Hang Chin, being the Third Vendor;
 - (d) Mr. Chiu Herbert Hang Tat, being the Fourth Vendor;
 - (e) Ms. Chiu Man Wah, being the Fifth Vendor; and
 - (f) Ms. Wong Wai Ying, being the Sixth Vendor.

The Shares Vendors, in aggregate, beneficially own 539,964,042 Shares, representing approximately 58.59% of the entire issued share capital of the Company as at the date of the Sale and Purchase Agreement

Purchaser: Sage Global Holdings Limited, being the Offeror

Guarantor: Mr. Zhang Sanhuo, being the sole beneficial owner of the Offeror

The Offeror, its ultimate beneficial owner and parties acting in concert with any of them are third parties independent of the Group and its connected persons.

Subject matter

Pursuant to the Sale and Purchase Agreement, the Shares Vendors have conditionally agreed to sell and the Offeror has conditionally agreed to purchase the 539,964,042 Sale Shares (representing approximately 58.59% of the entire issued share capital of the Company as at the date of the Sale and Purchase Agreement), free from all Encumbrances together with all rights attaching thereto as at the Sale and Purchase Completion Date.

Consideration for the Sale Shares

The Consideration for the Sale Shares is HK\$351,516,591 (equivalent to HK\$0.651 per Sale Share), which was determined between the Offeror and the Shares Vendors after arm's length negotiations. The Consideration is payable by the Offeror to the Shares Vendors (or as they may direct) in the manner as follows:

- (a) as to HK\$10,000,000 (the "**First Deposit**") by way of delivery to an escrow agent of a signing notice (which may be signed in counterparts) to instruct the escrow agent to release the two cashier's orders of HK\$8,500,000 and HK\$1,500,000 held in escrow under the MOU to the Second Vendor (for himself and on behalf of the Shares Vendors);
- (b) as to HK\$10,000,000 (the "**Second Deposit**") by way of delivery of a cheque or cheques and/or a banker's draft or drafts drawn on or issued by a licensed bank in Hong Kong to the Second Vendor (for himself and on behalf of the Shares Vendors) upon signing of the Sale and Purchase Agreement;
- (c) as to HK\$15,000,000 (the "**Third Deposit**") (together with the First Deposit and the Second Deposit, being the "**Deposits**") by way of delivery of a cheque or cheques and/or a banker's draft or drafts drawn on or issued by a licensed bank in Hong Kong to the Second Vendor (for himself and on behalf of the Shares Vendors) within three (3) Business Days following the publication of this joint announcement;
- (d) as to HK\$130,000,000 (the "**Completion Escrow Amount**") by depositing with the Completion Escrow Agent a banker's draft or draft drawn on or issued by a licensed bank in Hong Kong to the Completion Escrow Agent, who shall hold the Completion Escrow Amount on and subject to the terms of the Sale and Purchase Agreement and the escrow letter to be entered into between the Shares Vendors, the Offeror and the Completion Escrow Agent in relation to the holding of the Completion Escrow Amount, upon Sale and Purchase Completion; and
- (e) as to the remaining balance of HK\$186,516,591 by way of delivery of a cheque or cheques and/or a banker's draft or drafts drawn on or issued by a licensed bank in Hong Kong to the Second Vendor (for himself and on behalf of the Shares Vendors) upon Sale and Purchase Completion.

The Sale Shares are held and the Consideration shall be split among the Shares Vendors in the following manner:

Shares Vendors	Number of Sale Shares	Consideration receivable (HK\$)	Approximate percentage of the issued share capital of the Company as at the date of this joint announcement (%)
The First Vendor	196,500,000	127,921,500	21.32
The Second Vendor	19,902,465	12,956,505	2.16
The Third Vendor	174,889,563	113,853,105	18.98
The Fourth Vendor	66,051,465	42,999,504	7.17
The Fifth Vendor	67,944,591	44,231,929	7.37
The Sixth Vendor	<u>14,675,958</u>	<u>9,554,048</u>	<u>1.59</u>
Total	<u>539,964,042</u>	<u>351,516,591</u>	<u>58.59</u>

Sale and Purchase Conditions

The Sale and Purchase Completion is subject to the following conditions having been fulfilled:

- (a) as at the Sale and Purchase Completion, the Shares remaining listed and traded on the Main Board, and no notification being received from the Stock Exchange or the SFC prior to the Sale and Purchase Completion that the listing of the Shares on the Stock Exchange will or may be withdrawn or suspended for more than ten (10) consecutive Business Days (excluding any suspension for the purposes of obtaining clearance from the SFC and/or Stock Exchange for this joint announcement or any other announcement in relation to the Sale and Purchase Agreement, or by reason of an inadequate percentage of the issued share capital of the Company being held in public hands following the close of the Offers);
- (b) the Disposal Agreement having been duly executed by all the parties thereto and becoming unconditional in all respects in accordance with its terms (save for the condition requiring the Sale and Purchase Agreement to become unconditional), including the obtaining of all necessary approvals thereof by the Independent Shareholders in accordance with the Takeovers Code, the Listing Rules and other applicable law;

- (c) the “special deal” consent having been duly granted by the Executive and each of the matters subject to the “special deal” consent or to which the “special deal” consent is subject having been approved by the Independent Shareholders in accordance with the Takeovers Code, the Listing Rules and other applicable law;
- (d) no material adverse change (or effect) of the Group has occurred or is likely to occur;
- (e) as at the Sale and Purchase Completion Date, the warranties given by the Shares Vendors remaining true and correct in all material respects and not misleading in any material respect; and
- (f) no notice, order, judgment, action or proceeding of any authority having been served, issued or made which restrains, prohibits or makes unlawful any transaction contemplated by the Sale and Purchase Agreement or which is likely to materially and adversely affect the right of the Offeror to own the legal and beneficial title to the Sale Shares, free from Encumbrances.

The Shares Vendors shall use all reasonable endeavours to ensure that each of the Sale and Purchase Conditions is satisfied as soon as reasonably practicable after the date of the Sale and Purchase Agreement but in any event no later than the Sale and Purchase Long Stop Date.

Save for the Sale and Purchase Conditions (b) and (c) which are incapable of being waived, the Offeror may at any time, in its absolute discretion, waive any of the Sale and Purchase Condition(s) by notice in writing to the Shares Vendors.

If the Sale and Purchase Conditions are not fulfilled or waived on or before the Sale and Purchase Long Stop Date, then the Sale and Purchase Agreement shall cease. In the event the Sale and Purchase Agreement is lapsed (i) solely as a result of the default of the Offeror, the Deposits (without interest) shall be forfeited to the Shares Vendors; (ii) solely as a result of the default of the Shares Vendors, the Deposits (without interest) shall be refunded in full to the Offeror within three (3) Business Days after the Sale and Purchase Long Stop Date; and (iii) other than solely as a result of the default of the Offeror or the Shares Vendors, the Shares Vendors shall (a) be entitled to retain HK\$1,500,000 by way of deduction from the Deposits paid by the Offeror to the Shares Vendors as compensation and return any remaining portion of the Deposits (without interest) paid by the Offeror to the Shares Vendors after the above deduction within five Business Days from the Sale and Purchase Completion Date.

Sale and Purchase Completion

The Sale and Purchase Completion shall take place contemporaneously with the Disposal Completion on the fifth Business Day following satisfaction or (where applicable) waiver of the Sale and Purchase Conditions, or such other date as the Shares Vendors and the Offeror may agree in writing.

Guarantee

In consideration of the Offeror agreeing to enter into the Sale and Purchase Agreement, the Guarantor has agreed to guarantee in favour of the Shares Vendors the due and punctual performance of the obligations of the Offeror under the Sale and Purchase Agreement subject to and upon the terms and conditions of the Sale and Purchase Agreement.

Shares Vendors' Undertakings

Each of the Shares Vendors agrees and undertakes to the Offeror that, he/she/it shall procure the release and discharge of (i) the Supplier Corporate Guarantees as soon as practicable on or before the date falling on the fifth (5th) Business Day after the Sale and Purchase Completion and (ii) the Bank Corporate Guarantees as soon as practicable and on or before the expiry of a 4-month period from the Sale and Purchase Completion Date (as extended, if applicable).

Each of the Shares Vendors agrees and undertakes to the Offeror that, prior to the full release and discharge of the Company from the Corporate Guarantees, he/she/it shall fully indemnify and hold harmless to the Offeror on demand in respect of which the Corporate Guarantees are given, against any and all reasonable costs, expenses, claims, losses and liabilities which may be incurred or suffered by the Offeror or the Company on a dollar-for-dollar basis in respect of any obligation or liability of the Offeror or the Company arising out of the Corporate Guarantees.

Each of the Shares Vendors agrees and undertakes to the Offeror that the amount of the total net indebtedness due by the Group to any bank (s) and/or financial institution(s) under the credit facilities to the Group provided by such bank (s) and/or financial institution(s) being secured by the relevant Bank Corporate Guarantee(s) which are subsisting as at the date of the Sale and Purchase Completion (the "**Subsisting Credit Facilities**") shall not exceed HK\$179,000,000 and as at the date falling on the fifth (5th) Business Day after the Sale and Purchase Completion and prior to the full release and discharge of the Company from the Bank Corporate Guarantees shall not exceed HK\$130,000,000 (the "**Indebtedness Amount**").

Each of the Shares Vendors agrees and undertakes to the Offeror that the Shares Vendors shall procure the Group to use the shareholders' loans to be provided by the Company and Simply Perfect after the Disposal Completion to repay the indebtedness due by the Group to bank (s) and/or financial institution(s) under the Subsisting Credit Facilities within five (5) Business Days after the Sale and Purchase Completion such that the Indebtedness Amount shall not exceed HK\$130,000,000.

2. THE DISPOSAL – DISCLOSEABLE AND CONNECTED TRANSACTION AND SPECIAL DEAL

The Disposal Agreement

Date

22 March 2017

Parties

Vendor: The Company

Purchaser: Simply Perfect

Subject matter

Pursuant to the Disposal Agreement, the Company has conditionally agreed to sell and Simply Perfect has conditionally agreed to purchase the Disposal Shares (representing 15% of the issued share capital of Pine Technology BVI), free from all Encumbrances together with all rights attaching thereto as at the Disposal Completion Date, at a consideration of US\$ 2,916,942 (equivalent to HK\$22,632,553).

Consideration for the Disposal

The consideration for the Disposal of US\$2,916,942 (equivalent to HK\$22,632,553) was agreed between the Company and Simply Perfect after arm's length negotiations, taking into account, among others, the unaudited consolidated net asset value attributable to 15% of the equity interest in the Pine Technology BVI Group as at 31 December 2016 in the amount of approximately US\$2,916,942 (equivalent to approximately HK\$22,632,553) (calculated based on the unaudited consolidated net asset value of the Pine Technology BVI Group as at 31 December 2016 of approximately US\$19,446,283 (equivalent to approximately HK\$150,883,710)).

The consideration for the Disposal shall be settled by Simply Perfect by way of delivery of cheque or cheques and/or a banker's draft or drafts at Disposal Completion.

Disposal Conditions

Disposal Completion is conditional upon the fulfilment or waiver of the following Disposal Conditions:

- (a) the passing by the Independent Shareholders at the SGM to approve the Disposal Agreement and the transactions contemplated thereunder;

- (b) the consent of the Executive in relation to the Disposal Agreement and the transactions contemplated thereunder as a “special deal” under Rule 25 of the Takeovers Code having been obtained and not revoked prior to Disposal Completion;
- (c) the passing of the resolutions by the shareholders and the board of directors of Simply Perfect to approve the Disposal Agreement and the transactions contemplated thereunder;
- (d) the passing of the resolutions by the Board to approve the Disposal Agreement and the transactions contemplated thereunder;
- (e) the Sale and Purchase Agreement having become unconditional (save for the condition for the Disposal Agreement to become unconditional); and
- (f) the warranties given by the Company remaining true and accurate in all material respects.

The Disposal Conditions set out above are not capable of being waived (save that the Disposal Condition (f) which may be waived by Simply Perfect). The Company shall use its best endeavours to procure the fulfillment of the Disposal Conditions (a), (b), (d) and (f) above and Simply Perfect shall use its best endeavours to procure the fulfillment of the Disposal Conditions (c) and (e) above.

If any of the Disposal Conditions set out above have not been satisfied (or, as appropriate, waived) on or before 4:00 p.m. on 22 June 2017 or such other date as Simply Perfect and the Company may agree, the Disposal Agreement shall cease and determine and thereafter neither party to the Disposal Agreement shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

The Disposal Completion

As at the date of this joint announcement, the Pine Technology BVI Group is indebted to (i) the Company in the sum of approximately US\$39.64 million (equivalent to approximately HK\$307.59 million) (the “**Company’s Loan**”); and (ii) the Second Vendor in the sum of HK\$32 million (equivalent to approximately US\$4.12 million) (the “**Second Vendor’s Loan**”) pursuant to the Loan Agreements. The Company’s Loan and the Second Vendor’s Loan represent approximately 90% and 10% to the total shareholders’ loans respectively.

Immediately after the Disposal Completion, Simply Perfect shall (a) procure the entering into of supplemental agreements to the Loan Agreements between the Second Vendor and Pine Technology Macao such that the Second Vendor’s Loan shall become interest-free with effect from the Sale and Purchase Completion Date; (b) execute and procure the execution of a deed of assignment pursuant to which the Second Vendor shall assign to Simply Perfect all his rights, titles, benefits and interests in the Second Vendor’s Loan to Simply Perfect absolutely; and (c) provide an unsecured interest-free shareholder’s loan in the amount of US\$2,871,570 (equivalent to HK\$22,280,512) to Pine Technology BVI (together with the Second Vendor’s Loan, the “**Simply Perfect’s Loan**”) and consequently the Company’s Loan of approximately

US\$39.64 million (equivalent to approximately HK\$307.59 million) and the Simply Perfect's Loan of approximately US\$7.00 million (equivalent to approximately HK\$54.28 million) will represent a proportion of 85% and 15% to the total shareholders' loan of approximately US\$46.64 million (equivalent to approximately HK\$361.88 million) respectively.

Immediately after the provision of the Simply Perfect's Loan, (a) the Company shall provide an unsecured interest-free shareholder's loan in the amount equal to the consideration of the Disposal; and (b) Simply Perfect shall further provide an unsecured interest-free shareholder's loan in the amount of US\$0.51 million (equivalent to approximately HK\$3.99 million) to Pine Technology BVI. As a result, Pine Technology BVI will be indebted to (i) the Company in the sum of approximately US\$42.56 million (equivalent to approximately HK\$330.22 million); and (ii) Simply Perfect in the sum of approximately US\$7.51 million (equivalent to approximately HK\$58.27 million).

The total amount of the loans to be provided by the Company and Simply Perfect (immediately after the Disposal Completion) will be approximately US\$50.07 million and hence the shareholder's loans to be provided by the Company and Simply Perfect to Pine Technology BVI will also represent approximately 85% and 15% respectively of the total shareholders' loans, which is in proportion to their respective equity interests in Pine Technology BVI.

Subject to the fulfillment or waiver of all the Disposal Conditions under the Disposal Agreement, completion of the Disposal shall take place contemporaneously with the Sale and Purchase Completion.

Upon the Disposal Completion, the Company's equity interest in Pine Technology BVI will be reduced to 85%, while Simply Perfect's equity interest in Pine Technology BVI will be 15%. Pine Technology BVI will become a 85%-owned subsidiary of the Company. The financial results of the Pine Technology BVI Group will continue to be consolidated into the Company's consolidated financial statements. According to Hong Kong Financial Reporting Standards, no gain or loss will be recognised to the consolidated statement of profit or loss and other comprehensive income if a company has not lost control over a subsidiary after disposal of its partial interest in the subsidiary.

Use of proceeds

The proceeds from the Disposal is US\$2,916,942 (equivalent to HK\$22,632,553). The Company intends to use such proceeds from the Disposal (i) to continue its plan of manufacture and sales of market video graphic cards and other computer components under the Group's brand name; (ii) for financing other future potential investment opportunities; and/or (iii) for the general working capital of the Group.

Shareholders' Agreement

Upon the Disposal Completion, the Company, Simply Perfect and Pine Technology BVI shall enter into the Shareholders' Agreement relating to Pine Technology BVI. The principal terms of the Shareholders' Agreement are summarised below:

(a) Board composition

The Shareholders' Agreement shall provide that the board of directors of Pine Technology BVI at any time shall comprise three directors, two of them shall be appointed by the Company and one of them shall be appointed by Simply Perfect.

The chairman of the board of directors of Pine Technology BVI shall be nominated by Simply Perfect and does not have a second or casting vote as chairman of the board meeting and general meeting.

(b) Finance

- (i) As at the date of the Shareholders' Agreement and immediately after Disposal Completion, Pine Technology BVI will be indebted to the Company in the amount of approximately US\$42.56 million (equivalent to approximately HK\$330.22 million). So long as the Company remains as a shareholder of Pine Technology BVI, the Company agrees and undertakes not to (i) demand for (a) repayment or capitalisation of; (b) creating any encumbrances on; and (c) amend, alter or change the terms (including in particular the security, interest and the term) of such shareholder's loan by the Company; and (ii) take or omit to take any action which would reasonably impair the ranking and/or priority of the shareholders' loans by the Company and Simply Perfect.
- (ii) As at the date of the Shareholders' Agreement and immediately after Disposal Completion, Pine Technology BVI will be indebted to Simply Perfect in the amount of approximately US\$7.51 million (equivalent to approximately HK\$58.27 million). So long as Simply Perfect remains a shareholder of Pine Technology BVI, Simply Perfect agrees and undertakes not to (i) demand for (a) repayment or capitalisation of; (b) creating any encumbrances on; and (c) amend, alter or change the terms of such shareholder's loan by Simply Perfect; and (ii) take or omit to take any action which would impair the ranking and/or priority of the shareholders' loans by the Company and Simply Perfect.
- (iii) The working capital requirements of Pine Technology BVI of not exceeding US\$25,000,000 will be met, as the board of directors of Pine Technology BVI may from time to time resolve, by means of advances and credit from banks, financial institutions and other third party sources on the most favourable terms reasonably obtainable as to interest, repayment and security.

- (iv) Save as disclosed in (i), (ii), and (iii) above, any advances and credit from banks, financial institutions and other third party sources shall be subject to the unanimous consent of the shareholders of Pine Technology BVI.
- (v) Save for the interest-free shareholder's loan in the amount of approximately US\$7.51 million (equivalent to approximately HK\$58.27 million) provided by Simply Perfect to Pine Technology BVI as disclosed in (ii) above, any advances or facilities provided by Simply Perfect in future shall, unless otherwise unanimously agreed between the shareholders of Pine Technology BVI, be unsecured and carry interest at the rate of 1.5% per annum above the applicable Hong Kong Interbank Offered Rate.

(c) *Matters requiring unanimous consent*

The matters requiring the unanimous consent of the shareholders of Pine Technology BVI are as follows:

- (i) the creation or issue of shares of any members of the Pine Technology BVI Group or the grant of any options over any such shares or uncalled capital of any members of the Pine Technology BVI Group or the issue of any option, warrant, debentures, securities or other obligations convertible into shares of any members of the Pine Technology BVI Group or enter into any agreement to do the same;
- (ii) the capitalization, repayment or other form of distribution (other than by way of dividends out of profits available for distribution) of any amount standing to the credit of any reserve of any members of the Pine Technology BVI Group on the redemption or purchase of its shares or any other reorganization of share capital;
- (iii) participating in or agreeing to propose in any action of closure, termination or dissolution of any members of the Pine Technology BVI Group or taking part in any bankruptcy or insolvency proceedings of any members of the Pine Technology BVI Group, or due to its insolvency or inability to repay debts, entering into settlement and arrangements with its creditors;
- (iv) the alteration to the rights attached to the shares of any members of the Pine Technology BVI Group;
- (v) the alteration to the memorandum or articles of association of any members of the Pine Technology BVI Group and the passing of any resolutions, inconsistent with the provisions of the Shareholders' Agreement;
- (vi) the entering into of any transaction with the value or amount exceeds HK\$10,000,000 with any person by any members of the Pine Technology BVI Group other than in its usual and ordinary course of business or otherwise on an arm's length basis;

- (vii) the entering into of any transaction by any members of the Pine Technology BVI Group with the connected persons of any members of the Pine Technology BVI Group or their associates, save for any intra-group transaction of any members of the Pine Technology BVI Group;
- (viii) the acquisition or purchase or subscription of any shares, debentures, mortgages or securities (or interests therein) in any company, trust or other body or the participation in any partnership or joint venture by any members of the Pine Technology BVI Group;
- (ix) the lending of any moneys (otherwise than by way of deposit with a bank or other institution the normal business of which includes acceptance of deposits or normal trade credit on commonly acceptable terms), the granting of any credit (other than trade credit in the usual and ordinary course of business), the giving of any guarantee or indemnity to any person including the Company and Simply Perfect or their associates;
- (x) save as disclosed in items b(i), b(ii) and b(iii) above or in the usual or ordinary course of business, the borrowing of any moneys by any members of the Pine Technology BVI Group from banks, financial institutions or any other persons or the creation of any contract or obligation to pay money or money's worth;
- (xi) the consolidation, amalgamation or merger of any members of the Pine Technology BVI Group with any other company, entity or concern or the acquisition of any other business by any members of the Pine Technology BVI Group;
- (xii) save as the resignation of the director(s) or senior management of any members of the Pine Technology BVI Group, the alteration of the composition of the board of directors or senior management of any members of the Pine Technology BVI Group;
- (xiii) the change, appointment or removal of valuers or auditors of Pine Technology BVI;
- (xiv) the change of any dividend policy of any members of the Pine Technology BVI Group;
- (xv) save in the course of usual and ordinary course of business, the disposal of any undertaking, property, asset or investment of any members of the Pine Technology BVI Group or interest therein or the creation of any charge, mortgage or other encumbrances over such undertaking, property, asset or investment or interest therein with the value or amount exceeds HK\$10,000,000 or contracting so to do;
- (xvi) the alteration to the Shareholders' Agreement;

- (xvii) the material change in the nature or the scope of business of the Pine Technology BVI Group, or the Pine Technology BVI Group engages in any new business or ceases to engage in any existing business;
- (xviii) the alteration to the financial year end or accounting policies of any members of the Pine Technology BVI Group, save as required from time to time under any applicable laws or accounting standards; and
- (xix) the sale of trademarks, invention patents, design patents, utility model patents and other intellectual properties of the Pine Technology BVI Group, or the grant or termination or alteration of the terms of any licences, which are of material importance to the operation of the Pine Technology BVI Group.

Reasons for and benefits of the Disposal

The Board considers that the Disposal would allow the Company to realise and receive certain amount of cash proceeds that will arise from the disposal of part of the Company's interest in the business of the Pine Technology BVI Group while at the same time align the Second Vendor's interests with that of the Group. The Second Vendor is familiar with and has rich experience in the business and operation of the Pine Technology BVI Group. The Disposal provides incentive to him to assist in ensuring the business and the management of the Pine Technology BVI Group will be operated normally and smoothly after the Disposal Completion.

Immediately after the Disposal Completion, Simply Perfect shall (a) procure the entering into of supplemental agreements to the Loan Agreements between the Second Vendor and Pine Technology Macao such that the Second Vendor's Loan shall become interest-free with effect from the Sale and Purchase Completion Date; (b) execute and procure the execution of a deed of assignment pursuant to which the Second Vendor shall assign to Simply Perfect all his rights, titles, benefits and interests in the Second Vendor's Loan to Simply Perfect absolutely; and (c) provide the Simply Project Loan and consequently the Company's Loan of approximately US\$39.64 million (equivalent to approximately HK\$307.59 million) and the Simply Perfect's Loan of approximately US\$7.00 million (equivalent to approximately HK\$54.25 million) will represent a proportion of 85% and 15% to the total shareholders' loan of approximately US\$46.64 million (equivalent to approximately HK\$361.46 million) respectively.

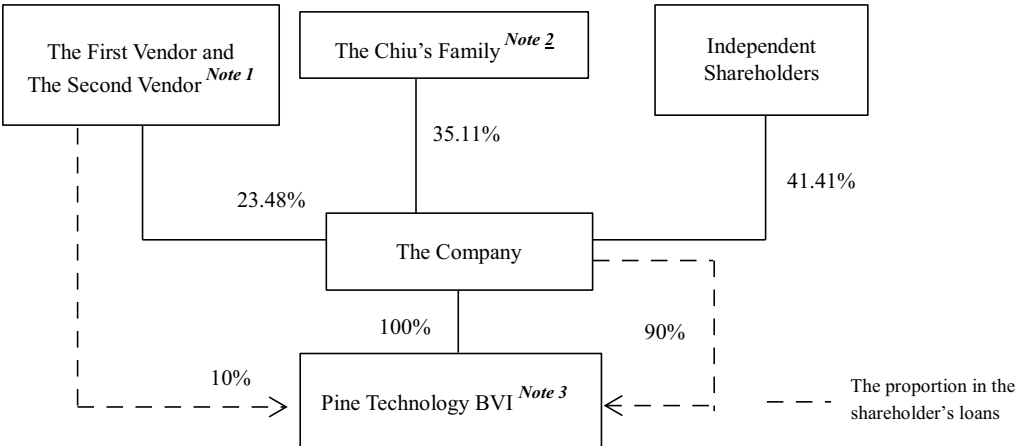
Taking into account of the requirement of general working capital for the ordinary and usual course of business of the Pine Technology BVI Group, immediately after the provision of the Simply Perfect's Loan by Simply Perfect, (a) the Company shall provide an unsecured interest-free shareholder's loan in the amount equal to the consideration of the Disposal; and (b) Simply Perfect shall further provide an additional unsecured interest-free shareholder's loan in the amount of approximately US\$0.51 million (equivalent to approximately HK\$3.99 million) to Pine Technology BVI.

As such, the Directors (excluding the members of the Independent Board Committee whose view is subject to the advice from the Independent Financial Adviser) consider that the terms of the Disposal Agreement are on normal commercial terms and are fair and reasonable and that the Disposal Agreement and the transactions respectively contemplated thereunder are in the interests of the Company and the Shareholders as a whole.

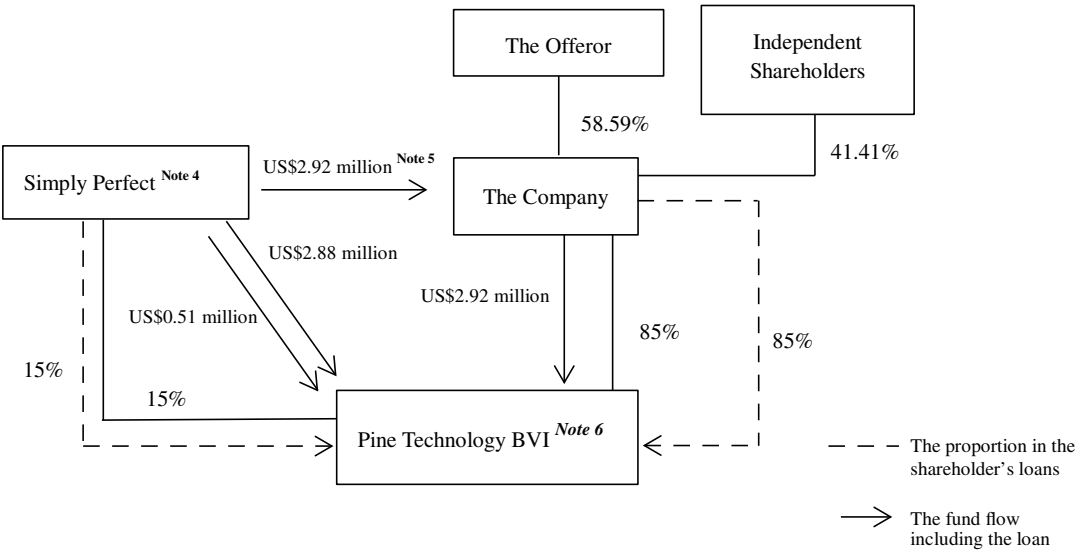
Group structure

The following diagrams illustrate a simplified structure of the Group before and after the Disposal Completion and the Sale and Purchase Completion:

The shareholding structure of the Company and Pine Technology BVI as at the date of this joint announcement:



The shareholding structure of the Company and Pine Technology BVI after the Disposal Completion and the Sale and Purchase Completion:



Notes:

1. Alliance Express Group Limited, a company incorporated in the BVI with limited liability, which is wholly and beneficially owned by the Second Vendor and directly held 196,500,000 Shares as at the date of this joint announcement.
2. The Second Vendor, the Third Vendor, the Fourth Vendor and the Fifth Vendor are siblings and the Sixth Vendor is the mother of the Second Vendor, the Third Vendor, the Fourth Vendor and the Fifth Vendor. In addition, the Third Vendor, the Fourth Vendor, the Fifth Vendor and the Sixth Vendor, together, being the “**Chiu’s Family**”.
3. As at the date of this joint announcement, Pine Technology BVI has been indebted to (i) the Company of approximately US\$39.64 million; and (ii) Second Vendor of HK\$32 million (equivalent to approximately US\$4.12 million) pursuant to the Loan Agreements. Before the Disposal Completion, the total shareholders’ loans provided by the Company and Second Vendor is approximately US\$43.76 million and hence the shareholder loans provided by the Company and the Second Vendor to Pine Technology BVI represent approximately 90% and 10% respectively of the total shareholders’ loans provided by the Company and Second Vendor as shown above.
4. Simply Perfect Group Limited, a company incorporated in the BVI with limited liability, which is owned as to 41% by the Second Vendor (an executive Director), 33% by the Third Vendor (an executive Director), 13% by the Fourth Vendor (a non-executive Director) and 13% by the Fifth Vendor as at the date of this joint announcement.
5. The approximate amount of the consideration of the Disposal.
6. Immediately after the Disposal Completion and the Sale and Purchase Completion, Pine Technology BVI will be indebted to (i) the Company of approximately US\$42.56 million; and (ii) Simply Perfect of approximately US\$7.51 million. After the Disposal Completion, the total amount of the shareholders’ loans provided by the Company and Simply Perfect to Pine Technology BVI will be approximately US\$50.07 million. The shareholder loans provided by the Company and Simply Perfect to Pine Technology BVI, representing a proportion of approximately 85% and 15% to the total shareholders’ loans respectively as shown above.

Financial information on the Pine Technology BVI Group

Set out below is a summary of the key financial information of the Pine Technology BVI Group based on the unaudited consolidated financial information of the Pine Technology BVI Group for the years ended 30 June 2015 and 2016:

	For the year ended 30 June	
	2015	2016
	<i>unaudited</i>	<i>unaudited</i>
	<i>US\$’000</i>	<i>US\$’000</i>
Net loss before taxation	5,766	6,975
Net loss after taxation attributable to equity shareholders	6,568	6,361

The unaudited consolidated net asset value attributable to equity shareholders of the Pine Technology BVI Group as at 31 December 2016 was approximately US\$19,446,283 (equivalent to approximately HK\$150,883,710). Based on the unaudited consolidated net asset value of the Pine Technology BVI Group as at 31 December 2016, the unaudited consolidated net asset value attributable to 15% of the equity interest in the Pine Technology BVI Group as at 31 December 2016 was approximately US\$2,916,942 (equivalent to approximately HK\$22,632,553).

Pursuant to Rule 10 of the Takeovers Code, (i) the unaudited net profit before taxation and the unaudited net profit after taxation attributable to equity shareholders of Pine Technology BVI Group for the two years ended 30 June 2015 and 30 June 2016; and (ii) the unaudited consolidated net asset value attributable to equity shareholders of the Pine Technology BVI Group as at 31 December 2016 (together, the “Pine Technology BVI Group Financial Information”) constitute profit forecasts and should be reported on in accordance with Rule 10 of the Takeovers Code; and the reports must be included in this joint announcement in accordance with Rule 10.4 of the Takeovers Code. Due to the time constraint in issuing this joint announcement in compliance with Chapters 14 and 14A of the Listing Rules and the Inside Information Provision under Part XIVA of the SFO, the parties have encountered practical difficulties in meeting the reporting requirements under Rule 10 of the Takeovers Code for the purpose of this joint announcement. The Pine Technology BVI Group Financial Information does not meet the standard required under Rule 10 of the Takeovers Code.

Shareholders and potential investors of the Company are advised to exercise caution in placing reliance on the Pine Technology BVI Group Financial Information in assessing the merits and demerits of the Disposal and/or the Offers and/or when dealing in the Shares. The basis of preparation adopted by the Board on the compilation of the Pine Technology BVI Group Financial Information will be reported on by the Company’s financial advisers and auditors or accountants in the next document to be sent to the Shareholders pursuant to Rule 10 of the Takeovers Code. The Company expects the Circular relating to the Disposal to be despatched to the Shareholders will be the next Shareholder’s document.

3. IMPLICATIONS OF THE DISPOSAL AGREEMENT UNDER THE LISTING RULES AND THE TAKEOVERS CODE

Since the Disposal Agreement is not capable of being extended to all Shareholders, the Disposal constitutes a “special deal” under Rule 25 of the Takeovers Code, which requires the consent of the Executive and such consent, if granted, will normally be conditional upon the Independent Financial Adviser publicly stating in its opinion that the terms of the Disposal Agreement are fair and reasonable and the approval of the Independent Shareholders having been obtained by way of a poll at the SGM. An application will be made to the Executive for consent to proceed with the Disposal under Rule 25 of the Takeovers Code. Shareholders should note that such consent may or may not be granted by the Executive. As the obtaining of such consent is a Sale

and Purchase Condition which is not capable of being waived, the Sale and Purchase Completion will not take place if such consent is not obtained at or before the Sale and Purchase Long Stop Date (or such later date as the Offeror and the Shares Vendors may agree).

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. In addition, by virtue of the interests of the Second Vendor, the Third Vendor, the Fourth Vendor and the Fifth Vendor in Simply Perfect, Simply Perfect is a connected person of the Company and the Disposal also constitutes a connected transaction on the part of the Company, which is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

At the SGM, (i) the Shares Vendors, Simply Perfect, their respective associates and parties acting in concert with any of them; (ii) the Offeror, the Guarantor, their respective associates and parties acting in concert with any of them; and (iii) any Shareholders who are involved in or interested in the Sale and Purchase Agreement, the Disposal Agreement and any transactions contemplated thereunder shall abstain from voting on all the Shareholders' resolutions approving the Disposal Agreement.

Members of the Independent Board Committee will defer their views as to whether the terms of the Disposal Agreement (as a "special deal" for the purpose of Rule 25 of the Takeovers Code and/or connected transactions for the purpose of Chapter 14A of the Listing Rules) are fair and reasonable and in the interests of the Company and the Shareholders as a whole, until after advice has been sought from the Independent Financial Adviser, whose advice will be set out in the Circular.

4. POSSIBLE MANDATORY UNCONDITIONAL CASH OFFERS

Upon the Sale and Purchase Completion, the Offeror and parties acting in concert with it will be interested in 539,964,042 Shares, representing approximately 58.59% of the issued share capital of the Company as at the date of this joint announcement.

In accordance with Rules 13 and 26.1 of the Takeovers Code, on the Sale and Purchase Completion, the Offeror will be required to make mandatory unconditional offers in cash (i) for the Offer Shares, being all the Shares in issue during the Offer Period other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it; and (ii) to cancel all the Share Options. The Offers comprising the Share Offer and the Option Offer, if and when made, will be unconditional in all respects.

As at the date of this joint announcement, the Company has 921,584,783 Shares in issue and 1,000,000 outstanding Share Options which entitle the holders thereof to subscribe for 1,000,000 new Shares at an exercise price of HK\$0.207 per Share. There is no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in issue.

Subject to and upon the Sale and Purchase Completion, CCBI, being one of the financial advisers to the Offeror, will make the Offers on behalf of the Offeror in compliance with the Takeovers Code on the terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

The Share Offer

For each Offer Share HK\$0.651 in cash

The Share Offer Price of HK\$0.651 per Offer Share under the Share Offer is the same as the purchase price per Sale Share payable by the Offeror under the Sale and Purchase Agreement.

The Option Offer

For cancellation of each Share Option HK\$0.444 in cash

The Option Offer Price for each Share Option represents the difference between the Share Offer Price and the exercise price of HK\$0.207 of these Share Options.

The Share Offer Price

The Share Offer Price of HK\$0.651 per Offer Share represents:

- (a) a discount of approximately 4.26% to the closing price of HK\$0.68 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 5.65% to the average of the closing prices per Share as quoted on the Stock Exchange for the last 5 trading days up to and including the Last Trading Day of HK\$0.69;
- (c) a discount of approximately 6.06% to the average of the closing prices per Share as quoted on the Stock Exchange for the last 10 trading days up to and including the Last Trading Day of HK\$0.693;
- (d) a discount of approximately 7.00% to the average of the closing prices per Share as quoted on the Stock Exchange for the last 30 trading days up to and including the Last Trading Day of HK\$0.70; and

- (e) a premium of approximately 30.72% over the unaudited consolidated net asset value of approximately HK\$0.498 per Share as at 31 December 2016 calculated based on the unaudited consolidated net asset value of the Group as at 31 December 2016 of approximately HK\$458,611,213 and 921,584,783 Shares in issue as at the date of this joint announcement.

Highest and lowest Share price

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately preceding the date of the MOU Announcement up to and including the Last Trading Day were HK\$0.77 per Share on 1 February 2017 and 6 February 2017 and HK\$0.30 per Share on 2 September 2016 respectively.

Total value of the Offers

Based on the Share Offer Price of HK\$0.651 per Offer Share and 921,584,783 Shares (including the Sale Shares) in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at approximately HK\$599,951,694. As the Offeror is interested in 539,964,042 Shares immediately after Sale and Purchase Completion, 381,620,741 Shares will be subject to the Share Offer and in the event that the Share Offer is accepted in full, the maximum amount payable by the Offeror under the Share Offer will be approximately HK\$248,435,102 (assuming no Share Option is exercised prior to the close of the Share Offer).

Assuming none of the Share Options is exercised prior to the close of the Offers, 1,000,000 Share Options will be subject to the Option Offer and the Option Offer will be valued at HK\$444,000 based on the Option Offer Price. Based on the above, the aggregate value of the Offers will be approximately HK\$248,879,102.

Assuming that all the Share Options are exercised by the Optionholders prior to the close of the Offers, 382,620,741 Shares will be subject to the Share Offer and the Share Offer will be valued at approximately HK\$249,086,102.

Financial resources available to the Offeror

After taking into account of the First Deposit and the Second Deposit to be released to the Vendors upon the signing of the Sale and Purchase Agreement, the maximum aggregate amount payable by the Offeror for the remaining balance of the Consideration and the consideration payable upon full acceptances of the Share Offer (assuming all the Share Options are exercised before the close of the Share Offer) will be HK\$580,602,694.

The Offeror intends to finance and satisfy the remaining balance of the Consideration and the consideration payable under the Offers by cash and a credit facility provided by CCBI. CCBI, being one of the financial advisers to the Offeror, is satisfied that there are sufficient financial resources available to the Offeror to satisfy the Consideration and the consideration payable upon full acceptances of the Offers.

Effect of accepting the Offers

By accepting the Share Offer, the Shareholders will sell their Shares to the Offeror free from all Encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Share Offer is made, being the date of the despatch of the Composite Document. By accepting the Option Offer, the Optionholders will agree to the cancellation of their tendered Share Options and all rights attached thereto with effect from the date on which the Option Offer is made, being the date of the despatch of the Composite Document. Acceptances of the Offers shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Shareholders and Optionholders are reminded to read the recommendations of the Independent Board Committee and the advice of the Independent Financial Adviser appointed by the Independent Board Committee in respect of the Offers which will be included in the Composite Document.

Overseas Shareholders

The availability of the Offers to any Overseas Shareholders may be affected by the applicable laws and regulations of their relevant jurisdictions of residence. Overseas Shareholders should observe any applicable legal and regulatory requirements and, where necessary, consult their own professional advisers. It is the responsibilities of the Overseas Shareholders who wish to accept the Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such Overseas Shareholders in respect of such jurisdictions).

Any acceptance by any Overseas Shareholder will be deemed to constitute a representation and warranty from such Overseas Shareholder to the Offeror that the local laws and requirements have been complied with. Shareholders should consult their professional advisers if in doubt.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty on acceptance of the Share Offer at a rate of 0.1% of the consideration payable in respect of the acceptance by the Shareholders or if higher, the market value of the Offer Shares subject to such acceptance, will be deducted from the amount payable to those relevant Shareholders who accept the Share Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Shareholders who accept the Share Offer and pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the Share Offer and the transfers of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong). No stamp duty will be payable in connection with the Option Offer.

Payment

Payment (after deducting the accepting Shareholders' share of stamp duty) in cash in respect of acceptances of the Offers will be made as soon as possible but in any event within seven (7) business days (as defined under the Takeovers Code) of the receipt of duly completed acceptances. Relevant documents of title must be received to render each acceptance of the Offers complete and valid.

Taxation advice

Shareholders and Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offers. None of the Offeror, its concert parties, the Company, Optima Capital, CCBI, Veda Capital and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Offers accepts any responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offers.

Dealing and interests in the Company's securities

Save for the Sale and Purchase Agreement to which the Offeror is a party, none of the Offeror, its ultimate beneficial owner and parties acting in concert with any of them has dealt in any Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period prior to the date of the MOU Announcement and the period thereafter up to and including the date of this joint announcement.

Other arrangements

The Offeror confirmed that, save as disclosed in this joint announcement, as at the date of this joint announcement:

- (a) the Offeror, its ultimate beneficial owner, and/or parties acting in concert with any of them have not received any irrevocable commitment to accept the Offers;

- (b) there is no outstanding derivative in respect of securities in the Company which has been entered into by the Offeror, its ultimate beneficial owner and/or any person acting in concert with any of them;
- (c) there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of the Offeror or the Company and which may be material to the Offers (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (d) save for the Sale Shares, none of the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them owns or has control or direction over any voting rights or rights over the Shares, convertible securities, options, warrants or derivatives of the Company;
- (e) there is no agreement or arrangement to which the Offeror, its ultimate beneficial owner and/or parties acting in concert with any of them is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offers; and
- (f) there is no relevant security (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror, its ultimate beneficial owner, and/or any person acting in concert with any of them has borrowed or lent.

5. INFORMATION ON THE GROUP

The Company is principally engaged in investment holding. The Group is principally engaged in the design, manufacturing and distribution of personal computer based products and distribution of a wide range of personal computer and non-personal computer products through its extensive distribution network.

Shareholding structure of the Company

The following table sets out the shareholding structures of the Company (i) as at the date of this joint announcement; (ii) immediately after Sale and Purchase Completion but before the Offers (assuming that none of the Share Options have been exercised); and (iii) immediately after Sale and Purchase Completion but before the Offers (assuming that all of the 1,000,000 Share Options have been exercised by the Optionholders):

	(i) As at the date of this joint announcement		(ii) Immediately after Sale and Purchase Completion but before the Offers (assuming that none of the 1,000,000 Share Options have been exercised)		(iii) Immediately after Sale and Purchase Completion but before the Offers (assuming that all of the 1,000,000 Share Options have been exercised)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
The Offeror and parties acting in concert with it	–	–	539,964,042	58.59	539,964,042	58.53
Shares Vendors						
The First Vendor (Note i)	196,500,000	21.32	–	–	–	–
The Second Vendor (Note ii)	19,902,465	2.16	–	–	–	–
The Third Vendor (Note iii)	174,889,563	18.98	–	–	–	–
The Fourth Vendor (Note iv)	66,051,465	7.17	–	–	–	–
The Fifth Vendor	67,944,591	7.37	–	–	–	–
The Sixth Vendor	14,675,958	1.59	–	–	–	–
Sub-total	539,964,042	58.59	539,964,042	58.59	539,964,042	58.53
Independent Shareholders	381,620,741	41.41	381,620,741	41.41	382,620,741	41.47
Total	921,584,783	100.00	921,584,783	100.00	922,584,783	100.00

Notes:

- (i) The First Vendor is a company incorporated in the BVI and is wholly and beneficially owned by Mr. Chiu Hang Tai, who is also the Second Vendor, the sole director of the First Vendor and an executive Director. Mr. Chiu Hang Tai was deemed to be interested in all the Shares in which the First Vendor was interested by virtue of the SFO.
- (ii) The Second Vendor is an executive Director.
- (iii) The Third Vendor is an executive Director.
- (iv) The Fourth Vendor is a non-executive Director.

6. INFORMATION OF THE OFFEROR

The Offeror is an investment holding company incorporated in the BVI with limited liability and is wholly owned by South Pearl Ventures Limited, which in turn is wholly owned by the Guarantor, who is also the sole director of the Offeror and South Pearl Ventures Limited. The Guarantor (i.e. Mr. Zhang), aged 51, is the chairman of the board, an executive director, chairman of the nomination committee and a member of the remuneration committee of North Asia Resources Holdings Limited, a company whose shares are listed on the Main Board (stock code: 61). Mr. Zhang obtained a bachelor's degree in accounting from 山西財經大學 (Shanxi University of Finance & Economics*) and a master's degree in business administration from 長江商學院 (Cheung Kong Graduate School of Business*). He has over 20 years of experience in corporate management in mining, investment, finance and other industries.

The Offeror, its ultimate beneficial owner and parties acting in concert with any of them are third parties independent of and not connected with the Company and its connected persons.

7. OFFEROR'S INTENTION ON THE COMPANY

It is the intention of the Offeror to continue with the Group's existing principal business. The Offeror reserves the right to make any changes it deems necessary or appropriate to the Group's business and operations to increase the value of the Group. As at the date of this joint announcement, the Offeror has no intention to discontinue the employment of the employees (save for the proposed changes to the composition of the Board as detailed below) or to dispose of or re-deploy the assets of the Group.

Proposed change of the Board composition

The Board is currently made up of seven Directors, comprising (i) Mr. Chiu Hang Tai and Mr. Chiu Samson Hang Chin as executive Directors; (ii) Mr. Chiu Herbert Hang Tat and Mr. Li Chi Chung as non-executive Directors; and (iii) Mr. So Stephen Hon Cheung, Dr. Huang Zhijian and Dr. Chung Wai Ming as independent non-executive Directors.

Under the Sale and Purchase Agreement, the Shares Vendors have agreed to procure such persons as may be required by the Offeror to resign as Directors at the earliest time permitted under the Takeovers Code and such resignation will take effect from the later of (i) the date of Sale and Purchase Completion; and (ii) the date of the close of the Offer Period, subject to the requirements of the Takeovers Code. Furthermore, the Offeror intends to nominate new Directors to the Board after the Sale and Purchase Completion, with effect from a date which is no earlier than such date as permitted under Rule 26.4 of the Takeovers Code. As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated as new Directors or who will be required to resign as Directors. Any changes to the Board composition will be announced by the Company and made in compliance with the Takeovers Code and the Listing Rules.

8. MAINTENANCE OF THE LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offers. The sole director of the Offeror and the proposed Directors who would be nominated by the Offeror and appointed as Directors will jointly and severally undertake to the Stock Exchange to take appropriate steps as soon as possible following the close of the Offers to ensure that sufficient public float exists for the Shares.

The Stock Exchange has stated that if, at the close of the Offers, less than the minimum prescribed percentage applicable to the Company, being 25%, of the Shares are held by the public or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend trading in the Shares until the prescribed level of public float is restored.

9. ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE OF THE COMPANY AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

In connection with the Disposal and the Offers and in accordance with the Takeovers Code and the Listing Rules, the Company has formed the Independent Board Committee, comprising Mr. So Stephen Hon Cheung, Dr. Huang Zhijian and Dr. Chung Wai Ming, being all the independent non-executive Directors, to advise (i) the Independent Shareholders on (a) whether the Disposal is in the interests of the Company and the Shareholders as a whole, (b) whether the terms of the Disposal Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned, and are in the ordinary and usual course of business of the Group, and (c) the voting action that should be taken; and (ii) the Independent Shareholders and the Optionholders in respect of the terms of the Offers and as to acceptance of the Offers. The non-executive Directors, namely, Mr. Chiu Herbert Hang Tat and Mr. Li Chi Chung, are not included in the Independent Board Committee as (i) Mr. Chiu Herbert Hang Tat, who is the Fourth Vendor, has direct interests in the Offers; and (ii) Mr. Li Chi Chung was appointed by certain Directors and their associates as their legal adviser in relation to the Disposal and the Offers and hence Mr. Li Chi Chung is considered as having an indirect interest in the Offers.

Red Sun Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of (i) the Disposal Agreement and transactions contemplated thereunder; and (ii) the Offers. The appointment of Red Sun Capital Limited as the independent financial adviser has been approved by the Independent Board Committee.

10. GENERAL

SGM

The SGM will be convened to approve, among others, the Disposal Agreement and the transactions contemplated thereunder. The Circular containing, among other things, information regarding the Disposal Agreement and transactions contemplated thereunder, the recommendation from the Independent Board Committee and the advice of the Independent Financial Adviser on the Disposal Agreement and transactions contemplated thereunder, and the notice of the SGM is expected to be despatched by the Company to the Shareholders on or before 14 April 2017.

Despatch of the Composite Document

Pursuant to the Takeovers Code, within 21 days after the date of this joint announcement or such later date as the Executive may approve, the Offeror is required to despatch an offer document in relation to the Offers and the Company is required to send to Shareholders and the Optionholders within 14 days of the posting of the offer document a circular containing, among other things, financial information of the Company, information as required under the Takeovers Code, together with any other information the Company considers to be relevant to enable the Shareholders and the Optionholders to reach a properly informed decision on the Offers. It is the intention of the Offeror and the Board that the offer document and the offeree board circular in respect of the Offers be combined in the Composite Document. Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, the consent of the Executive is required if the making of the Offers are subject to the prior fulfillment of certain pre-conditions and the pre-conditions cannot be fulfilled within the time period required by Rule 8.2 of the Takeovers Code.

As the making of the Offers is conditional upon the Disposal Completion and the Sale and Purchase Completion, an application will be made to the Executive to extend the deadline for the despatch of the Composite Document, together with the form(s) of acceptance and transfer, to a date within 7 days upon the Disposal Completion and the Sale and Purchase Completion or such later date as the Executive may approve. Further announcement(s) will be made by the Offeror and the Company on the timing of the despatch of the Composite Document.

11. DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the respective associates (as defined under the Takeovers Code which includes, among others, a person who owns or controls 5% or more of any class of relevant securities) of the Company and the Offeror are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

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

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates 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 of the Takeovers Code. 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 HK\$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.”

12. TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 23 March 2017 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 27 March 2017.

WARNING

Shareholders and potential investors of the Company should note that the Disposal Completion and the Sale and Purchase Completion are conditional upon the fulfillment or waiver of certain Disposal Conditions and Sale and Purchase Conditions respectively and the Offers will only be made if the Disposal Completion and the Sale and Purchase Completion take place. Accordingly, the Disposal Completion and the Sale and Purchase Completion may or may not take place and the Offers may or may not proceed.

Shareholders and potential investors should also note that the Independent Board Committee has yet to consider and evaluate the Offers and the terms of the Disposal. Insofar as the Company is concerned, this joint announcement is made in compliance with the Takeovers Code for the sole purpose of informing the Shareholders of the fact that the Company has been informed that the Offers may be made. The Directors make no recommendation as to the fairness or reasonableness of the Offers or as to the acceptance of the Offers in this joint announcement and strongly recommend the Shareholders not to form a view on the Offers

unless and until they have received and read the Composite Document, including the recommendations of the Independent Board Committee in respect of the Offers and a letter of advice from the Independent Financial Adviser.

Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

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

“acting in concert”	has the same meaning ascribed to it under the Takeovers Code
“Alliance Express” or “First Vendor”	Alliance Express Group Limited, a company incorporated in the BVI with limited liability, which is wholly and beneficially owned by the Second Vendor and directly held 196,500,000 Shares as at the date of the Sale and Purchase Agreement
“associate”	has the same meaning ascribed to it under the Listing Rules
“Bank Corporate Guarantees”	all the corporate guarantees given by the Company in favour of any banks and/or financial institutions to secure the indebtedness, liabilities and/or obligations of the Group owed to such banks and/or financial institutions and subsisting as at the date of the Sale and Purchase Agreement
“Board”	the board of Directors
“Business Day”	any day (other than Saturday and Sunday and public holiday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. to 5:00 p.m. and is not lowered at or before 5:00 p.m. or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 5:00 p.m. and is not discontinued at or before 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“BVI”	the British Virgin Islands

“CCBI”	CCB International Capital Limited, a licensed corporation under the SFO permitted to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being one of the financial advisers to the Offeror in respect of the Offers
“Circular”	the circular in relation to the Disposal Agreement to be despatched by the Company to the Shareholders
“Company”	PINE Technology Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board (Stock Code: 1079)
“Completion Escrow Agent”	the escrow agent to be jointly appointed by the Offeror and the Shares Vendors
“Composite Document”	the formal composite document proposed to be jointly issued by or for and on behalf of the Offeror and the Company in connection with the Offers in accordance with the Takeovers Code containing, amongst other things, detailed terms of the Offers
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Consideration”	the total consideration of HK\$351,516,591 payable by the Offeror to the Shares Vendors pursuant to the Sale and Purchase Agreement
“Corporate Guarantees”	collectively, the Bank Corporate Guarantees and the Supplier Corporate Guarantees
“Director(s)”	the director(s) of the Company
“Disposal”	the proposed disposal of 15% of the issued share capital of Pine Technology BVI by the Company to Simply Perfect pursuant to the Disposal Agreement
“Disposal Agreement”	the disposal agreement dated 22 March 2017 and entered into between the Company and Simply Perfect simultaneously with the Sale and Purchase Agreement, pursuant to which the Company agreed to sell and Simply Perfect agreed to purchase 15% of the issued share capital of Pine Technology BVI on and subject to the terms and conditions contained therein
“Disposal Completion”	the completion of the Disposal in accordance with the terms and conditions of the Disposal Agreement

“Disposal Completion Date”	the date of completion of the Disposal Agreement
“Disposal Conditions”	the conditions to the Disposal Completion, as set out in the subsection headed “Disposal Conditions” under the section headed “2. The Disposal – Disclosable and Connected Transaction and Special Deal” in this joint announcement
“Disposal Shares”	1,500 issued shares of Pine Technology BVI, representing 15% of the issued share capital of Pine Technology BVI
“Encumbrances”	any mortgage, charge, pledge, lien, hypothecation or other encumbrance, priority or security interest or deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same
“Executive”	Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Fifth Vendor”	Ms. Chiu Man Wah, who directly held 67,944,591 Shares as at the date of the Sale and Purchase Agreement
“Fourth Vendor”	Mr. Chiu Herbert Hang Tat, who directly held 66,051,465 Shares as at the date of the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“Guarantor” or “Mr. Zhang”	Mr. Zhang Sanhuo (張三貨先生), being the sole beneficial owner of the Offeror
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Board Committee”	the independent committee of the Board, comprising three independent non-executive Directors, namely Mr. So Stephen Hon Cheung, Dr. Huang Zhijian and Dr. Chung Wai Ming, which has been established to advise the Independent Shareholders on the Disposal and the Offers

“Independent Financial Adviser”	Red Sun Capital Limited, a corporation licensed to carry out Type 6 (advising on corporate finance) regulated activity as defined under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Disposal and the Offers
“Independent Shareholder(s)”	Shareholders other than (i) the Shares Vendors, Simply Perfect, their respective associates and parties acting or presumed to be acting in concert with any of them; (ii) the Offeror, the Guarantor, their respective associates and parties acting in concert with any of them; and (iii) those Shareholders who are involved or interested in the Disposal Agreement and/or the Sale and Purchase Agreement and the transactions contemplated thereunder
“Last Trading Day”	22 March 2017, being the last full trading day for the Shares prior to the suspension of trading in the Shares pending the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Agreements”	the loan agreements dated 15 February 2017 and entered into between Pine Technology Macao as borrower and Mr. Chiu Hang Tai as lender in relation to the provision of unsecured term loan facilities in the aggregate principal amount of HK\$32 million
“Main Board”	Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM Board of the Stock Exchange
“MOU”	the memorandum of understanding dated 17 January 2017 (as amended and supplemented on 1 March 2017) entered into between the Shares Vendors and the Offeror in relation to the sale and purchase of the Sale Shares
“MOU Announcement”	announcement of the Company dated 18 January 2017 in relation to the MOU which was issued pursuant to Rule 3.7 of the Takeovers Code
“Offer Period”	has the same meaning ascribed to it under the Takeovers Code
“Offer Share(s)”	all the Share(s) in issue, other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it

“Offeror”	Sage Global Holdings Limited, a company incorporated in BVI with limited liability
“Offers”	collectively, the Share Offer and the Option Offer
“Optima Capital”	Optima Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being one of the financial advisers to the Offeror
“Optionholder(s)”	the holder(s) of the Share Option(s)
“Option Offer”	the possible mandatory unconditional cash offer to be made by CCBI for and on behalf of the Offeror to cancel the outstanding Share Options on the terms and conditions set out in the Composite Document and in compliance with the Takeovers Code
“Option Offer Price”	the price per Share Option at which the Option Offer will be made in cash
“Overseas Shareholders”	Independent Shareholders whose addresses as shown on the register of members of the Company are outside Hong Kong
“Pine Technology BVI”	Pine Technology (BVI) Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company prior to the Disposal Completion
“Pine Technology BVI Group”	Pine Technology BVI and its subsidiaries
“Pine Technology Macao”	Pine Technology (Macao Commercial Offshore) Limited, which is a wholly-owned subsidiary of Pine Technology BVI
“PRC”	the People’s Republic of China which, for the purpose of this joint announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Sale and Purchase Agreement”	the sale and purchase agreement dated 22 March 2017 and entered into amongst the Shares Vendors, the Offeror and the Guarantor in relation to the sale and purchase of the Sale Shares

“Sale and Purchase Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement
“Sale and Purchase Completion Date”	the fifth Business Day after the day on which the last of the Sale and Purchase Conditions are fulfilled or waived (as the case may be) or such later date as the Offeror, the Guarantor and the Shares Vendors may agree in writing
“Sale and Purchase Conditions”	the conditions precedent to Sale and Purchase Completion which are summarized under the subsection headed “Sale and Purchase Conditions” under the section headed “1. Sale and Purchase Agreement” in this joint announcement
“Sale and Purchase Long Stop Date”	22 June 2017 or such later date as may be agreed among the parties to the Sale and Purchase Agreement
“Sale Shares”	a total of 539,964,042 Shares agreed to be acquired by the Offeror from the Shares Vendors pursuant to the terms of the Sale and Purchase Agreement, representing approximately 58.59% of the existing issued share capital of the Company as at the date of this joint announcement
“Second Vendor”	Mr. Chiu Hang Tai, who directly held 19,902,465 Shares as at the date of the Sale and Purchase Agreement
“SFC”	Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting of the Company to be convened to seek the approval of the Independent Shareholders in respect of the Disposal Agreement and the respective transactions contemplated thereunder
“Share (s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Share Offer”	the possible mandatory unconditional cash offer to be made by CCBI for and on behalf of the Offeror to acquire the Offer Shares on the terms and conditions set out in the Composite Document and in compliance with the Takeovers Code

“Share Offer Price”	the price of HK\$0.651 per Offer Share payable in cash by the Offeror on the terms of the Share Offer
“Share Option(s)”	the outstanding share option(s) granted by the Company under its share option scheme adopted on 16 April 2003 or the share option scheme conditionally adopted by the Company on 22 November 2013 (as the case may be)
“Shareholder(s)”	holder(s) of Share(s)
“Shareholders’ Agreement”	the shareholders’ agreement to be entered into at the Disposal Completion amongst the Company, Simply Perfect and Pine Technology BVI pursuant to the Disposal Agreement
“Shares Vendors”	collectively the First Vendor, the Second Vendor, the Third Vendor, the Fourth Vendor, the Fifth Vendor and the Sixth Vendor
“Simply Perfect”	Simply Perfect Group Limited, a company incorporated in the BVI with limited liability which is owned as to 41% by the Second Vendor (an executive Director), 33% by the Third Vendor (an executive Director), 13% by the Fourth Vendor (a non-executive Director) and 13% by the Fifth Vendor
“Sixth Vendor”	Ms. Wong Wai Ying, who directly held 14,675,958 Shares as at the date of the Sale and Purchase Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplier Corporate Guarantees”	all the corporate guarantees given by the Company in favour of any suppliers of the Group to secure the indebtedness, liabilities and/or obligations of the Group owed to such suppliers and subsisting as at the date of the Sale and Purchase Agreement
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers in force from time to time
“Third Vendor”	Mr. Chiu Samson Hang Chin, who directly held 174,889,563 Shares as at the date of the Sale and Purchase Agreement
“U.S.”	the United States of America
“US\$”	US dollars, the lawful currency of the U.S.

“Veda Capital” Veda Capital Limited, a licensed corporation permitted to carry out business in type 6 (advising on corporate finance) regulated activity under the SFO, which is appointed as the financial adviser to the Company in respect of the Disposal and the Offers

“%” per cent.

Sage Global Holdings Limited
Zhang Sanhuo
Sole Director

By order of the Board
PINE Technology Holdings Limited
Chiu Hang Tai
Chairman

Hong Kong, 24 March 2017

As at the date of this joint announcement, the executive Directors are Mr. Chiu Hang Tai and Mr. Chiu Samson Hang Chin, the non-executive Directors are Mr. Chiu Herbert Hang Tat and Mr. Li Chi Chung, and the independent non-executive Directors are Mr. So Stephen Hon Cheung, Dr. Huang Zhijian and Dr. Chung Wai Ming.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror, its ultimate beneficial owner and parties acting in concert with any of them), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinion expressed by the Offeror, its ultimate beneficial owner and parties acting in concert with any of them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

As at the date of this joint announcement, Mr. Zhang Sanhuo is the sole director of the Offeror.

The sole director of the Offeror accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, the Shares Vendors and parties acting in concert with any of them), and confirms, having made all reasonable enquires, that to the best of his knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the Group, the Shares Vendors and parties acting in concert with any of them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement contained in this joint announcement misleading.

Unless otherwise specified, conversions of US\$ into HK\$ in this joint announcement are based on the exchange rate of US\$1.00 = HK\$7.759 for illustration purpose only. No representation is made that any amounts in US\$ or HK\$ can be or could have been converted at the relevant dates at the above rate or any other rates or at all.

The English text of this joint announcement shall prevail over its Chinese text.

* For identification purposes only