



PERFECT GROUP

保發集團

**PERFECT GROUP INTERNATIONAL HOLDINGS LIMITED**

**保發集團國際控股有限公司**

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

**(Stock Code: 3326)**

*Executive Directors:*

Mr. Kan Kin Kwong (*Chairman*)

Ms. Shek Mei Chun

Mr. Chung Chi Keung

*Registered office:*

Cricket Square, Hutchins Drive

P.O. Box 2681, Grand Cayman KY1-1111

Cayman Islands

*Independent non-executive Directors:*

Dr. Ng Wang Pun Dennis

Ms. Ng Sin Kiu

Mr. Wong Wai Keung Frederick

*Principal place of business in Hong Kong:*

26/F, YHC Tower

No. 1 Sheung Yuet Road

Kowloon Bay

Hong Kong

18 September 2025

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF  
PERFECT GROUP INTERNATIONAL HOLDINGS LIMITED  
BY THE OFFEROR  
BY WAY OF A SCHEME OF ARRANGEMENT UNDER  
SECTION 86 OF THE COMPANIES ACT OF THE CAYMAN ISLANDS  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING**

## **INTRODUCTION**

Reference is made to the Announcement.

On 30 May 2025, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of the Scheme. The Scheme will involve the cancellation and extinguishment of the Scheme Shares and, in consideration, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Scheme Share cancelled and the withdrawal of listing of the Shares on the Stock Exchange.

## **TERMS OF THE PROPOSAL**

### **The Scheme**

Subject to the satisfaction or waiver (where applicable) of the Conditions and the Scheme becoming effective, all Scheme Shares will be cancelled and the Scheme Shareholders will be entitled to receive from the Offeror:

For every Scheme Share cancelled . . . . . HK\$0.25 in cash

If the Proposal is approved and implemented, under the Scheme, all Scheme Shares will be cancelled on the Effective Date. Contemporaneously with the cancellation and extinguishment of the Scheme Shares, the share capital of the Company will be maintained at the amount immediately prior to the cancellation and extinguishment of the Scheme Shares by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of new Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Company's books of account as a result of the cancellation and extinguishment of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror.

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and extinguished (with the equivalent number of new Shares being simultaneously issued and credited as fully paid to the Offeror) and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, with effect from the Effective Date.

In compliance with Rule 20.1(a) of the Takeovers Code, after the Scheme has become effective, the Cancellation Price for the cancellation of the Scheme Shares will be paid to the relevant Scheme Shareholders whose names appear in the Register on the Scheme Record Date as soon as practicable, but in any event no later than seven (7) Business Days after the Effective Date.

### **Comparison of value**

The Cancellation Price of HK\$0.25 represents:

- (a) a premium of approximately 5.04% over the closing price of HK\$0.238 per share as quoted on the Stock Exchange on the Latest Practicable Date;
- (b) a premium of approximately 61.29% over the closing price of HK\$0.155 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a premium of approximately 61.29% over the average closing price of approximately HK\$0.155 per Share as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Day;
- (d) a premium of approximately 62.34% over the average closing price of approximately HK\$0.154 per Share as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day;
- (e) a premium of approximately 58.23% over the average closing price of approximately HK\$0.158 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (f) a discount of approximately 45.30% to the audited consolidated net asset value per Share of approximately HK\$0.457 as at 31 December 2024, based on (i) the audited net asset value attributable to owners of the Company of approximately HK\$609,939,000 as at 31 December 2024 and (ii) 1,335,078,000 Shares in issue as at the Latest Practicable Date;
- (g) a discount of approximately 45.57% to the unaudited consolidated net asset value per Share of approximately HK\$0.46 as at 30 June 2025, based on (i) the unaudited net asset value attributable to owners of the Company of approximately HK\$613,165,000 as at 30 June 2025; and (ii) 1,335,078,000 Shares in issue as at the Latest Practicable Date; and

- (h) a discount of approximately 50.70% to the Adjusted NAV attributable to the Shareholders per Share of approximately HK\$0.51. The Adjusted NAV is calculated by taking into account the effect of revaluation surplus arising from the valuation of the Property interest attributable to the Group as of 30 June 2025. For details of Adjusted NAV please refer to Property Interests and Adjusted Net Asset Value section in Appendix I — Financial Information of the Group to this Scheme Document.

### **Highest and lowest prices**

During the six-month period ended on and including the Last Trading Day and up to the Latest Practicable Date, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.245 on 17 June 2025, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.152 on 7 May 2025 and 14 May 2025.

### **Basis for determining the Cancellation Price**

The Cancellation Price has been determined after taking into account the outlook of the Company, the historical trading prices and liquidity of the Shares on the Stock Exchange in the past year.

The principal businesses of the Company are (a) Jewellery Business; (b) Property Business; and (c) Energy Business. The Jewellery Business has been hit by the weakened global macroeconomic environment and heightened geopolitical tensions. The Group has already downsized its operation in the PRC as the market showed no sign of significant recovery in 2024. The global market of the Jewellery Business has also been facing challenges, particularly the US market. The continuing geopolitical tensions between China and the US, coupled with the high tariff on exports imposed by the US administration, have created a highly uncertain and challenging market environment for the Jewellery Business. Regarding the Property Business, the Group has commenced the delivery of the completed units to its buyers since the second half of 2018 and the vast majority of the revenue from the possible sale of properties has already been recognised by the Group. In light of the weak market sentiment of the PRC property market, the Group does not have any new property development project on hand nor any plan to commence or acquire any new project. As such, no significant increase in revenue is expected from the Property Business, and the Property Business will primarily rely on revenue generated from the sale of remaining units and car parks held by the Group and income from property management business in the coming few years. In addition, the Energy Business has only a relatively short period of operation with a relatively small scale compared to the Group's other business segments and due to the keen market competition in the PRC, it is expected that the pace of growth of the Energy Business will be restricted. Based on the above, it is unrealistic to expect the Group to attain steady growth in terms of revenue. In fact, the Group recorded a significant decline in net profit

and a reduction of dividend payout by 50% to HK\$0.01 per Share in FY2024. The Offeror is of the view that privatisation and delisting of the Shares from the Stock Exchange allows the Company to focus on formulating and implementing long-term strategy to cope with this turbulent time.

The Proposal provides Scheme Shareholders with an opportunity to realise their investments in the Company for cash at an attractive premium to the prevailing trading prices of the Shares. As set out in the section headed “TERMS OF THE PROPOSAL” in Part III — Letter from the Board of this Scheme Document, the Cancellation Price represents a premium of approximately 61.29%, 62.34% and 58.23% over the average closing price of approximately HK\$0.155, HK\$0.154 and HK\$0.158 per Share for the 5, 10 and 30 trading days, respectively, up to and including the Last Trading Day. Moreover, the Cancellation Price represents an approximate premium of approximately 64.47% over the lowest closing price of HK\$0.152 per Share in the past six months; and a premium of approximate 2.04% to the highest closing price of HK\$0.245 per Share in the past six months.

The trading liquidity of the Shares has been low. The average daily trading volume of the Shares for the approximate one-month period, three-month period and six-month period up to and including the Last Trading Day were approximately 25,800 Shares, 49,950 Shares and 55,688 Shares per trading day, representing only approximately 0.0019%, 0.0037% and 0.0042%, respectively, of the 1,335,078,000 Shares in issue as at the Latest Practicable Date, and approximately 0.0086%, 0.0167% and 0.0186%, respectively of the 299,250,218 Shares held by Disinterested Scheme Shareholders as at the Latest Practicable Date. The low trading liquidity of the Shares could make it difficult for the Scheme Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares, or to dispose of a large number of Shares if an event that has an adverse impact on the Share price occurs. The low liquidity in the trading of the Shares has also affected the Company’s ability to raise funds from the equity market, which makes the Company’s current listing platform no longer an effective fund-raising platform for the Company’s business and future growth.

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

## **Dividend payment by the Company**

On 24 March 2025, the Board proposed the payment of a final dividend of HK\$0.01 per Share for the year ended 31 December 2024. The last annual general meeting of the Company was held on 2 June 2025, at which, the resolution was passed for the approval of the payment of dividend for the year ended 31 December 2024. The final dividend of the Company for the year ended 31 December 2024 was paid on 7 July 2025.

As at the Latest Practicable Date, the Company does not intend to declare and/or pay any dividend before the Effective Date or the date on which the Scheme is not approved, or the Proposal otherwise lapses or is withdrawn (as the case may be).

Save for the final dividend of the Company of HK\$0.01 per Share for the year ended 31 December 2024, which will not be deducted from the Cancellation Price, if, after the Latest Practicable Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or other return of capital, as the case may be, after consultation with the Executive, in which case any reference in this Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

## **Conditions of the Proposal and the Scheme**

The Proposal and the Scheme will only become effective and binding on the Company and all of the Scheme Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (a) the approval of the Scheme (by way of poll) by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at Court Meeting, present and voting either in person or by proxy at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) at the Court Meeting by the Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Scheme Shareholders that are cast either in person or by proxy at the Court Meeting and the number of votes cast by Disinterested Scheme Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by the Disinterested Scheme Shareholders;

- (c) the passing of (i) a special resolution by a majority of at least 75% of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to any reduction of the issued share capital of the Company as a result of cancelling and extinguishing the Scheme Shares and (ii) an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve the issue to the Offeror of such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished as a result of the Scheme and the application of the credit arising in the Company's books of accounts as a result of the cancellation and extinguishment of the Scheme Shares in paying up in full at par value the new Shares issued to the Offeror;
- (d) the sanction of the Scheme (with or without modification) by the Grand Court and if necessary its confirmation of any reduction of the issued share capital of the Company as a result of the cancellation and extinguishment of the Scheme Shares, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of (and if necessary, minutes approved by) the Grand Court for registration;
- (e) all Approvals which are (i) required in connection with the Proposal by (1) the Applicable Laws or (2) any licenses, permits or contractual obligations of the Company; and (ii) material in the context of the Group (taken as a whole), having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification up to and as at the Effective Date;
- (f) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal);
- (g) all the Applicable Laws having been complied with and no legal or regulatory requirement having been imposed by any Authority which is not expressly provided for, or is in addition to the requirements expressly provided for, in the Applicable Laws in connection with the Proposal which are material in the context of the Group (taken as a whole), in each case up to and as at the Effective Date; and
- (h) since the date of the Announcement, there having been no adverse change to the business, financial or trading position of the Group taken as a whole, to an extent that is material in the context of the Proposal or the Scheme.

The Conditions set out in paragraphs (a) to (d) and (e)(i)(1) above cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (e) to (h) (other than (e)(i)(1)) in whole or in part. The Company does not have the right to waive any of the Conditions. All of the above Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date (or such later date as the Offeror and the Company may agree or, to the extent applicable, as the Executive may consent and the Grand Court may direct), failing which the Scheme will not become effective and the Proposal will lapse.

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

In respect of Condition (e)(i)(2), the Company and/or the Offeror is not aware of any such approvals other than those stipulated in a loan facility agreement entered into by the Company with a licensed bank in Hong Kong as at the date of the Announcement. After discussion with the bank, such loan facility agreement was cancelled on 14 August 2025, and the Company and/or the Offeror is not aware of any other such approvals as at the Latest Practicable Date.

As at the Latest Practicable Date and based on the information available to the Offeror and the Company, other than the Approvals listed in the Conditions in paragraphs (a) to (d) (inclusive), and the approval by the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange, the Offeror and the Company are not aware of any other Approvals which are required as set out in the Condition in paragraph (e) above, and the Offeror and the Company are also not aware of any other circumstances which may result in any of the Conditions in paragraphs (e) to (h) (inclusive) not being satisfied. In particular, as at the Latest Practicable Date, the Company is not aware of any Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry as set out in the Condition in paragraph (f).

If approved, the Scheme will be binding on the Company and all the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

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



## **TOTAL CONSIDERATION AND FINANCIAL RESOURCES**

As at the Latest Practicable Date, there are 1,335,078,000 Shares in issue, and there are 519,585,000 Scheme Shares (representing approximately 38.92% of the issued Shares) in issue. There are no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares.

On the basis of the Cancellation Price of HK\$0.25 per Scheme Share and 519,585,000 Scheme Shares being in issue as at the Latest Practicable Date and assuming that there is no other change in the shareholding of the Company before the Scheme Record Date, the Scheme Shares are in aggregate valued at HK\$129,896,250, which represents the amount of cash required for the Scheme.

The Offeror's payment obligations to the Scheme Shareholders in respect of the Cancellation Price in cash pursuant to and in accordance with the Scheme shall be fulfilled by the Offeror. The Offeror intends to finance the cash required for the cancellation and extinguishment of the Scheme Shares with the Offeror's internal cash resources.

Zhongtai Capital has been appointed as financial adviser to the Offeror in respect of the Proposal and is satisfied that sufficient financial resources are available to the Offeror for discharging its obligations in respect of the cash consideration payable under the Proposal in accordance with its terms.

## **IRREVOCABLE UNDERTAKINGS**

On 3 June 2025, the Offeror received the respective Irrevocable Undertakings from each of the IU Shareholders (comprising Classic Amber, Richemont Asset Management and Cachet Asset Management), pursuant to which each of the IU Shareholders has undertaken to, among other things, (i) for Classic Amber, (a) to vote in favour at the Court Meeting and (b) exercise (or procure the exercise of) all voting rights attached to the IU Shares held or owned by it at the EGM in favour of all the resolutions to approve the Proposal and any matters in connection with the Proposal, (ii) for each of Richemont Asset Management and Cachet Asset Management, (a) abstain from voting at the Court Meeting and (b) exercise (or procure the exercise of) all voting rights attached to the IU Shares held or owned by it at the EGM in favour of all the resolutions to approve the Proposal and any matters in connection with the Proposal (where applicable). Each of the IU Shareholders also undertook that it will not, on or before the Effective Date, and other than in connection with the Scheme, sell, transfer, charge, encumber, create or grant any option, right, warrant or lien over or otherwise dispose of, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the legal, beneficial or economic consequences of

ownership of, or grant any proxy or enter into any voting agreement or similar arrangement with respect to the voting of, or permit any such action to occur in respect of, all or any of the IU Shares or any interest therein.

All the issued shares of Cachet Asset Management are ultimately and beneficially owned by Ms. Chow who is also the sole shareholder of Richemont Asset Management. Cachet Asset Management is the investment advisor of Mr. Kan, therefore, Ms. Chow, Cachet Asset Management and Richemont Asset Management are deemed to be the Offeror Concert Parties pursuant to Class (5) of the definition of “acting in concert” under the Takeovers Code. In accordance with the requirements of the relevant laws and regulations (including the Takeovers Code), each of Cachet Asset Management and Richemont Asset Management will abstain from voting on the Scheme at the Court Meeting. As at the Latest Practicable Date, Richemont Asset Management and Cachet Asset Management hold an aggregate of 89,339,782 Shares representing approximately 6.69% of the total Shares in issue, which will form part of the Scheme Shares and will be cancelled and extinguished upon the Scheme becoming effective.

The Irrevocable Undertakings, being binding irrevocable undertakings, will terminate and the above obligations of the IU Shareholders under the Irrevocable Undertakings will cease to be binding if the Scheme does not become effective, lapses or is withdrawn in accordance with its terms.

As at the Latest Practicable Date, information on the IU Shareholders is set out as follows:

### **Classic Amber**

Classic Amber is a company incorporated in the British Virgin Islands with limited liability, and Mr. Jacky Luo is the ultimate and sole beneficial shareholder of it. As at the Latest Practicable Date, Classic Amber is interested in an aggregate of 101,232,000 Shares, representing approximately 7.58% of the issued share capital of the Company, all of such 101,232,000 Shares held by Classic Amber are subject to the Irrevocable Undertaking of Classic Amber. Save for the Irrevocable Undertaking from Classic Amber, there is no agreement, arrangement or understanding between Classic Amber and Mr. Jacky Luo on one part and the Offeror and Mr. Kan on the other part with respect to the Company. Classic Amber and Mr. Jacky Luo on one part and the Offeror and Mr. Kan on the other part are not acting in concert and do not fall under any of the classes of presumptions of acting in concert under the Takeovers Code.

## **Richemont Asset Management**

Richemont Asset Management is a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is ultimately and beneficially owned by Ms. Chow. As at the Latest Practicable Date, Richemont Asset Management is interested in an aggregate of 87,426,997 Shares, representing approximately 6.55% of the issued share capital of the Company, all of such 87,426,997 Shares held by Richemont Asset Management are subject to the Irrevocable Undertaking of Richemont Asset Management.

## **Cachet Asset Management**

Cachet Asset Management is a company incorporated in Hong Kong with limited liability, all the issued shares of which are ultimately and beneficially owned by Ms. Chow. As at the Latest Practicable Date, Cachet Asset Management is interested in an aggregate of 1,912,785 Shares, representing approximately 0.14% of the issued share capital of the Company, all of such 1,912,785 Shares held by Cachet Asset Management are subject to the Irrevocable Undertaking of Cachet Asset Management.

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the Latest Practicable Date:

- (a) the issued share capital of the Company comprises 1,335,078,000 Shares;
- (b) the Offeror beneficially owns, controls or has direction over 729,000,000 Shares, representing approximately 54.60% of the issued Shares;
- (c) the Offeror Concert Parties beneficially own, control or have direction over 306,827,782 Shares, representing approximately 22.98% of the issued Shares;
- (d) the Offeror, Mr. Kan and their respective concert parties hold an aggregate of 1,035,827,782 Shares, representing approximately 77.59% of the issued Shares;
- (e) the Disinterested Scheme Shareholders legally or beneficially own, control or have direction over a total of 299,250,218 Shares, representing approximately 22.41% of the issued Shares;
- (f) the Scheme Shareholders legally or beneficially own, control or have direction over a total of 519,585,000 Shares, representing approximately 38.92% of the issued Shares;

- (g) Zhongtai Capital is the financial adviser to the Offeror in connection with the Proposal. Accordingly, Zhongtai Capital is presumed to be acting in concert with the Offeror in relation to the Company in accordance with Class (5) of the definition of “acting in concert” under the Takeovers Code. As at the Latest Practicable Date, Zhongtai Capital does not hold any Shares;
- (h) there are no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares;
- (i) there are no convertible securities, warrants or options in respect of the Shares held, controlled or directed by the Offeror and the Offeror Concert Parties;
- (j) neither the Offeror nor any of the Offeror Concert Parties have entered into any outstanding derivative in respect of the securities in the Company; and
- (k) neither the Offeror nor any of the Offeror Concert Parties have borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

All Scheme Shares will be cancelled and extinguished in consideration for the Cancellation Price in cash upon the Scheme becoming effective.

The table below sets out the shareholding structure of the Company as at the Latest Practicable Date and immediately upon completion of the Proposal, assuming that there is no other change in the shareholding of the Company before the Effective Date.

Shareholders	As at the Latest Practicable Date		Immediately upon completion of the Proposal	
	<i>Number of Shares</i>	<i>Approximate % of total Shares</i>	<i>Number of Shares</i>	<i>Approximate % of total Shares</i>
<b>Offeror</b> ( <i>Note 1 and 5</i> )				
— Offeror	729,000,000	54.60	1,248,585,000	93.53
<b>Offeror Concert Parties</b>				
— King Jewel ( <i>Notes 2 and 5</i> )	57,339,000	4.29	57,339,000	4.29
— Mr. Kan ( <i>Note 5</i> )	29,154,000	2.18	29,154,000	2.18
— Classic Sapphire ( <i>Note 3</i> )	100,620,000	7.54	—	—
— Richemont Asset Management ( <i>Note 4</i> )	87,426,997	6.55	—	—
— Cachet Asset Management ( <i>Note 4</i> )	1,912,785	0.14	—	—
— Classic Emerald ( <i>Note 6</i> )	30,375,000	2.28	—	—
<b>Sub-total of Offeror and Offeror Concert Parties</b>	<b>1,035,827,782</b>	<b>77.59</b>	<b>1,335,078,000</b>	<b>100.00</b>
<b>Independent non-executive Director</b>				
Dr. Ng Wang Pun Dennis ( <i>Note 7</i> )	738,000	0.06	—	—
<b>Other Shareholders</b>	197,280,218	14.78	—	—
<b>Classic Amber</b> ( <i>Note 8</i> )	101,232,000	7.58	—	—
<b>Total number of Disinterested Scheme Shares</b> ( <i>Note 9</i> )	<b>299,250,218</b>	<b>22.41</b>	<b>—</b>	<b>—</b>
<b>Total Shares</b>	<b>1,335,078,000</b>	<b>100.00</b>	<b>1,335,078,000</b>	<b>100.00</b>
<b>Public Float of the Company</b> ( <i>Note 10</i> )	<b>387,852,000</b>	<b>29.05</b>	<b>—</b>	<b>—</b>
<b>Total number of Scheme Shares</b> ( <i>Note 11</i> )	<b>519,585,000</b>	<b>38.92</b>	<b>—</b>	<b>—</b>

*Notes:*

1. The entire issued share capital of the Offeror is ultimately and beneficially owned by Mr. Kan who is deemed to be interested in the Shares held by the Offeror by virtue of the SFO.
2. The entire issued share capital of King Jewel is ultimately and beneficially owned by Mr. Kan who is deemed to be interested in the Shares held by King Jewel by virtue of the SFO.
3. The issued share capital of Classic Sapphire is ultimately and beneficially owned as to 50% by Mr. Kan and 50% by Mr. Chan Wing Sum. Mr. Kan is deemed to be interested in the Shares held by Classic Sapphire by virtue of the SFO. As at the Latest Practicable Date, the 100,620,000 Shares held by Classic Sapphire will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective.
4. All the shares in issue of Richemont Asset Management and Cachet Asset Management are ultimately and beneficially owned by Ms. Chow. Cachet Asset Management is the investment advisor of Mr. Kan, therefore, Ms. Chow, Cachet Asset Management and Richemont Asset Management are deemed to be the Offeror Concert Parties pursuant to Class (5) of the definition of “acting in concert” under the Takeovers Code. As at the Latest Practicable Date, Richemont Asset Management and Cachet Asset Management hold an aggregate of 89,339,782 Shares, which will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective.
5. The Shares held by the Offeror Group as at the Latest Practicable Date will not form part of the Scheme Shares and will not be cancelled or extinguished upon completion of the Proposal.
6. Mr. Chung Chi Keung is the sole shareholder of Classic Emerald which is the holder of these Shares. Mr. Chung Chi Keung is deemed to be interested in these Shares by virtue of the SFO. As at the Latest Practicable Date, Mr. Chung Chi Keung is an executive Director. Mr. Chung is presumed to be acting in concert with Mr. Kan under class (6) of the definition of “acting in concert” under the Takeovers Code. As at the Latest Practicable Date, Classic Emerald holds 30,375,000 Shares, which will form part of the Scheme Shares and will be cancelled upon the Scheme becoming effective.
7. Dr. Ng Wang Pun Dennis is interested in these Shares in his personal capacity. As at the Latest Practicable Date, Dr. Ng Wang Pun Dennis is an independent non-executive Director. As there is no agreement, arrangement or understanding between Dr. Ng Wang Pun Dennis on the one hand, and the Offeror on the other, Dr. Ng Wang Pun Dennis is not regarded as acting in concert with the Offeror and the Shares held by him will form part of the Scheme Shares held by the Disinterested Scheme Shareholders.
8. Classic Amber is a company incorporated in the British Virgin Islands with limited liability, and Mr. Jacky Luo is the ultimate and sole beneficial shareholder of it. As at the Latest Practicable Date, Classic Amber and/or Mr. Jacky Luo are not acting in concert with the Offeror and the Shares held by Classic Amber will form part of the Scheme Shares held by the Disinterested Scheme Shareholders.
9. Disinterested Scheme Shares are Shares held by Dr. Ng Wang Pun Dennis, Classic Amber and Other Shareholders.
10. Public float of the Company does not include Shares held by the Offeror, Mr. Kan, King Jewel, Classic Sapphire, Classic Emerald and Dr. Ng Wang Pun Dennis.
11. All Shares, other than those Shares held by the Offeror Group, will form part of the Scheme Shares.
12. The aggregate of the percentage figures in the table above may not add up to the relevant sub-total or total percentage figures shown due to rounding of the percentage figures to two decimal places.

## **INFORMATION ON THE GROUP**

Your attention is drawn to the section headed “Information on the Group” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **INFORMATION ON THE OFFEROR AND THE OFFEROR CONCERT PARTIES**

Your attention is drawn to the section headed “Information on the Offeror and the Offeror Concert Parties” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **INFORMATION ON CLASSIC SAPPHIRE AND CLASSIC EMERALD**

As at the Latest Practicable Date, information on Classic Sapphire and Classic Emerald (both a concert party of the Offeror and Mr. Kan) is set out as follows:

### **Classic Sapphire**

Classic Sapphire is a company incorporated in the British Virgin Islands with limited liability, the issued shares of which are ultimately and beneficially owned as to 50% by Mr. Kan and 50% by Mr. Chan Wing Sum. As at the Latest Practicable Date, Classic Sapphire is interested in 100,620,000 Shares, representing approximately 7.54% of the issued share capital of the Company.

### **Classic Emerald**

Classic Emerald is a company incorporated in the British Virgin Islands with limited liability, the issued shares of which are ultimately and beneficially owned as to 100% by Mr. Chung Chi Keung. As at the Latest Practicable Date, Classic Emerald is interested in 30,375,000 Shares, representing approximately 2.28% of the issued share capital of the Company.

## **INTENTION OF THE OFFEROR WITH REGARD TO THE GROUP**

Your attention is drawn to the section headed “Intention of the Offeror with regard to the Group” in the Explanatory Memorandum in Part VI of this Scheme Document.

The Board welcomes the intention of the Offeror in respect of the Company and its employees and will cooperate with and provide full support to the Offeror to facilitate the continued smooth business operations and management of the Group.

## **FINANCIAL ADVISER TO THE OFFEROR, INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Your attention is drawn to the section headed “Financial Adviser to the Offeror, Independent Board Committee and Independent Financial Adviser” in the Explanatory Memorandum in Part VI of this Scheme Document.

The Independent Financial Adviser has advised the Independent Board Committee that it considers that the terms of the Proposal are fair and reasonable so far as the Disinterested Scheme Shareholders are concerned, and accordingly, it advises the Independent Board Committee to recommend the Disinterested Scheme Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme.

The full text of the letter from the Independent Financial Adviser is set out in Part V of this Scheme Document.

The Independent Board Committee, having been so advised, considers that the terms of the Proposal are fair and reasonable so far as the Disinterested Scheme Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Disinterested Scheme Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme.

The full text of the letter from the Independent Board Committee is set out in Part IV of this Scheme Document.

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

Your attention is drawn to the section headed “Reasons for and benefits of the Proposal” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **WITHDRAWAL OF LISTING OF THE SHARES**

Your attention is drawn to the section headed “Withdrawal of listing of the Shares” in the Explanatory Memorandum in Part VI of this Scheme Document.

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

Your attention is drawn to the section headed “If the Scheme is not approved or the Proposal Lapses” in the Explanatory Memorandum in Part VI of this Scheme Document.



## **OVERSEAS SCHEME SHAREHOLDERS**

Your attention is drawn to the section headed “Overseas Scheme Shareholders” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **TAXATION ADVICE**

Your attention is drawn to the section headed “Taxation advice” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **ACTIONS TO BE TAKEN**

Your attention is drawn to the section headed “Actions to be taken” on pages i to vii of this Scheme Document.

## **COURT MEETING AND EGM**

Notices convening the Court Meeting and the EGM to be held at The Garden Rooms (Narcissus Room), 2/F., The Royal Garden, 69 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Monday, 13 October 2025, in the case of the Court Meeting at 9:30 a.m. and, in the case of the EGM at 10:30 a.m. (or as soon as practicable after the conclusion or adjournment of the Court Meeting), are set out in Appendix V and Appendix VI to this Scheme Document respectively.

The Grand Court has directed the Court Meeting to be convened and held for the purpose of considering and, if thought fit, approving (with or without modifications) the Scheme. The Scheme is subject to the approval by the Scheme Shareholders at the Court Meeting in the manner referred to in Conditions (a) and (b) in the paragraph headed “Conditions of the Proposal and the Scheme” under the section headed “Terms of the Proposal” in the Explanatory Memorandum in Part VI of this Scheme Document.

As soon as practicable after the conclusion or adjournment of the Court Meeting, the EGM will be held for the purpose of considering and, if thought fit, approving all resolutions necessary for the implementation of the Proposal in the manner referred to in Condition (c) in the paragraph headed “Conditions of the Proposal and the Scheme” under the section headed “Terms of the Proposal” in the Explanatory Memorandum in Part VI of this Scheme Document. An announcement will be jointly made by the Offeror and the Company in relation to the results of the Court Meeting and the EGM. Such announcement will contain the information as required by Rule 19.1 of the Takeovers Code.

## **VOTING AT THE COURT MEETING AND THE EGM**

Shares held by the Offeror Group will not form part of the Scheme Shares and will not be cancelled under the Proposal. Shares held by Classic Sapphire, Richemont Asset Management, Cachet Asset Management and Classic Emerald will form part of the Scheme Shares but they will not vote on the Scheme at the Court Meeting.

Save for the relevant Offeror Concert Parties who/which are Scheme Shareholders and have undertaken to abstain from voting in the Court Meeting, all Scheme Shareholders as at the Meeting Record Date will be entitled to attend and vote at the Court Meeting to approve the Scheme, provided that only the votes of the Disinterested Scheme Shareholders will be taken into account in determining whether Condition (b) under the section headed “Conditions of the Proposal and the Scheme” above and Rule 2.10 of the Takeovers Code are satisfied.

As at the Latest Practicable Date, the Offeror holds 729,000,000 Shares in the Company and the Offeror Concert Parties hold an aggregate of 306,827,782 Shares, totalling 1,035,827,782 Shares in aggregate, representing approximately 77.59% of the total number of Shares in issue. As the Offeror and the Offeror Concert Parties are not Disinterested Scheme Shareholders, each of the Offeror and the Offeror Concert Parties will not vote on the Scheme at the Court Meeting.

As at the Latest Practicable Date, Dr. Ng Wang Pun Dennis, being a Director, intends to accept and vote in favour of the Proposal and the Scheme in respect of his own beneficial interest in the Shares at the Court Meeting.

All Shareholders as at the Meeting Record Date will be entitled to vote on (i) the special resolution to be proposed at the EGM to approve and give effect to the Reduction; and (ii) the ordinary resolution to maintain the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and extinguished as a result of the Scheme and the application of the credit arising in the Company’s books of accounts as a result of the cancellation and extinguishment of the Scheme Shares in paying up in full at par value the new Shares issued to the Offeror.

Mr. Kan, Mr. Chung Chi Keung and Dr. Ng Wang Pun Dennis, being Directors of the Company, have indicated that, if the Scheme is approved at the Court Meeting, they will vote in favour of (i) the special resolution to be proposed at the EGM to approve and give effect to the Reduction; and (ii) the ordinary resolution to maintain the issued share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by issuing to the Offeror such number of new Shares as is equal to the number of Scheme Shares cancelled and

extinguished as a result of the Scheme and the application of the credit arising in the Company's books of accounts as a result of the cancellation and extinguishment of the Scheme Shares in paying up in full at par value the new Shares issued to the Offeror.

## **RECOMMENDATIONS**

With reference to Rule 2.1 of the Takeovers Code, the Board defers to the Independent Board Committee with respect to the making of a recommendation to the Disinterested Scheme Shareholders (i) as to whether the Proposal is, or is not, fair and reasonable and (ii) as to voting at the Court Meeting and the EGM.

Your attention is drawn to (i) the letter from the Independent Board Committee in Part IV of this Scheme Document; and (ii) the letter from the Independent Financial Adviser in Part V of this Scheme Document which sets out the factors and reasons taken into account by the Independent Financial Adviser in arriving at its advice to the Independent Board Committee.

## **FURTHER INFORMATION**

You are urged to read the whole of this Scheme Document, in particular:

- (a) the letter from the Independent Board Committee in Part IV of this Scheme Document;
- (b) the letter from the Independent Financial Adviser in Part V of this Scheme Document;
- (c) the Explanatory Memorandum in Part VI of this Scheme Document;
- (d) the appendices to this Scheme Document, including the Scheme set out in Appendix IV to this Scheme Document; and
- (e) the notice of Court Meeting and the notice of EGM set out in Appendix V and Appendix VI to this Scheme Document, respectively.

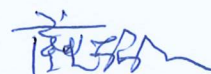
In addition, a **pink** form of proxy for the Court Meeting and a **white** form of proxy for the EGM are enclosed with this Scheme Document.

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

Yours faithfully

By order of the Board

**Perfect Group International Holdings Limited**



**Chung Chi Keung**

*Executive Director*