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YORKEY

YORKEY OPTICAL

INTERNATIONAL (CAYMAN) LTD.

精熙國際（開曼）有限公司*

(Incorporated in the British Virgin Islands with limited liability)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2788)

ASIA OPTICAL

INTERNATIONAL LTD.

JOINT ANNOUNCEMENT

(1) PROPOSED PRIVATISATION OF YORKEY OPTICAL INTERNATIONAL (CAYMAN) LTD. 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

DESPATCH OF SCHEME DOCUMENT

Joint Financial Advisers to the Offeror



Independent Financial Adviser to the Independent Board Committee



INTRODUCTION

References are made to (i) the joint announcement of Asia Optical International Ltd. (the “**Offeror**”) and Yorkey Optical International (Cayman) Ltd. (the “**Company**”) dated 15 October 2021 in relation to, among other things, the proposed privatisation of the Company by the Offeror by way of a scheme of arrangement under Section 86 of the Companies Act, (ii) the joint announcement of the Offeror and the Company dated 5 November 2021 in relation to the delay in despatch of the Scheme Document, (iii) the three joint announcements of the Offeror and the Company dated 30 November 2021, 15 December 2021 and 22 December 2021, respectively, in relation to the update on the progress relating to the Proposal, (iv) the joint announcement of the Offeror and the Company dated 4 January 2022 in relation to, among other things, the proposed increase in the Cancellation Price and the request of the Offeror to the Company to put forward the Improved Proposal to the Scheme Shareholders, and (v) the Scheme Document dated 18 January 2022 jointly issued by the Offeror and the Company.

Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined in the Scheme Document.

DESPATCH OF THE SCHEME DOCUMENT

The Scheme Document, together with the respective notices of the Court Meeting and the EGM and the relevant proxy forms, are despatched to the Shareholders on Tuesday, 18 January 2022.

The Scheme Document contains, among other things, further details of the Improved Proposal, the Scheme, the expected timetable, the letters from the Board, the Independent Board Committee and the Independent Financial Adviser, respectively, the Explanatory Statement of the Scheme, the financial information of the Group, the general information regarding the Group and the Offeror, a notice of each of the Court Meeting and the EGM, as well as other particulars required by the Takeovers Code.

RECOMMENDATIONS OF THE INDEPENDENT BOARD COMMITTEE AND THE INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee, which comprises the independent non-executive Directors, namely Mr. Lin Meng-Tsung, Mr. Lin Yi-Min, Mr. Liu Wei-Li and Mr. Li Ho Man, has been established by the Board to make a recommendation to the Independent Shareholders as to whether the terms of the Improved Proposal and the Scheme are, or are not, fair and reasonable and as to voting at the Court Meeting and the EGM.

Halcyon Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee in connection with the terms of the Improved Proposal and the Scheme. The appointment of Halcyon Capital has been approved by the Independent Board Committee.

Halcyon Capital has advised the Independent Board Committee that it considers the terms of the Improved Proposal and the Scheme are fair and reasonable so far as the Independent Shareholders are concerned, and therefore, it has advised the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the relevant resolutions to approve the Scheme at the Court Meeting and the EGM.

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

Shareholders are urged to read and consider carefully the recommendations of the Independent Board Committee and the advice of Halycon Capital in relation to the Improved Proposal and the Scheme as set out in the letters from the Independent Board Committee and Halcyon Capital, respectively, as contained in the Scheme Document.

COURT MEETING AND EGM

The Court Meeting is scheduled to be held at 10:00 a.m. on Tuesday, 22 February 2022 at Function Rooms, 3/F South Tower, The Salisbury – YMCA, 41 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong. The EGM is scheduled to be held at 11:00 a.m. (or, if later, as soon as practicable after the conclusion or the adjournment of the Court Meeting) on Tuesday, 22 February 2022 at Function Rooms, 3/F South Tower, The Salisbury – YMCA, 41 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong.

In accordance with the directions of the Grand Court, the Court Meeting will be held for the purpose of considering and, if thought fit, passing a resolution to approve the Scheme (with or without modifications). The EGM will be held for the purpose of considering and, if thought fit, passing resolutions to approve, among other things, (i) the special resolution to approve and give effect to the reduction of the number of issued Shares in the share capital of the Company by cancelling and extinguishing the Scheme Shares; and (ii) the ordinary resolution to simultaneously upon the reduction of issued share capital increase the issued Shares in the share capital of the Company to the amount prior to the cancellation and extinguishment of the Scheme Shares by the allotment and issuance at par to the Offeror of the aggregate number of new Shares, credited as fully paid, as is equal to the number of Scheme Shares cancelled and extinguished and to apply the reserve created in the Company's books of account as a result of the capital reduction to pay up in full at par such number of new Shares so allotted and issued to the Offeror.

The respective notices of the Court Meeting and the EGM are also contained in the Scheme Document.

An announcement will be made by the Company and the Offeror in relation to the results of the Court Meeting and the EGM in accordance with Rule 19.1 of the Takeovers Code to the extent applicable and the relevant Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlements of the Independent Shareholders to attend and vote at the Court Meeting, and of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Thursday, 17 February 2022 to Tuesday, 22 February 2022 (both days inclusive) and during such period no transfer of Shares will be effected. In order to be entitled to attend and vote at the Court Meeting and the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong on or before 4:30 p.m. on Wednesday, 16 February 2022.

CONDITIONS OF THE IMPROVED PROPOSAL AND THE SCHEME

Shareholders and potential investors of the Company should be aware that the implementation of the Improved Proposal remains subject to the fulfilment or waiver (as applicable) of the Conditions as described in the section headed “4. Conditions of the Improved Proposal and the Scheme” in Part IV – Letter from the Board and Part VII – Explanatory Statement of the Scheme Document, respectively. All of the Conditions will have to be fulfilled or waived (as applicable) on or before the Long Stop Date, failing which the Improved Proposal and the Scheme will lapse.

EXPECTED TIMETABLE

The expected timetable for the Improved Proposal and the Scheme is as follows:

| Event | Hong Kong Time (unless otherwise specified) |
|--|--|
| Date of despatch of the Scheme Document (<i>Note 1</i>) | Tuesday, 18 January 2022 |
| Latest time of conversion of the TDRs into Shares in order to qualify for entitlement to attend and vote at the Court Meeting and the EGM (<i>Note 2</i>). | 3:00 p.m. on Friday, 21 January 2022 |
| Register of TDR Holders in Taiwan in respect of the TDRs closed for determining the entitlement of TDR Holders to vote through the Depository Agent at the Court Meeting and the EGM. | from Thursday, 27 January 2022 to Tuesday, 22 February 2022 (both dates inclusive) |
| Meeting Record Date for TDR Holders | Thursday, 27 January 2022 |
| Lodging of voting instructions by the TDR Holders in respect of the Court Meeting and the EGM with the Depository Agent | from Tuesday, 8 February 2022 to Wednesday, 16 February 2022 (both dates inclusive) |
| Latest time for lodging transfers of Shares in order to become entitled to vote at the Court Meeting and the EGM. | 4:30 p.m. on Wednesday, 16 February 2022 |

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| Register of the Company in respect of the Shares closed for determining the entitlement of Scheme Shareholders to attend and vote at the Court Meeting and of the Shareholders to attend and vote at the EGM (<i>Note 3</i>) | from Thursday, 17 February 2022 to Tuesday, 22 February 2022 (both dates inclusive) |
| Latest time for lodging the pink forms of proxy in respect of the Court Meeting (<i>Note 4</i>) | 10:00 a.m. on Sunday, 20 February 2022 |
| Latest time for lodging the white forms of proxy in respect of the EGM (<i>Note 4</i>) | 11:00 a.m. on Sunday, 20 February 2022 |
| Meeting Record Date | Tuesday, 22 February 2022 |
| Court Meeting (<i>Note 5</i>) | 10:00 a.m. on Tuesday, 22 February 2022 |
| EGM (<i>Note 5</i>) | 11:00 a.m. on Tuesday, 22 February 2022 (or, if later, as soon as practicable after the conclusion or the adjournment of the Court Meeting) |
| Announcement of the results of the Court Meeting and the EGM | not later than 7:00 p.m. on Tuesday, 22 February 2022 |
| Latest time of trading in the TDRs on the Taiwan Stock Exchange | 1:30 p.m. on Thursday, 3 March 2022 |
| Latest time of trading in the Shares on the Stock Exchange | 4:10 p.m. on Thursday, 3 March 2022 |
| Latest time for lodging transfers of Shares in order to qualify for the entitlements under the Scheme | 4:30 p.m. on Tuesday, 8 March 2022 |
| Register of members of the Company in respect of the Shares closed for determining the entitlement to qualify under the Scheme (<i>Note 6</i>) | from Wednesday, 9 March 2022 onwards |

Court hearing of the petition to sanction the Scheme
and to confirm the reduction of the issued
share capital of the Company involved in the Scheme Thursday, 10 March 2022
(Cayman Islands time)

Announcement of, *inter alia*, the result of the
Court hearing of the petition to sanction the
Scheme and to confirm the reduction of the
issued share capital of the Company involved
in the Scheme, the expected Effective Date
and the expected date of withdrawal of listing of the
Shares on the Stock Exchange and the delisting
of the TDRs on the Taiwan Stock Exchange Monday, 14 March 2022

Scheme Record Date Tuesday, 15 March 2022

Effective Date (*Note 7*) Tuesday, 15 March 2022
(Cayman Islands time)

Announcement of the Effective Date and the withdrawal
of listing of the Shares on the Stock Exchange. Wednesday, 16 March 2022

Announcement of the delisting of the TDRs on
the Taiwan Stock Exchange Wednesday, 16 March 2022

Expected withdrawal of listing of the Shares on
the Stock Exchange becomes effective (*Note 8*). 4:00 p.m. on Friday,
18 March 2022

Expected delisting of the TDRs on the Taiwan
Stock Exchange becomes effective. Friday, 18 March 2022

Cheques for cash entitlements under
the Scheme to be despatched (*Note 9*) on or before Thursday,
24 March 2022

**Shareholders should note that the expected timetable is subject to change. Further
announcement(s) will be made in the event that there is any change.**

Notes:

1. The Scheme Document will be made available online on the Market Observation Post System of the Taiwan Stock Exchange on Tuesday, 18 January 2022 to all TDR Holders. On or before Tuesday, 8 February 2022, the Depository Agent will despatch the Scheme Document to the TDR Holders whose names appear on the register of TDR Holders in Taiwan on the Meeting Record Date for TDR Holders.
2. If you are a TDR Holder and wish to attend and vote at the Court Meeting and/or the EGM (whether in person or by proxy), you must elect to submit an application to convert your TDRs into Shares represented by your TDRs not later than 3:00 p.m. on Friday, 21 January 2022.
3. The Register will be closed during such period for the purposes of determining the entitlement of the Scheme Shareholders to attend and vote at the Court Meeting and the entitlement of the Shareholders to attend and vote at the EGM. This book close period is not for determining entitlements under the Improved Proposal.

4. The **pink** form of proxy in respect of the Court Meeting and the **white** form of proxy in respect of the EGM should be completed and signed in accordance with the instructions respectively printed on them and should be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not later than the respective times and dates stated above or, in the case of the **pink** form of proxy for use at the Court Meeting, they may be handed to the chairman of the Court Meeting at the Court Meeting (who shall have absolute discretion whether or not to accept it). Completion and return of the relevant form of proxy for the Court Meeting and/or the EGM will not preclude a Scheme Shareholder or a Shareholder, from attending the meeting and voting in person. In such event, the relevant form of proxy returned will be deemed to have been revoked by operation of law.
5. Please see the notice of the Court Meeting set out in Appendix VII to the Scheme Document and the notice of the EGM set out in Appendix VIII to the Scheme Document.
6. The Register will be closed as from such date and on such date for the purpose of determining the Scheme Shareholders who are qualified for entitlement under the Scheme.
7. When all the Conditions (other than delivery of the order for registration) are satisfied or waived (as applicable), the order sanctioning the Scheme may be delivered to the Registrar of Companies in the Cayman Islands at which point it will become effective and binding on the Company and all the Scheme Shareholders. The Effective Date would be earlier than the date of announcement of the Effective Date, the withdrawal of listing of the Shares on the Stock Exchange and the delisting of the TDRs on the Taiwan Stock Exchange due to the timing difference between Hong Kong and Cayman Islands.
8. If all the Conditions are fulfilled (or waived as applicable), the Offeror will implement the Scheme to cancel and extinguish the Scheme Shares and the Company will apply to the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange and will issue a notice to the Taiwan Stock Exchange for the delisting of the TDRs on the Taiwan Stock Exchange.
9. Cheques for the cash entitlements to the Scheme Shareholders will be despatched by ordinary post at the risk of the recipients to their registered addresses shown in the Register at the Scheme Record Time on the Scheme Record Date on or before Thursday, 24 March 2022. TDR Holders are expected to receive the Revised Cancellation Price through the Depository Agent on or about Tuesday, 12 April 2022.

WARNINGS:

Shareholders and potential investors of the Company should be aware that the implementation of the Improved Proposal is subject to the Conditions being fulfilled or waived (as applicable) and thus the Improved Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors of the Company 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.

By order of the board of
Asia Optical International Ltd.
Asano Yuzo
Director

By order of the board of
Yorkey Optical International (Cayman) Ltd.
Kurihara Toshihiko
Executive Director and Chief Executive Officer

Hong Kong, 18 January 2022

As at the date of this joint announcement, the directors of the Offeror are Mr. Lai I-Jen and Mr. Asano Yuzo, and the directors of AOCI are Mr. Lai I-Jen, Ms. Wu Shu-Ping, Mr. Lin Tai-Lan, Mr. Lin Yu-Liang, Mr. Lu Hui-Ming, Mr. Chung Teng-Ko, and Mr. Jan Chyan-Long.

The directors of the Offeror and the directors of AOCI jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors in their capacity as Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the Board comprises two executive Directors, namely, Mr. Lai I-Jen and Mr. Kurihara Toshihiko; one non-executive Director, namely, Ms. Wu Shu-Ping, and four independent non-executive Directors, namely, Mr. Lin Meng-Tsung, Mr. Liu Wei-Li, Mr. Lin Yi-Min and Mr. Li Ho Man.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror and the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror in their capacity as directors of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

** For identification purposes only*