
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your securities in InvesTech Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agents through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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InvesTech Holdings Limited

威訊控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1087)

(I) PROPOSED CHANGE OF DOMICILE
(II) PROPOSED ADOPTION OF THE NEW MEMORANDUM OF
CONTINUANCE AND THE NEW BYE-LAWS
(III) PROPOSED CANCELLATION OF SHARE PREMIUM ACCOUNT
(IV) PROPOSED CAPITAL REORGANISATION
(V) PROPOSED CHANGE IN BOARD LOT SIZE
(VI) PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME
(VII) PROPOSED RE-ELECTION OF RETIRING DIRECTOR
AND
(VIII) NOTICE OF EXTRAORDINARY GENERAL MEETING

A notice convening the extraordinary general meeting of InvesTech Holdings Limited (the “EGM”) to be held at 2/F, 35-45B Bonham Strand, Sheung Wan, Hong Kong (or any adjournment thereof) on 23 June 2021 at 11:00 a.m. is set out on pages EGM-1 to EGM-6 of this circular.

Whether or not you are able to attend the EGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

Please see pages i and ii of this circular for the precautionary measures to be implemented at the EGM to ensure the safety of the EGM attendees and to prevent the spreading of the coronavirus disease 2019 (“COVID-19”) pandemic, which include without limitation:

1. mandatory wearing of surgical face masks (no mask will be provided at the EGM venue);
2. compulsory body temperature screening;
3. mandatory health declaration;
4. maintaining appropriate distancing and spacing between seats and in doing so, the Company may limit the number of the EGM attendees as may be necessary to avoid over-crowding; and
5. no distribution of corporate gifts and/or refreshments at the EGM.

Any attendee who (a) refuses to comply with the precautionary measures; (b) is subject to any prescribed quarantine by the Government or has close contact with any person under quarantine; or (c) has a fever or any flu-like symptoms or is otherwise unwell will be denied entry into or be required to leave the EGM venue at the absolute discretion of the Company to such extent permitted under law.

Shareholders are encouraged to appoint the chairman of the EGM as their proxy and to return their proxy forms by the time specified above, instead of attending the EGM in person.

PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

To safeguard the health and safety of the Shareholders who will be attending the EGM in person, the Company will implement any or all of the following precautionary measures at the EGM:

LIMITING ATTENDANCE IN PERSON AT THE EGM VENUE

The government of Hong Kong has recently announced the relaxation of certain restrictions on group gatherings which took effect on 29 April 2021. In particular, the specified business meeting exemption (which applies to shareholders' meetings) under the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Cap. 599G of the Laws of Hong Kong) (the "**Regulation**") has been further relaxed to permit group gatherings of up to 50 persons in each room or partitioned area (for indoor places) or 100 persons in each partitioned area (for outdoor places), provided that (among other conditions) all participants aged 16 or above have been administered with at least one dose of a COVID-19 vaccine.

Pursuant to the Regulation, if not all persons aged 16 or above participating in the specified business meeting have received at least one dose of a COVID-19 vaccine, the pre-existing capacity limit for such meeting will continue to apply, which, group gatherings of more than twenty (20) persons for a shareholders' meeting are required to be accommodated in separate partitioned rooms or areas of not more than twenty (20) persons each (the "**Requirement**").

The Company will limit attendance in person at the EGM venue in compliance with the Requirement prevailing at the time of the EGM. Given the limited capacity of the EGM venue and the requirements for social distancing to ensure the attendees' safety, only Shareholders and/or their representatives and the relevant EGM staff will be admitted to the EGM. Admission to the EGM venue will not be granted in excess of the capacity of the EGM venue.

HEALTH AND SAFETY MEASURES AT THE EGM

The following measures will also be implemented at the EGM:

1. Every attendee of the EGM will be required to wear a surgical face mask throughout the EGM within the EGM venue, please note that no face masks will be provided at the EGM venue and attendees should bring and wear their own face masks;
2. Mandatory body temperature screening will be conducted on every attendee at the entrance of the EGM venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the EGM venue;
3. All attendees of the EGM are required to complete a health declaration form and submit the same at the entrance of the EGM venue before admission into the EGM venue;

PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

4. Seating at the EGM venue will be arranged so as to allow for appropriate social distancing and spacing between seats and comply with the relevant Requirement;
5. No corporate gifts and/or refreshments will be distributed at the EGM;
6. Hand sanitizer will be available at the entrance of the EGM venue; and
7. Any other additional precautionary measures in accordance with the prevailing requirements or guidelines of the Hong Kong government and/or regulatory authorities, or as considered appropriate in light of the development of the COVID-19 pandemic.

Any attendee who (a) refuses to comply with the precautionary measures; (b) is subject to any prescribed quarantine by the Hong Kong government or has close contact with any person under quarantine; or (c) has a fever or any flu-like symptoms or is otherwise unwell will be denied entry into or be required to leave the EGM venue at the absolute discretion of the Company to such extent permitted under law, to ensure the safety of the attendees at the EGM.

Shareholders are requested (a) to consider carefully the risk of attending the EGM, which will be held in an enclosed environment, (b) to follow any prevailing requirements or guidelines of the Hong Kong government relating to COVID-19 in deciding whether or not to attend the EGM; and (c) not to attend the EGM if they have contracted or are suspected to have contracted COVID-19 or have been in close contact with anybody who has contracted or is suspected to have contracted COVID-19.

The Company will closely monitor the development of the COVID-19 pandemic and ensure that the EGM will be conducted in compliance with the laws, regulations and measures introduced by the Hong Kong government from time to time. The Company may implement further changes and precautionary measures where necessary, and may issue further announcement on such measures as and when appropriate.

Shareholders are strongly encouraged to appoint the chairman of the EGM as their proxy to vote on the resolutions, instead of attending the EGM in person.

If Shareholders have any questions relating to the EGM, please contact the Company's share registrar, Computershare Hong Kong Investor Services Limited, as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong
Telephone hotline: +852 2862 8555 (during business hours from 9:00 a.m. to 6:00 p.m.
Hong Kong time, Mondays to Fridays; excluding public holidays)
Website: www.computershare.com/hk/contact

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EXPECTED TIMETABLE

The expected timetable for implementation of the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation and the Change in Board Lot Size is set out below:

Events	Hong Kong Date and Time
Latest time for lodging transfers of Shares for attending the EGM	4:30 p.m. on Thursday, 17 June 2021
Closure of register of members for determining the entitlement to attend and vote at the EGM	Friday, 18 June 2021 to Wednesday, 23 June 2021 (both dates inclusive)
Latest time and date for lodging proxy forms for the EGM	11:00 a.m. on Monday, 21 June 2021
Date and time of the EGM	11:00 a.m. on Wednesday, 23 June 2021
Publication of announcement of poll results of the EGM	Wednesday, 23 June 2021

The following events are conditional on the fulfillment of the conditions for the implementation of the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account and the Capital Reorganisation:

Expected effective date of the Cancellation of Share Premium Account	Wednesday, 23 June 2021
Expected effective date of the Change of Domicile and the Adoption of the New Memorandum of Continuance and the New Bye-laws	on or after Wednesday, 7 July 2021 (Bermuda time)/ on or after Thursday, 8 July 2021 (Hong Kong time)
Expected effective date and time of the Capital Reorganisation	9:00 a.m. on Wednesday, 28 July 2021
First day for free exchange of existing share certificates of Existing Shares for new share certificates for the New Shares	Wednesday, 28 July 2021

EXPECTED TIMETABLE

Commencement of dealings in the New Shares 9:00 a.m. on Wednesday,
28 July 2021

Original counter for trading in the Existing Shares in board lots
of 1,000 Existing Shares (in the form of existing share
certificates) temporarily closes 9:00 a.m. on Wednesday,
28 July 2021

Temporary counter for trading in the New Shares in board lots
of 50 New Shares (in the form of existing
share certificates) opens 9:00 a.m. on Wednesday,
28 July 2021

Original counter for trading in the New Shares in new board lots of
2,000 New Shares (in the form of new share certificates)
re-opens 9:00 a.m. on Wednesday,
11 August 2021

Parallel trading in the New Shares (in the form of new share
certificates for the New Shares and existing share certificates)
commences 9:00 a.m. on Wednesday,
11 August 2021

Designated broker starts to stand in the market to provide
matching services for odd lots of the New Shares 9:00 a.m. on Wednesday,
11 August 2021

Designated broker ceases to stand in the market to provide
matching services for odd lots of the New Shares 4:00 p.m. on Tuesday,
31 August 2021

Temporary counter for trading in the New Shares in board lots of
50 New Shares (in the form of existing share
certificates) closes 4:10 p.m. on Tuesday,
31 August 2021

Parallel trading in the New Shares (in the form of new share
certificates for the New Shares and existing share
certificates) ends 4:10 p.m. on Tuesday,
31 August 2021

Last day for free exchange of existing share certificates for
new share certificates for the New Shares Thursday, 2 September 2021

EXPECTED TIMETABLE

All times and dates specified in the timetable above refer to Hong Kong times and dates unless otherwise specified.

The timetable is indicative only and may be extended or varied. Further announcement(s) will be made by the Company with respect to any change to the expected timetable above as and when appropriate and in accordance with the Listing Rules.

DEFINITION

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Adoption Date”	the date upon which the New Share Option Scheme is conditionally adopted by the Company by the ordinary resolution of the Shareholders at the EGM;
“Adoption of the New Memorandum of Continuance and the New Bye-laws”	the proposed adoption of the New Memorandum of Continuance and the New Bye-laws in compliance with the laws of Bermuda to replace, respectively, the Memorandum as the Company’s existing memorandum of association, and the Articles as the Company’s existing articles of association;
“Articles”	the existing articles of association of the Company;
“associates”	has the meaning ascribed thereto in the Listing Rules;
“Board”	the board of Directors;
“Business Day”	means a day (other than Saturday and days on which a tropical cyclone warning No.8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business;
“Cancellation of Share Premium Account”	the proposed cancellation of the entire amount standing to the credit of the share premium account of the Company;
“Capital Reduction”	the proposed reduction of the issued share capital of the Company through cancellation of the paid-up capital of the Company to the extent of US\$0.39 on each of the issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from US\$0.40 to US\$0.01;
“Capital Reorganisation”	the proposed reorganisation of the share capital of the Company involving the Share Consolidation, the Capital Reduction and the Share Sub-Division;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time;

DEFINITION

“Change in Board Lot Size”	the change in board lot size of the Shares for trading on the Stock Exchange from 1,000 Existing Shares to 2,000 New Shares;
“Change of Domicile”	the proposed change of domicile of the Company from the Cayman Islands to Bermuda by way of deregistration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda;
“Companies Act”	the Companies Act 1981 of Bermuda (as revised);
“Companies Law”	the Companies Act (as revised) of the Cayman Islands;
“Company”	InvesTech Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 1087);
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules;
“core connected person(s)”	has the meaning ascribed thereto in the Listing Rules;
“Consolidated Share(s)”	ordinary share(s) of US\$0.40 each in the share capital of the Company upon the Share Consolidation becoming effective but prior to the Capital Reduction and the Share Sub-Division becoming effective;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve resolutions for effecting, the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation, the adoption of the New Share Option Scheme and the re-election of retiring Director;
“EGM Notice”	the notice convening the EGM set out on pages EGM-1 to EGM-6 of this circular;

DEFINITION

“Eligible Employee”	means any employee (whether full time or part time employee, including any executive Director but excluding any non-executive Director) of any member of the Group and any of the Invested Entity;
“Existing Share(s)”	ordinary share(s) of US\$0.02 each in the share capital of the Company prior to the Capital Reorganisation becoming effective;
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures;
“Grantee”	means any Participant who accepts the offer of the grant of any Option in accordance with the terms of the New Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee;
“Group”	the Company and its subsidiaries;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Invested Entity”	means any entity in which any member of the Group holds as to more than 50% of the total equity interest of such entity;
“Latest Practicable Date”	25 May 2021, being the latest practicable date prior to printing of the circular for ascertaining certain information this circular;
“Listing Committee”	the listing committee of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum”	the existing memorandum of association of the Company;

DEFINITION

“New Memorandum of Continuance”	a memorandum of continuance of the Company proposed to be adopted by the Company, which will become effective upon the continuation of the Company in Bermuda;
“New Bye-laws”	a new set of bye-laws of the Company proposed to be adopted by the Company, which will become effective upon the continuation of the Company in Bermuda;
“New Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company upon the Capital Reorganisation becoming effective;
“New Share Option Scheme”	the new share option scheme proposed to be adopted by the Company upon the approval by the Shareholders at the EGM, a summary of its principal terms is set out in Appendix II of this circular;
“Offer Date”	means in respect of an Option, the date on which such Option is offered to a Participant under the New Share Option Scheme;
“Old Share Option Scheme”	the share option scheme of the Company adopted on 25 October 2010;
“Option”	an option to subscribe for the Shares granted pursuant to the New Share Option Scheme;
“Option Holder”	the holder of any outstanding Option or (where the context so permits) any person who is entitled to such Option in consequence of death or disability of the original holder;
“Option Period”	in respect of any particular Option, such period as the Board may in its absolute discretion determine, save that such period shall not be more than ten (10) years from the date upon which the Option is deemed to be granted and accepted in accordance with the New Share Option Scheme and that the Board may at its discretion determine the minimum period for which the Option has to be held before the exercise of the Option;

DEFINITION

“Other Schemes”	means other than the New Share Option Scheme, all the schemes involving the grant by the Company or any of its subsidiaries of options over shares or other securities of the Company or any of the Company’s subsidiaries to, or for the benefit of, specified participants of such schemes over such shares or securities of the Company or any of the Company’s subsidiaries which, in the opinion of the Stock Exchange, is analogous to a share option scheme as described in the Listing Rules;
“Participant”	means any person belonging to any of the following classes of participants: (a) any Eligible Employee; (b) any non-executive Director and independent non-executive Director; and (c) any supplier of goods or services to, any customer of, and any advisors, consultants, agents and distributors of any member of the Group or any of the Invested Entities, who in the sole opinion of the Board, will contribute or have contributed to the Group or the Invested Entities;
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region and Taiwan;
“RMB”	Renminbi, the lawful currency of the PRC;
“Scheme Period”	means a period commencing on the Adoption Date and ending on the tenth anniversary of the Adoption Date (both dates inclusive);
“Share(s)”	the Existing Share(s), the Consolidated Share(s) and/or the New Shares, as the case may be;
“Share Consolidation”	the proposed consolidation of every twenty (20) issued and unissued Existing Shares into one (1) Consolidated Share;

DEFINITION

“Share Sub-Division”	the proposed sub-division of each of the unissued Consolidated Shares of US\$0.40 each in the authorised share capital of the Company into forty (40) New Shares of US\$0.01 each;
“Share Registrar”	Computershare Hong Kong Investor Services Limited;
“Shareholder(s)”	holder(s) of the Existing Share(s), the Consolidated Share(s), and/or the New Share(s), as the case may be;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	means the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option, to be stated in the letter containing the offer of the grant of any Option;
“substantial Shareholder”	has the meaning ascribed thereto in the Listing Rules;
“trading day”	means a day on which the Exchange is open for the trading of securities;
“US\$”	United States dollar, the lawful currency of the United States of America; and
“%”	per cent.

LETTER FROM THE BOARD



InvesTech Holdings Limited
威訊控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1087)

Executive Directors:

Mr. Chan Sek Keung, Ringo
(Chairman and Chief Executive Officer (“CEO”))
Ms. Wang Fang *(Vice CEO)*
Mr. Lu Chengye
Mr. Liu Chun Fai

Non-executive Director:

Mr. Wong Tsu Wai, Derek

Independent Non-executive Directors:

Mr. Tsoi, David
Mr. Lu, Brian Yong Chen
Mr. Yuen Shiu Wai

Registered Office:

71 Fort Street
PO Box 500
George Town
Grand Cayman KY1-1106
Cayman Islands

*Principal Place of Business
in Hong Kong:*

Room 1201, 12/F
C C Wu Building
302-308 Hennessy Road
Wanchai
Hong Kong

31 May 2021

To the Shareholders

Dear Sir or Madam,

(I) PROPOSED CHANGE OF DOMICILE
**(II) PROPOSED ADOPTION OF THE NEW MEMORANDUM OF
CONTINUANCE AND THE NEW BYE-LAWS**
(III) PROPOSED CANCELLATION OF SHARE PREMIUM ACCOUNT
(IV) PROPOSED CAPITAL REORGANISATION
(V) PROPOSED CHANGE IN BOARD LOT SIZE
(VI) PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME
(VII) PROPOSED RE-ELECTION OF RETIRING DIRECTOR
AND
(VIII) NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

Reference is made to the announcement of the Company dated 3 May 2021, in relation to the proposals on, amongst other things, the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation, the Change in Board Lot Size, the adoption of the New Share Option Scheme and the re-election of retiring Director.

LETTER FROM THE BOARD

The purpose of this circular is to give you the EGM Notice and to provide you with information in compliance with the requirements of the Listing Rules and detailed information in respect of the resolutions to be proposed at the EGM, in order to enable you to make an informed decision on whether to vote for or against such resolutions to be proposed. Resolutions to be proposed at the EGM include the proposals on, amongst other things, (i) the Change of Domicile; (ii) the Adoption of the New Memorandum of Continuance and the New Bye-laws; (iii) the Cancellation of Share Premium Account; (iv) the Capital Reorganisation; (v) the adoption of the New Share Option Scheme; and (vi) the re-election of retiring Director.

2. PROPOSED CHANGE OF DOMICILE

The Board proposes to change the domicile of the Company from the Cayman Islands to Bermuda by way of deregistration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda.

Furthermore, the Board proposes to implement the Capital Reorganisation after the Change of Domicile becoming effective, details of which are set out in the paragraph headed “Proposed Capital Reorganisation” below.

Conditions of the Change of Domicile

The Change of Domicile is conditional upon:

- (i) the passing of special resolutions by the Shareholders at the EGM to approve the Change of Domicile, and the Adoption of the New Memorandum of Continuance and the New Bye-laws;
- (ii) compliance with the relevant requirements under the Listing Rules and the relevant legal procedures and requirements under the laws of the Cayman Islands and the laws of Bermuda in respect of the Change of Domicile; and
- (iii) the obtaining of all necessary approvals from the relevant regulatory authorities or otherwise as may be required in respect of the Change of Domicile, if required.

The Change of Domicile is not conditional upon the Capital Reorganisation becoming effective. However, the Capital Reorganisation is conditional upon the Change of Domicile becoming effective.

Effect of the Change of Domicile

Other than the expenses to be incurred, the Change of Domicile will not alter the underlying assets, investments, management or financial position of the Company nor the proportionate interests of the Shareholders.

LETTER FROM THE BOARD

The Company's legal advisers as to the laws of the Cayman Islands and Bermuda are of the view that the continuation of the Company in Bermuda does not create a new legal entity or prejudice or affect the continuity of the Company. The Company will continue to maintain a place of business in Hong Kong.

Besides, the Change of Domicile will not involve the formation of a new holding company, the withdrawal of listing of the Existing Shares, any issue of new Existing Shares, any transfer of assets of the Company or any change in the existing shareholding of the Company. Implementation of the Change of Domicile will not affect the listing status of the Company on the Stock Exchange.

The existing share certificates for the Existing Shares will continue to be valid and effective as documents of title and for trading and settlement purpose after the Change of Domicile becoming effective.

Reasons for the Change of Domicile

As advised by the Company's legal advisers as to the laws of the Cayman Islands, if the Company proceeds with the Capital Reorganisation, which includes, among other things, the Capital Reduction in the Cayman Islands, according to the laws of the Cayman Islands, the sanction by the Grand Court of the Cayman Islands would be required, and such sanction cannot be obtained in a commercially expedient time frame.

If the Capital Reorganisation will be effected by way of a change of domicile of the Company from the Cayman Islands to Bermuda through deregistration in the Cayman Islands and continuation in Bermuda, the legal advisers of the Company as to the laws of the Cayman Islands and Bermuda advised that no court order is required in the Cayman Islands or Bermuda for the Change of Domicile and the Capital Reorganisation after deregistration of the Company in the Cayman Islands and its continuation in Bermuda.

The Board considers that it would save the Company's time for carrying out the Capital Reorganisation in Bermuda by first implementing the Change of Domicile. Therefore, the Board believes that the Change of Domicile is beneficial to and in the interests of the Company and the Shareholders as a whole.

3. PROPOSED ADOPTION OF THE NEW MEMORANDUM OF CONTINUANCE AND THE NEW BYE-LAWS

In connection with the Change of Domicile, the Company proposes to adopt the New Memorandum of Continuance and the New Bye-laws in compliance with the laws of Bermuda to replace, respectively, the Memorandum as the existing memorandum of association of the Company, and the Articles as the existing articles of association of the Company.

LETTER FROM THE BOARD

Conditions of the Adoption of the New Memorandum of Continuance and the New Bye-laws

The Adoption of the New Memorandum of Continuance and the New Bye-laws is conditional upon the passing of a special resolution by the Shareholders to approve the Adoption of the New Memorandum of Continuance and the New Bye-laws at the EGM, and the registration of the New Memorandum of Continuance by the Registrar of Companies in Bermuda.

A summary of the provisions of the New Memorandum of Continuance and the New Bye-laws which will become effective upon continuation of the Company in Bermuda and their differences with the Memorandum and the Articles are set out in the Appendix I to this circular.

4. PROPOSED CANCELLATION OF SHARE PREMIUM ACCOUNT

The Board proposes to cancel the entire amount standing to the credit of the share premium account of the Company and to transfer the credits arising from such cancellation to an account designated as the contributed surplus account of the Company.

As at 31 December 2020, the Company has a credit balance of approximately RMB625,012,000 (equivalent to approximately HK\$699,388,000) standing in its share premium account.

Subject to the approval of the Shareholders at the EGM by way of a special resolution, the credits arising from the cancellation of the entire amount standing to the credit of the share premium account of the Company can be transferred to an account designated as the contributed surplus account of the Company, and such account designated as the contributed surplus account of the Company shall become the contributed surplus account of the Company within the meaning of the Companies Act upon the Change of Domicile becoming effective.

Conditions of the Cancellation of Share Premium Account

The Cancellation of Share Premium Account is conditional upon:

- (i) passing of a special resolution by the Shareholders at the EGM to approve the transfer of the credits arising from the cancellation of the entire amount standing to the credit of the share premium account of the Company to an account designated as the contributed surplus account of the Company and that such designated contributed surplus account of the Company shall be the contributed surplus account of the Company within the meaning of the Companies Act; and
- (ii) the compliance with the relevant legal procedures and requirements under the laws of the Cayman Islands to effect the Cancellation of Share Premium Account.

LETTER FROM THE BOARD

5. PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation after the Change of Domicile becoming effective, which will involve the Share Consolidation, the Capital Reduction and the Share Sub-Division, details of which are as follows:

(a) Share Consolidation

Every twenty (20) issued Existing Shares of US\$0.02 each shall be consolidated into one (1) issued Consolidated Share of US\$0.40 each, and every twenty (20) unissued Existing Shares of US\$0.02 each shall be consolidated into one (1) unissued Consolidated Share of US\$0.40 each.

(b) Capital Reduction

The Capital Reduction will be implemented immediately upon the Share Consolidation becoming effective, pursuant to which the par value of each of the issued Consolidated Shares will be reduced from US\$0.40 to US\$0.01 by cancelling the paid-up capital of the Company to the extent of US\$0.39 on each of the issued Consolidated Shares. As such, the issued share capital of the Company will be reduced.

The credits arising in the books of the Company from (a) the cancellation any fraction in the issued share capital of the Company which may arise from the Share Consolidation (if any); and (b) the Capital Reduction, will be credited to the contributed surplus account of the Company within the meaning of the Companies Act.

(c) Share Sub-Division

Immediately following the Capital Reduction, the Share Sub-Division will be implemented on the basis that every unissued Consolidated Share of US\$0.40 each in the authorised share capital of the Company shall be sub-divided into forty (40) New Shares of US\$0.01 each.

Effects of the Capital Reorganisation

As at the Latest Practicable Date, the authorised share capital of the Company is US\$50,000,000 divided into 2,500,000,000 Existing Shares of par value US\$0.02 each, of which 1,404,000,000 Existing Shares have been issued and are fully paid or credited as fully paid, and the aggregate par value of the issued share capital of the Company is US\$28,080,000.

LETTER FROM THE BOARD

Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date until the effective date of the Capital Reorganisation, the authorised share capital of the Company will be US\$50,000,000 divided into 5,000,000,000 New Shares of par value of US\$0.01 each, of which 70,200,000 New Shares will be in issue and the aggregate par value of the issued share capital of the Company will be US\$702,000 upon the Capital Reorganisation becoming effective. A credit of US\$27,378,000 will arise as a result of the Capital Reduction. It is proposed that the credit arising as a result of the Capital Reduction to be transferred to the contributed surplus account of the Company within the meaning of the Companies Act which, together with the amount already in the contributed surplus account as a result of the Cancellation of Share Premium Account and any credit which may arise as a result of the cancellation of any fraction in the issued share capital of the Company arising from the Share Consolidation (if any), will then be applied by the Board to set off against the accumulated losses of the Company (if any) in full or by the amount of such credits upon the date of the Capital Reorganisation becoming effective.

The New Shares in issue immediately following the Capital Reorganisation becoming effective will rank *pari passu* in all respects with each other and the Capital Reorganisation will not result in any change in the relative rights of the Shareholders. Any fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued or allocated to the Shareholders but all such fractional Consolidated Shares will be aggregated, sold and retained for the benefit of the Company.

Shareholders and potential investors of the Company should note that the credits arising in the books from the Capital Reorganisation will be subject to change depending on the number of the Existing Shares in issue immediately prior to the Capital Reorganisation becoming effective.

Under the laws of Bermuda, the Directors may apply the contributed surplus in any manner permitted by the applicable laws of Bermuda and the New Bye-laws in effect from time to time.

Other than the expenses to be incurred, the implementation of the Capital Reorganisation and the Change in Board Lot Size will not alter the underlying assets, business operations, management or financial position of the Company nor the proportionate interests or rights of the Shareholders, save that any fractional New Shares will not be allocated to Shareholders who may otherwise be entitled, if any.

Assuming no further Existing Shares will be issued or repurchased, and there are no other changes in the issued share capital of the Company from the Latest Practicable Date up to the effective date of the Capital Reorganisation, the effect of the Capital Reorganisation on the share capital structure of the Company is summarised as follows:

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	As at the Latest Practicable Date	Immediately after the Share Consolidation becoming effective but before the Capital Reorganisation becoming effective	Immediately after the Capital Reorganisation becoming effective
Authorised share capital (US\$)	50,000,000	50,000,000	50,000,000
Par value	US\$0.02 per Existing Share	US\$0.40 per Consolidated Share	US\$0.01 per New Share
Number of authorised shares	2,500,000,000 Existing Shares	125,000,000 Consolidated Shares	5,000,000,000 New Shares
Par value of issued share capital (US\$)	28,080,000	28,080,000	702,000
Number of issued shares	1,404,000,000 Existing Shares	70,200,000 Consolidated Shares	70,200,000 New Shares
Number of unissued shares	1,096,000,000 Existing Shares	54,800,000 Consolidated Shares	4,929,800,000 New Shares
Par value of unissued share capital (US\$)	21,920,000	21,920,000	49,298,000

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon:

- (i) the passing of special resolutions by the Shareholders at the EGM to approve the Capital Reorganisation at the EGM;
- (ii) the Change of Domicile becoming effective;
- (iii) the Adoption of the New Memorandum of Continuance and the New Bye-laws becoming effective;

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- (iv) the Stock Exchange granting the listing of, and permission to deal in, the New Shares in issue and to be issued immediately upon the Capital Reorganisation and the New Shares which may fall to be allotted and issued upon exercise of the share options outstanding and to be granted under the share option scheme(s) of the Company;
- (v) the compliance with the relevant legal procedures and requirements under the laws of Bermuda and the Listing Rules to effect the Capital Reorganisation; and
- (vi) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

The requirements of section 46(2) of the Companies Act include (i) publication of a notice in relation to the Capital Reduction in an appointed newspaper in Bermuda on a date not more than thirty days and not less than fifteen days before the effective date of the Capital Reduction; and (ii) that the Directors are satisfied that on the effective date of the Capital Reduction, there are no reasonable grounds for believing that the Company is, or after the effective date of the Capital Reduction would be, unable to pay its liabilities as they become due. The Capital Reorganisation shall become effective when the conditions mentioned above are fulfilled.

Listing and Dealings

An application will be made by the Company to the Listing Committee for the listing of, and the permission to deal in, the New Shares upon the Capital Reorganisation becoming effective.

Subject to the granting of listing of, and permission to deal in, the New Shares on the Stock Exchange upon the Capital Reorganisation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchanges other than the Stock Exchange, and at the time when the Capital Reorganisation becoming effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

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6. PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in board lot size of 1,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 1,000 Existing Shares to 2,000 New Shares, conditional upon the Capital Reorganisation becoming effective.

Based on the closing price of HK\$0.073 per Existing Share (equivalent to the theoretical closing price of HK\$1.460 per New Share) as at the Latest Practicable Date, (i) the value of each existing board lot of 1,000 Existing Shares is HK\$73; (ii) the value of each board lot of 1,000 New Shares would be HK\$1,460 assuming the Capital Reorganisation has become effective; and (iii) the estimated value per board lot of 2,000 New Shares would be HK\$2,920 assuming the Change in Board Lot Size has become effective. The Change in Board Lot Size will result in New Shares being traded in a more reasonable board lot size and value.

More reasons on the proposed Change in Board Lot Size and the proposed Capital Reorganisation will be further elaborated in the paragraph headed “Reasons for the Proposed Capital Reorganisation and the Proposed Change in Board Lot Size”.

The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders.

7. REASONS FOR THE PROPOSED CAPITAL REORGANISATION AND PROPOSED CHANGE IN BOARD LOT SIZE

With both the proposed Capital Reorganisation and the proposed Change in Board Lot Size becoming effective, it is expected that it would bring about a corresponding upward adjustment in the market price of the New Shares. With a higher trading price of the New Shares as a result of the proposed Capital Reorganisation and the proposed Change in Board Lot Size, it will reduce the overall transaction and handling costs of dealings in the New Share as a proportion of the market value of each board lot, given most of the banks/securities houses will charge a minimum transaction costs for each securities transaction. The Board considers that it would enhance the corporate image of the Company and help maintain the transaction amount for each board lot at a reasonable level in order to attract more investors and broaden the base of the Shareholders, and thus provide flexibility for equity fund raising of the Company in the future.

Pursuant to the Companies Law and the Articles, the Company shall not issue shares at a price below par value. Since the Existing Shares are currently trading below par value, it is difficult for the Board to negotiate with any potential investors of the Company and financial institutions for possible subscription, offer or placing of the Existing Shares at or above the par value. In order to facilitate fundraising activities by way of issuance of equity securities or convertible securities, the Company considers that it is desirable and necessary to lower the par value of the Existing Shares through implementing the Capital Reorganisation.

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Furthermore, pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities.

The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 (with the latest update on 1 October 2020) (the “**Guide**”) has further stated that market price of the shares at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules. It has also stated in the Guide that taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

Taking into account of the closing price of HK0.073 per Existing Share as at the Latest Practicable Date, the value of each existing board lot of 1,000 Existing Shares is only HK\$73, and the estimated market value per board lot of 2,000 New Shares would be HK\$2,920 under the assumption that the proposed Capital Reorganisation and the proposed Change in Board Lot Size becoming effective. It is expected that the Share Consolidation and the change in board lot size would enable the Company to comply with Rule 13.64 of the Listing Rules.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation, and the Company does not have any concrete plan to conduct any fundraising activities in the next twelve months.

While the Company does not have any agreement, arrangement, understanding, or negotiation (either concluded or in process) on any potential fundraising activities, the Company cannot rule out the possibility that the Company will conduct debt and/or equity fundraising exercises when suitable fundraising opportunities arise, in order to strengthen the conditions of cash flow and liquidity of the Group. Further announcement(s) will be made by the Company with regards to any potential fundraising activities as and when appropriate and in accordance with the Listing Rules.

Furthermore, the credit arising from the Capital Reduction will be applied to offset against the balance of the accumulated losses of the Company (if any) in full upon the date of the Capital Reorganisation becoming effective, and, if possible, it may be applied in the future for distribution to the Shareholders or in any manner permitted by the Companies Act and the New Bye-laws.

In view of the above, the Board considers the proposed Capital Reorganisation and the proposed Change in Board Lot Size is justifiable notwithstanding of the potential costs and impact arising from creation of odd lots to Shareholders, and accordingly, the proposed Capital Reorganisation and the proposed Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

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8. OTHER ARRANGEMENTS

(a) Exchange of share certificates

Subject to the Capital Reorganisation becoming effective, which is currently expected to be on Wednesday, 28 July 2021, Shareholders may between 9:00 a.m. and 4:30 p.m. on any business day during the period from Wednesday, 28 July 2021 to Thursday, 2 September 2021 (both days inclusive), submit share certificates for the Existing Shares (in blue color) to the Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong to exchange for new share certificates for the New Shares (in green color), on the basis of every twenty (20) Existing Shares for one (1) New Share without any fractional New Share and at the expense of the Company.

Shareholders should note that after the prescribed time for free exchange of share certificates, a fee of HK\$2.50 each (or such higher amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the Share Registrar for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the New Shares, whichever the number of share certificates involved is higher.

After 4:10 p.m. on Tuesday, 31 August 2021, trading will only be in New Shares which share certificates will be issued in green color. Existing share certificates in blue color for the Existing Shares will cease to be valid for delivery, trading and settlement purposes, but will remain valid and effective as documents of title and may be exchanged for new share certificates for the New Shares.

(b) Arrangement on Odd Lot Trading

In order to alleviate the difficulties arising from the existence of odd lots of the New Shares as a result of the Capital Reorganisation and the Change on Board Lot Size, the Company has appointed Gransing Securities Co., Ltd. to as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to top-up acquire the New Shares to make up a full new board lot or dispose of their holdings of odd lots of the New Shares, during the period from Wednesday, 11 August 2021 to Tuesday, 31 August 2021 (both days inclusive). Holders of the New Shares in odd lots who wish to take advantage of this arrangement may directly or through their brokers contact Ms. Annie Wong of Gransing Securities Co., Ltd. at Unit 2508, 25/F, COSCO Tower, 183 Queen’s Road Central, Central, Hong Kong or via (852) 3162 6883 during 9:00 a.m. to 4:10 p.m. within such period.

Holders of the New Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the New Shares is not guaranteed. Shareholders are recommended to consult their professional advisers if they are in doubt about the above odd lots matching arrangement.

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(c) Adjustments in relation to other equity securities of the Company

As at the Latest Practicable Date, there are outstanding share options entitling its holders for subscription of 7,920,000 Existing Shares under the Old Share Option Scheme. The Capital Reorganisation may lead to adjustments to the exercise price and/or the number of Shares falling to be issued upon exercise of the outstanding options pursuant to the terms and conditions of the Old Share Option Scheme and the Listing Rules. The Company will make further announcements regarding the adjustments as and when appropriate and in accordance with the Listing Rules.

Save as disclosed above, as at the Latest Practicable Date, the Company has no other derivatives, options, warrants or other securities in issue which are convertible or exchangeable into any Shares.

9. PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

The Old Share Option Scheme, as the existing Share Option Scheme of the Company, was adopted on 25 October 2010 and was expired on 24 October 2020. As at the Latest Practicable Date, the Company had granted 7,920,000 share options for the subscription of a total number of 7,920,000 Existing Shares to two of the Executive Directors, which continues to be capable of exercise during the prescribed period in accordance with the Old Share Option Scheme and the terms during the time of granting such share options.

Details of the share options granted under the Old Share Option Scheme as at the Latest Practicable Date are set out below:

Name of Participants	Date of Grant	Number of share options granted and remains outstanding	Exercise price of the share options granted	Exercise Period
Chan Sek Keung, Ringo	25 October 2016	720,000	HK\$1.70	Note 1
Wang Fang	25 October 2016	<u>7,200,000</u>	HK\$1.70	Note 1
	Total:	<u><u>7,920,000</u></u>		

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Note:

1. *The validity period of the share options are ten (10) years from the date of grant as stipulated above. The share options granted on 25 October 2016 were divided into three tranches: (i) 40% of which are exercisable from 25 October 2016 to 24 October 2017 (both days inclusive); (ii) 30% of which (together with such share options which are not exercised during the previous period in (i) are exercisable from 25 October 2017 to 24 October 2018 (both days inclusive); and (iii) 30% of which (together with such share options which are not exercised during the previous periods in (i) and (ii)) are exercisable from 25 October 2018 to 25 October 2026 (both days inclusive).*

As at the Latest Practicable Date, save as disclosed above, the Company had no other outstanding share options under the Old Share Option Scheme. There was no other share option scheme put in place by the Company as at the Latest Practicable Date.

To enable the Company to continue to grant share options to Participants as incentives or rewards for their contributions to the success of the Group, the Board proposes to recommend to and seek the approval from the Shareholders at the EGM to approve and adopt the New Share Option Scheme with effect from the Adoption Date.

A summary of the principal terms of which are set out in Appendix II to this circular. A copy of the New Share Option Scheme is available for inspection at the principal place of business of the Company in Hong Kong at Room 1201, 12/F, C C Wu Building, 302-308 Hennessy Road, Wanchai, Hong Kong during normal business hours from the date hereof up to and including the date of the EGM.

The New Share Option Scheme is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules, and will be valid and effective for a period of ten (10) years, commencing on the Adoption Date.

The purposes of the New Share Option Scheme are, through ownership of Shares and/or the increase in value of Shares, to align the Participants' interests with those of the Group, to incentivise and reward the Participants for their contribution to the long-term growth and profits of the Group and any of the Invested Entity, and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any of the Invested Entity, with a view to achieving the objective of increasing the value of the Group.

Pursuant to the New Share Option Scheme, the Participants eligible to it include:

- (a) the Eligible Employees, which include any employee (whether full time or part time employee, including any executive Director but excluding any non-executive Director) of any member of the Group and any of the Invested Entity;
- (b) any non-executive Director and independent non-executive Director; and

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- (c) any supplier of goods or services to, any customer of, and any advisors, consultants, agents and distributors of any member of the Group or any of the Invested Entities (“**Category C**”), whom in the sole opinion of the Board, will contribute or have contributed to the Group or the Invested Entities.

With the adoption of the New Share Option Scheme, which is subject to such conditions under the paragraph headed “10. Conditions of the Adoption of the New Share Option Scheme”, the Board intends to uphold the overriding principle of granting the Options based on contributions to the Group, such intended grantee must have contributed or will contribute to the Group.

The Board believes that the inclusion of above parties as the Participants is appropriate, fair and reasonable because the success of the Group would be affected by whether there is a long term and sustainable business relationship with the parties who play a role in the business of the members of the Group and the Invested Entities.

In addition to the granting of the Options to the Eligible Employees, granting of the Options includes persons such as any employee of any of the Invested Entity, as the Group engages its business through various joint venture companies which can make financial contributions to the Group, the Directors believe that the grant of the Options to such employees would enable them to share common interests and business objectives with the Group and to contribute to the overall growth and development of the Group’s business.

Furthermore, the Company is of the view that the inclusion of parties under Category C as Participants being appropriate, fair and reasonable as the success of the Group cannot be achieved solely by the contributions of the employees of the Group and the Directors, but it also hinges on the cooperation with and contributions by parties who play a part in the business and daily operations, and thus, contribute to the success and growth of the Group, including the Group’s suppliers, customers, consultants, and distributors, etc.. Therefore, the Directors are of the view that the grant of the Options to these parties which are able to contribute to the Group but falls outside the traditional employer-employee relationship, will give the above parties an opportunity to have a personal stake in the Company and is an appropriate means of achieving the Group’s goal, and it is desirable for, and in the interest of, the Company, as it will motivate and align the interests of such parties with those of the Group, in order to promote the Group’s business by optimising these parties’ performance and efficiency, and attract, retain or otherwise maintain good business relationships with parties under Category C, whose contributions are important to the long-term growth and profitability of the Group. Furthermore, the inclusion of the above parties is to provide the Board with sufficient flexibility under the New Share Option Scheme to grant Options in order to incentivise the participation and involvement in promoting the businesses of the Group, and reward persons who have or will contribute to the Group as and when appropriate, so as to promote the interests of the Group and thus, that of Shareholders as a whole.

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The basis of determination on the eligibility of the Participants under Category C in relation to the contributions of business and development of the Group are set out as follows:

- (a) Customers : Customers and the maintenance of long-term relationship with them are vital to the generation of stable, fast-growing revenue to the Group;
- (b) Suppliers, agents and distributors : Suppliers and the maintenance of long-term relationship with them are crucial to the stable supply of products to and provision of quality services by the Group, furthermore, the distributors and the agents develop and assist the development of the sales channels of the Group, in turn facilitating the distribution of the products or services to the Group's customers, increasing the revenue generated for the Group; and
- (c) Advisors and consultants : Useful advices and consultancy services are important to the Group in terms of the promotion for the continuing development and growth of the Group and bringing external business connections to the Group.

The Board will consider factors such as performance conditions, or targets to be achieved and potential and/or actual contribution to the operation, business affairs of and benefits to the Group and any of the Invested Entity on a case-by-case basis when determining the eligibility of any Participant. In particular, (a) with respect to customers, the Board may consider the grant of Option based on (i) the quantity and frequency of the business transactions; (ii) the on-going business relationship with the Group; (iii) the contribution to the Group's revenue and profits; and (iv) any potential business development opportunities and other relevant factors; (b) with respect to suppliers, agents and distributors, the Board may consider the grant of Option based on the (i) quantity and frequency of the business transactions; (ii) the on-going business relationship with the Group; (iii) the quality of goods and services; (iv) any potential business development opportunities; and (v) the ability and incentive to refer suitable business opportunities to the Group and other relevant factors; and (c) with respect to advisors and consultants, the Board may consider the contributions made to the Group's business affairs, development and growth including (i) their length of providing the relevant services to the Group; (ii) the materiality and nature of their services provided to the Group (including without limitations to whether they relate to the core business of the Group and whether such services could be readily replaced by other third parties); (iii) their track record in the quality of services provided to the Group; and (iv) advices provided to the Group.

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The Directors consider that there is no material difference between the terms of the Old Share Option Scheme and the New Share Option Scheme. As at the Latest Practicable Date, the Company has not proposed to grant, and has no immediate plan to grant any Options under the New Share Option Scheme.

The terms of the New Share Option Scheme provide that in granting Options under the New Share Option Scheme, the Board may offer to grant any Options subject to such terms and conditions in relation to the minimum period of the Options to be held and/or the performance targets to be achieved before such Options can be exercised and/or any other terms as the Board may determine in its absolute discretion. The Board will also determine the Subscription Price in respect of any Option. By setting vesting periods, performance targets and a subscription price, the relevant Grantee will have to work towards meeting these standards set by the Board for the purpose of contributing to the success of the Group. Such terms and conditions are set with the objective of serving the purpose of the New Share Option Scheme.

Unless the Board exercises its authority to determine otherwise, there is no performance target which must be met before the Options can be exercised and that there is no minimum period for which the Options granted must be held before they can be exercised.

As at the Latest Practicable Date, there were 1,404,000,000 Existing Shares in issue. Subject to the approval of Shareholders with respect to the adoption of the New Share Option Scheme at the EGM, and assuming that there is no change to the issued share capital of the Company in the period commencing from the Latest Practicable Date to the date of the EGM, the maximum number of Shares which may be allotted and issued pursuant to the New Share Option Scheme will be 140,400,000 Existing Shares, representing 10% of the total number of Existing Shares in issue as at the date of EGM. Based on the above, it is expected that upon the Capital Reorganisation becoming effective, the maximum number of New Shares which may be allotted and issued pursuant to the New Share Option Scheme will be 7,020,000 New Shares, representing 10% of the total number of New Shares in issue.

The Subscription Price shall be such price as determined by the Board in its absolute discretion and will be stated in the letter containing the offer of the grant of the Options but in any event the Subscription Price shall not be less than the highest of: (i) the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a Business Day; (ii) the average closing price of the Shares as stated in the daily quotations sheets of the Stock Exchange for the five (5) Business Days immediately preceding the date of grant; and (iii) par value of a Share on the date of grant.

None of the Directors is a trustee of the New Share Option Scheme nor has any direct or indirect interest in the trustees of the New Share Option Scheme, if any.

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To the best knowledge of the Directors, as of the Latest Practicable Date, no Shareholder had any direct or indirect material interest in the adoption of the New Share Option Scheme and accordingly, no Shareholder is required to abstain from voting on the ordinary resolution to approve and adopt the New Share Option Scheme at the EGM.

The Directors consider it is inappropriate to disclose the value of Options which may be granted under the New Share Option Scheme as if they had been granted as at the Latest Practicable Date. Any such valuation will have to be made on the basis of certain option pricing model or other methodology, which depends on various assumptions including, the Subscription Price, the exercise period, interest rate, expected volatility and other variables. As no Option have been granted, certain variables are not available for calculating the value of Options. The Directors believe that any calculation of the value of Options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to investors.

As at the Latest Practicable Date and to the best of the Directors' knowledge, information and belief, the Company has no intention to grant any Option to the Participants under the New Share Option Scheme, which is subject to such conditions under the paragraph headed "10. Conditions of the Adoption of the New Share Option Scheme", in the coming twelve months.

10. CONDITIONS OF THE ADOPTION OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme is conditional upon:

- (a) the Listing Committee granting approval for the listing of, and permission to deal in, any Shares to be issued by the Company pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme; and
- (b) the passing of an ordinary resolution by the Shareholders in the EGM to (i) approve the adoption of the New Share Option Scheme; (ii) authorise the Board to grant Options under the New Share Option Scheme; and (iii) allot, issue, and otherwise deal with the Shares pursuant to the exercise of Options in accordance with terms and conditions of the New Share Option Scheme.

11. APPLICATION FOR LISTING

An application will be made to the Listing Committee for the approval of the listing of, and permission to deal in, the Shares on the Stock Exchange which may fall to be allotted and issued by the Company pursuant to the exercise of the Options to be granted pursuant to the New Share Option Scheme.

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12. RETIREMENT OF DIRECTOR AND RE-ELECTION OF RETIRING DIRECTOR

Pursuant to article 83(3) of the Articles, Mr. David Tsoi (independent non-executive Director) shall retire and, being eligible, will offer himself for re-election at the forthcoming EGM of the Company.

Particulars of Mr. David Tsoi are set out in Appendix III to this circular.

The re-election of Director has been reviewed by the nomination committee of the Company (the “**Nomination Committee**”), which has made recommendation to the Board that the re-election be proposed for the Shareholders’ approval at the forthcoming EGM of the Company.

The Nomination Committee has reviewed the biographical details of Mr. David Tsoi and his meeting of nomination criteria (including but not limited to, character, professional qualifications, skills, knowledge and experience that are relevant to the Company’s business and corporate strategy, time commitment to effectively discharge duties as Board member) set out in the nomination policy of the Company and has considered the diversity aspects (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services) set out in the diversity policy of the Company, and has taken the view that Mr. David Tsoi has been contributing to the Group effectively and is committed to his role as Director.

The Board has accepted the recommendation by the Nomination Committee for recommending the Shareholders to re-elect Mr. David Tsoi as Director at the EGM. He abstained from voting at the Board meeting regarding his nomination. The Board considers that the re-election of Mr. David Tsoi as Director is in the best interest of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of his re-election at the EGM.

13. WARNING

Shareholders and potential investors of the Company should note that the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation and the adoption of the New Shares Option Scheme is conditional upon satisfaction of the respective conditions precedent as set out in the respective paragraphs headed “Conditions of the Change of Domicile”, “Conditions of the Adoption of the New Memorandum of Continuance and the New Bye-laws”, “Conditions of the Cancellation of Share Premium Account”, “Conditions of the Capital Reorganisation” and “Conditions of the Adoption of the New Share Option Scheme”. Accordingly, the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation and the adoption of the New Shares Option Scheme may or may not proceed.

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Furthermore, Shareholders and potential investors of the Company should note that the proposed Change in Board Lot Size is conditional upon the Capital Reorganisation becoming effective.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Company's securities. If they are in any doubt, they should consult their professional advisers.

14. EGM

The EGM Notice convening the EGM to be held at 2/F, 35-45B Bonham Strand, Sheung Wan, Hong Kong (or any adjournment thereof) on Wednesday, 23 June 2021 at 11:00 a.m. is set out on pages EGM-1 to EGM-6 of this circular for the purpose of considering and, if thought fit, passing the resolutions to be proposed at the EGM, amongst other things, the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation, the adoption of the New Share Option Scheme and the re-election of retiring Director.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the Shareholders has an interest in the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation, the adoption of the New Share Option Scheme and the re-election of retiring Director. Therefore, no Shareholder is required to abstain from voting on the above resolutions to be proposed at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such event, the form of proxy shall be deemed to be revoked.

15. LISTING RULES REQUIREMENT ON VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the EGM will therefore demand a poll for every resolution put to the vote of the EGM. An announcement will be made by the Company following the conclusion of the EGM to inform Shareholders of the results of EGM.

LETTER FROM THE BOARD

16. CLOSURE OF TRANSFER BOOKS AND REGISTER OF MEMBERS

The transfer books and register of members of the Company will be closed from Friday, 18 June 2021 to Wednesday, 23 June 2021 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify for the right to attend and vote at the EGM, all transfers of Shares accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Thursday, 17 June 2021.

17. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or this circular misleading.

18. RECOMMENDATION

The Directors consider that the resolutions set out in the EGM Notice, including, but without limitation to the proposals on, the Change of Domicile, the Adoption of the New Memorandum of Continuance and the New Bye-laws, the Cancellation of Share Premium Account, the Capital Reorganisation, the adoption of the New Share Option Scheme and the re-election of retiring Director are in the best interests of the Company and the Shareholders as a whole.

Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the EGM as set out in the EGM Notice.

Your attention is also drawn to the additional information set out in Appendix I, Appendix II and Appendix III to this circular.

By Order of the Board
InvesTech Holdings Limited
Chan Sek Keung, Ringo
Chairman and CEO

SUMMARY OF THE NEW MEMORANDUM OF CONTINUANCE AND THE NEW BYE-LAWS AND DIFFERENCES WITH THE MEMORANDUM AND THE ARTICLES

Set out below is a summary of certain provisions of the New Memorandum of Continuance and the New Bye-laws of the Company upon deregistration in the Cayman Islands and continuation in Bermuda and their material differences with the Memorandum and the Articles prior to the Change of Domicile.

1. THE MEMORANDUM AND THE NEW MEMORANDUM OF CONTINUANCE

The Memorandum states, *inter alia*, that the liability of each member of the Company is limited to the amount from time to time unpaid on such member's shares, that the objects for which the Company is established are unrestricted and that the Company shall have and be capable of from time to time and at all times exercising any and all of the powers at any time or from time to time exercisable by a natural person or body corporate, irrespective of any question of corporate benefit provided that the Company shall only carry on the businesses for which a license is required under the laws of the Cayman Islands when so licensed under the terms of such laws.

Upon continuance of the Company in Bermuda, the Company will adopt the New Memorandum of Continuance which, upon filing with and registration by the Bermuda Registrar of Companies, will in effect be the Company's new memorandum of association. The New Memorandum of Continuance states, *inter alia*, that the liability of members of the Company is limited to the amount, if any, for the time being unpaid on the shares respectively held by them and that the Company is an exempted company as defined in the Companies Act. The New Memorandum of Continuance also sets out the objects of the Company from the date of continuance are unrestricted and that the Company has the capacity, rights, powers and privileges of a natural person. As an exempted company, the Company will be carrying on business outside Bermuda.

In accordance with and subject to the Companies Act, the New Memorandum of Continuance of the Company empowers it to purchase its own shares; this power is exercisable by the Board upon such terms and subject to such conditions as it thinks fit.

2. BYE-LAWS

A summary of certain provisions of the New Bye-laws is set out below.

(a) Shares***(i) Variation of rights of existing shares or classes of shares******Summary***

If at any time the capital is divided into different classes of shares, all or any of the special rights (unless otherwise provided for by the terms of issue of that class) attached to any class may, subject to the provisions of the Companies Act, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of the New Bye-laws relating to general meetings will apply mutatis mutandis to every such separate general meeting, but so that the necessary quorum is not less than two persons holding or representing by proxy one-third in nominal value of the issued shares of the class.

Material differences

The Articles contain similar provisions.

(ii) Alterations of capital***Summary***

The Company may from time to time by ordinary resolution: (i) increase its share capital by the creation of new shares; (ii) consolidate all or any of its share capital into shares of larger amount than its existing shares; (iii) divide its shares into several classes and attach to such shares any preferential, deferred, qualified or special rights, privileges or conditions; (iv) sub-divide its shares or any of them into shares of smaller amount than is fixed by the New Memorandum of Continuance; (v) cancel any shares which at the date of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled; (vi) subject to applicable regulatory requirements, make provision for the issue and allotment of shares which do not carry any voting rights; and (vii) change the currency denomination of its share capital.

The Company may by special resolution reduce its share capital, any capital redemption reserve fund or any share premium account or other undistributable reserve in any manner authorised and subject to any conditions prescribed by law.

Material differences

The Articles contain similar provisions save and except that there is no express provision in the Articles authorising the Company to do (vi) and (vii) by way of ordinary resolution. However, it does not necessarily mean that the Company may not do any of (vi) and (vii) as the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit and the Directors have general power under the Articles to do all such acts and things that are not by the Articles or by the Companies Law required to be exercised or done in general meeting. The Company may also by special resolution reduce its share capital, any capital redemption reserve or other undistributable reserve in any manner permitted by law.

(iii) *Transfer of shares*

Summary

All transfers of shares must be effected by transfer in writing in the usual or common form or in any other form acceptable to the Board and may be under hand or by means of mechanically imprinted signatures or such other manner as the Board may from time to time approve. An instrument of transfer must be executed by or on behalf of the transferor and by or on behalf of the transferee and the transferor shall be deemed to remain the holder of a share until the name of the transferee is entered in the register of members in respect of that share.

The Board may, in its absolute discretion, at any time and from time to time transfer any share on the principal register to any branch register or any share on any branch register to the principal register or any other branch register. Unless the Board otherwise agrees, no shares on the principal register shall be transferred to any branch register nor shall shares on any branch register be transferred to the principal register or any other register. All transfers and other documents of title must be lodged for registration and registered, in the case of shares on a branch register, at the relevant registration office and, in the case of shares on the principal register, at the transfer office in Bermuda.

**SUMMARY OF THE NEW MEMORANDUM OF
CONTINUANCE AND THE NEW BYE-LAWS AND
DIFFERENCES WITH THE MEMORANDUM
AND THE ARTICLES**

The Board may in its absolute discretion and without assigning any reason, refuse to register a transfer of any shares (not being fully paid shares) to a person of whom it does not approve or on which the Company has a lien. The Board may also refuse to register a transfer of shares (whether fully paid or not) in favour of more than four persons jointly. If the Board refuses to register a transfer, it will within two months after the date on which the transfer was lodged with the Company send to the transferor and transferee notice of the refusal.

The Board may decline to recognise any instrument of transfer unless the specified fee of up to such sum as the applicable stock exchange may determine to be payable is paid to the Company, the shares are free of any lien in favour of the Company, the instrument of transfer is properly stamped, is in respect of only one class of share and is lodged at the relevant registration or transfer office accompanied by the relevant share certificate(s) and such other evidence as the Board may reasonably require is provided to show the right of the transferor to make the transfer (and if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do). Where applicable, the permission of the Bermuda Monetary Authority (“**BMA**”) with respect to the transfer shall be obtained.

The registration of transfers may be suspended and the register may be closed at such times and for such periods as the Board may from time to time determine and either generally or in respect of any class of shares. The register of members shall not be closed for more than 30 days in any year.

Fully paid shares shall be free from any restriction on transfer (except when permitted by the Stock Exchange) and shall also be free from all liens.

Material differences

The Articles contain similar provisions save and except that the permission of the BMA with respect to any transfer of share shall be obtained where applicable is required under Bermuda laws only.

(iv) Power for the Company to purchase its own shares

Summary

The Company's power to repurchase its own shares is exercisable by the Board, upon such terms and subject to such conditions as it thinks fit.

Material differences

The Company is empowered by the Companies Law and the Articles to purchase its own shares subject to certain restrictions and the Board may only exercise this power on behalf of the Company subject to any applicable requirements imposed from time to time by the Stock Exchange.

The Articles contain a provision stipulated that where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender must be limited to a maximum price determined by the Company in general meeting. If purchases are by tender, tenders must be made available to all members alike.

(v) Power of any subsidiary of the Company to own shares in the Company

Summary

There are no provisions in the New Bye-laws relating to ownership of shares in the Company by a subsidiary.

Material differences

Similarly, the Articles do not contain any such provisions.

(vi) Calls on shares and forfeiture of shares***Summary***

The Board may from time to time make such calls as it thinks fit upon the Shareholders in respect of any monies unpaid on the shares held by them (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment of such shares made payable at fixed times. A call may be made payable either in one sum or by instalments. If the sum payable in respect of any call or instalment is not paid on or before the day appointed for payment, the person or persons from whom the sum is due shall pay interest on the same at such rate not exceeding 20% per annum as the Board shall fix from the day appointed for payment to the time of actual payment, but the Board may waive payment of such interest wholly or in part. The Board may, if it thinks fit, receive from any Shareholder willing to advance the same, either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and upon all or any of the monies so advanced the Company may pay interest at such rate (if any) not exceeding 20% per annum as the Board may decide.

If a Shareholder fails to pay any call or instalment of a call on the day appointed for payment, the Board may, for so long as any part of the call or instalment remains unpaid, serve a notice on the Shareholder requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued and which may still accrue up to the date of actual payment. The notice shall name a further day (not earlier than the expiration of 14 days from the date of the notice) on or before which the payment required by the notice is to be made, and shall also name the place where payment is to be made. The notice shall also state that, in the event of non-payment at or before the appointed time, the shares in respect of which the call was made will be liable to be forfeited.

If the requirements of any such notice are not complied with, any share in respect of which the notice has been given may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. Such forfeiture will include all dividends and bonuses declared in respect of the forfeited share and not actually paid before the forfeiture.

A person whose shares have been forfeited shall cease to be a Shareholder in respect of the forfeited shares but shall, nevertheless, remain liable to pay to the Company all moneys which, at the date of forfeiture, were payable by him to the Company in respect of the shares together with (if the Board shall in its discretion so require) interest thereon from the date of forfeiture until payment at such rate not exceeding 20% per annum as the Board may prescribe.

Material differences

The Articles contain substantially similar provisions.

(b) Directors

(i) Appointment, retirement and removal

Summary

At each annual general meeting one-third of the Directors for the time being, or if their number is not three or a multiple of three then the number nearest to but not less than one third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been in office longest since their last election but, as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree between themselves) be determined by lot.

No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected has been lodged at the head office or at the registration office of the Company at least seven days before the date of the general meeting.

The number of Directors shall not be less than two. A Director may be removed by an ordinary resolution of the Company before the expiration of his period of office (but without prejudice to any claim which such Director may have for damages for breach of any contract of service between him and the Company). The Company may from time to time in general meeting by ordinary resolution elect any person to be a Director either to fill a casual vacancy or as an addition to the Board.

There is no shareholding qualification for Directors nor is there any specified age limit for Directors.

The Board may from time to time entrust to and confer upon a managing director, joint managing director, deputy managing director or executive director all or any of the powers of the Board that it thinks fit provided that the exercise of all powers by such Director shall be subject to such regulations and restrictions as the Board may from time to time make and impose. The Board may delegate any of its powers to committees consisting of such member or members of its body and such other persons as the Board thinks fit, and it may from time to time revoke such delegation or revoke the appointment of and discharge any such committees either wholly or in part, and either as to persons or purposes, but every committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the Board.

Material differences

The Articles contain substantially similar provisions.

(ii) Power to allot and issue shares***Summary***

Without prejudice to any special rights or restrictions for the time being attaching to any shares or any class of shares, any share may be issued upon such terms and conditions and with such preferred, deferred or other special rights, or such restrictions, whether as regards dividend, voting, return of capital or otherwise, as the Company may from time to time by ordinary resolution determine (or, in the absence of any such determination or so far as the same may not make specific provision, as the Board may determine). Any preference share may, subject to the Companies Act and with the sanction of a special resolution, be issued on terms that it is liable to be redeemed upon the happening of a specified event or upon a given date and either at the option of the Company or, if so authorised by the New Memorandum of Continuance, at the option of the holder.

The Board may, subject to the approval by the Shareholders in general meeting, issue warrants to subscribe for any class of shares or securities of the Company on such terms as the Board may from time to time determine. Where warrants are issued to bearer, no certificate in respect of such warrants shall be issued to replace one that has been lost unless the Board is satisfied beyond reasonable doubt that the original certificate has been destroyed and the Company has received an indemnity in such form as the Board thinks fit with regard to the issue of any such replacement certificate.

All unissued shares in the Company shall be at the disposal of the Board, which may offer, allot, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms as it shall in its absolute discretion think fit, but so that no shares shall be issued at a discount.

Material differences

The Articles contain similar provisions save and except that the Articles do not contain a provision requiring special resolutions to approve the issuance of preference shares on terms that is liable to be redeemed upon the happening of a specified event or upon a given date.

(iii) Power to dispose of the assets of the Company or any of its subsidiaries

Summary

While there are no specific provisions in the New Bye-laws relating to the disposal of the assets of the Company or any of its subsidiaries, the Board may exercise all powers and do all acts and things which may be exercised or done or approved by the Company and which are not required by the New Bye-laws or the statutes to be exercised or done by the Company in general meeting.

Material differences

The Articles do not contain any prohibition or restriction on the disposal of the assets of the Company or any of its subsidiaries.

(iv) Borrowing powers

Summary

Subject to the provisions of the Companies Act, the Board may from time to time at its discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the Company and to mortgage or charge its undertaking, property and uncalled capital or any part thereof. The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

Material differences

The Articles contain substantially similar provisions.

(v) Remuneration***Summary***

The Directors shall be entitled to receive by way of remuneration for their services such sum as is from time to time determined by the Company in general meeting, such sum (unless otherwise directed by the resolution by which it is determined) to be divided among the Directors in such proportions and in such manner as the Board may agree or, failing agreement, equally or, in the case of any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid, pro rata. These provisions shall not apply to a Director who holds any salaried employment or office in the Company except in the case of sums paid in respect of Directors' fees. The Directors shall also be entitled to be repaid all expenses reasonably incurred by them in the performance of their duties as Directors or otherwise incurred whilst engaged on the business of the Company. The Board may grant special remuneration to any Director who performs any special or extra services to or at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director. The remuneration of managing director, joint managing director, deputy managing director or other executive director or a Director appointed to any other office in the management of the Company may be fixed from time to time by the Board and may comprise remuneration and such other benefits and allowances as the Board may from time to time decide. Such remuneration is in addition to his remuneration as a Director.

The Board also has power to establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, or to give or procure the giving of donations, gratuities, pensions, allowances or emoluments to, any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied or associated with the Company or with any such subsidiary, or who are or were at any time Directors or officers of the Company or of any such other company and who hold or have held any salaried employment or office in the Company or such other company, and the dependents of any such persons, and may make payments for or towards the insurance of any such persons. Any Director holding any such employment or office is entitled to participate in and retain for his own benefit any such donation, gratuity, pension, allowance or emolument.

Material differences

The Articles contain substantially similar provisions.

(vi) Compensation or payments for loss of office***Summary***

Payments to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must be approved by the Company in general meeting.

Material differences

The Articles contain substantially similar provisions.

(vii) Loans to Directors***Summary***

There are no provisions in the New Bye-laws relating to the making of loans to Directors. However, the Companies Act contains restrictions on companies making loans to their directors.

Material differences

There are provisions in the Articles prohibiting the making of loans to a Director of the Company or to his associates (as defined in the Articles) excepted as permitted under the Companies Law.

(viii) Financial assistance to acquire shares in the Company***Summary***

- (a) Subject, where applicable, to the rules of any relevant stock exchange: (i) the Company may in accordance with an employees' share scheme (as defined in the Companies Act) approved by the Shareholders in general meeting provide money on such terms as the Board thinks fit for the acquisition of fully or partly paid shares in the Company or its holding company; and (ii) the Company, the Company's subsidiary or holding company or a subsidiary of the Company's holding company may make loans to persons, including Directors and former Directors, employed in good faith by the Company with a view to enabling those persons, to acquire fully or partly paid shares in the Company or its holding company to be held by them by way of beneficial ownership.

- (b) The conditions subject to which money and loans are provided may include a provision to the effect that when an employee ceases to be employed by the Company, the shares acquired with such financial assistance shall or may be sold to the Company or such other company on such terms as the Board thinks fit.

Material differences

The Articles contain similar provision save and except that the Articles do not contain provision regarding the treatment of shares acquired with financial assistance.

- (ix) ***Disclosure of interests in contracts with the Company or any of its subsidiaries***

Summary

Subject to the Companies Act, a Director may hold any other office or place of profit with the Company (except that of auditor of the Company) in conjunction with his office of Director for such period and upon such terms as the Board may determine, and may be paid such extra remuneration for that other office or place of profit, in whatever form, as the Board may determine. A Director may be or become a director or other officer of, or be otherwise interested in, any company promoted by the Company or any other company in which the Company may be interested and shall not be liable to account to the Company or the Shareholders for any remuneration, profit or other benefit received by him as a director or officer of or from his interest in such other company. The Board may also cause the voting power conferred by the shares in any other company held or owned by the Company to be exercised in such manner in all respects as it thinks fit, including the exercise in favour of any resolution appointing the Directors or any of them to be directors or officers of such other company, or voting or providing for the payment of remuneration to the directors or officers of such other company. A Director shall not vote or be counted in the quorum on any resolution of the Board concerning his own appointment as the holder of any office or place of profit with the Company or any other company in which the Company is interested (including the arrangement or variation of the terms, or the termination, of such appointment).

**SUMMARY OF THE NEW MEMORANDUM OF
CONTINUANCE AND THE NEW BYE-LAWS AND
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Subject to the provisions of the Companies Act, no Director or proposed or intended Director shall be disqualified by his office from contracting with the Company, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Shareholders for any benefits realised by any such contract or arrangement by reason of such Director holding that office or the fiduciary relationship established by it. A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or arrangement or proposed contract or arrangement with the Company must declare the nature of his interest at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, if he knows his interest then exists, or in any other case at the first meeting of the Board after he knows that he is or has become so interested.

Save as otherwise provided by the New Bye-laws, a Director shall not vote (nor shall he be counted in the quorum) on any resolution of the Board in respect of any contract or arrangement in which he or any of his close associates has a material interest, and if he does so his vote shall not be counted, but this prohibition will not apply to any of the following matters:

- (a) the giving of any security or indemnity to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;
- (b) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has/have himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (c) any proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

- (d) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries, including, the adoption, modification or operation of either: (i) any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or (ii) any pension fund or retirement, death or disability benefits scheme which relates to Directors, their close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or his close associate(s) any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and
- (e) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares, debentures or other securities of the Company by virtue only of his/their interest in those shares, debentures or other securities.

Material differences

The Articles contain similar provisions save and except that there is an extra exception to a Director's right to vote (i.e., any proposal concerning any other company in which the Director or any of his associates (as defined in the Articles) is/are interested only, whether directly or indirectly, as an officer or executive or a Shareholder other than a company in which the Director or any of his associates (as defined in the Articles) is/are beneficially interested in 5 per cent. or more of the issued shares of the voting rights of any class of shares of such company (or of any third company through which his interest or that of any of his associates (as defined in the Articles) is derived).

(c) Alterations to the constitutional documents and the Company's name***Summary***

The New Memorandum of Continuance may, with the consent of the Minister of Finance of Bermuda (if required), be altered by the Company in general meeting. The New Bye-laws may be amended by the Directors subject to the approval of the Company in general meeting. The New Bye-laws state that a special resolution is required to alter the New Memorandum of Continuance, to approve any amendment of the New Bye-laws or to change the name of the Company.

Material differences

Under the Articles, any alteration to the Articles and the Memorandum only requires the sanction of a special resolution of the Company.

(d) Meetings of Shareholders***(i) Special resolutions******Summary***

A special resolution of the Company must be passed by a majority of not less than three-fourths of the votes cast of such Shareholders as, being entitled so to do, vote in person or, where a corporate representative is allowed, by a duly authorised corporate representative or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

Material differences

The definition of special resolution under the Articles is similar.

(ii) Voting rights and right to demand a poll***Summary***

Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting: (a) on a poll, every Shareholder present in person or by a duly authorised corporate representative or by proxy shall have one vote for every share of which he is the holder which is fully paid up or credited as fully paid (but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share); and (b) on a show of hands every Shareholder who is present in person or by a duly authorised corporate representative or by proxy shall have one vote. On a poll, a Shareholder entitled to more than one vote need not use all his votes or cast all the votes in the same way.

At any general meeting a resolution put to the vote of the meeting shall be decided by poll save that the chairman of the meeting may, pursuant to the Listing Rules, allow a resolution to be voted on by a show of hands. Where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded by (in each case by Shareholders present in person or by proxy or by a duly authorised corporate representative): (i) at least three Shareholders for the time being entitled to vote at the meeting; or (ii) any Shareholder or Shareholders representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or (iii) a Shareholder or Shareholders holding shares in the Company conferring a right to vote at the meeting on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

Where a Shareholder is a recognised clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), it may appoint such person or persons as it thinks fit to act as its proxy or proxies or as its corporate representative or representatives, to the extent permitted by the Companies Act, at any Shareholders' general meeting or any meeting of any class of Shareholders, provided that if more than one proxy or corporate representative is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy or corporate representative is to be appointed. The number of persons a clearing house may appoint to act as its corporate representative or representatives shall not exceed the number of shares held by the clearing house (or its nominee), being shares in respect of which there is an entitlement to attend and vote at the relevant meeting.

Material differences

The Articles contain similar provisions save and except that voting shall not be by way of a show of hands.

(iii) Annual general meetings

Summary

An annual general meeting must be held once in every year and within not more than 15 months after the last preceding annual general meeting.

Material differences

Similarly, the Company must hold a general meeting as its annual general meeting each year and not more than fifteen (15) months shall elapse between the date of one annual general meeting and the next.

(iv) Notices of meetings and business to be conducted***Summary***

An annual general meeting of the Company shall be called by at least 21 days' notice in writing and any other general meeting shall be called by at least 14 days' notice in writing (in each case exclusive of the day on which the notice is served or deemed to be served and of the day for which it is given). The notice shall specify the place, the day and the hour of meeting and, in the case of special business, the general nature of that business.

Any notice or document to be given to or by any person pursuant to the New Bye-laws may be served on or delivered to any Shareholder of the Company personally, by post to such Shareholder's registered address or (other than share certificates) by advertisement in at least one English language newspaper and one Chinese language newspaper circulating generally in Hong Kong. Subject to the applicable laws of Bermuda and any rules prescribed by the Stock Exchange from time to time, a notice or document may be served or delivered by the Company to any Shareholder by electronic means.

Material differences

The Articles contain substantially similar provisions. However, under the Articles, a notice convening an annual general meeting shall be called by at least twenty-one (21) clear days' notice or twenty (20) clear business days notice. A general meeting to pass a special resolution shall be called by notice of not less than twenty-one (21) clear days and not less than ten (10) clear business days. All other general meetings shall be called by at least fourteen (14) clear days and not less than ten (10) clear business days.

(v) *Quorum for meetings and separate class meetings*

Summary

The quorum for a general meeting shall be two Shareholders present in person or by a duly authorised corporate representative or by proxy and entitled to vote. In respect of a separate class meeting convened to sanction the modification of class rights, the necessary quorum shall be two persons holding or representing by proxy or by a duly authorised corporate representative one-third in nominal value of the issued shares of that class.

Material differences

The Articles contain similar provisions.

(vi) *Proxies*

Summary

Any Shareholder entitled to attend and vote at a meeting of the Company or a meeting of the holders of any class of shares in the Company is entitled to appoint another person as his proxy to attend and vote instead of him. Votes, whether on a show of hands or on a poll, may be given either personally or by a duly authorised corporate representative or by proxy. A Shareholder holding two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a Shareholder.

The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of a duly authorised officer or attorney.

The instrument appointing a proxy to vote at a general meeting shall: (i) be deemed to confer authority upon the proxy to demand or join in demanding a poll and to vote on any resolution (or an amendment to any resolution) put to the meeting for which it is given as the proxy thinks fit; and (ii) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates. Any form issued to a Shareholder for appointing a proxy to attend and vote at a special general meeting or at an annual general meeting at which any business is to be transacted shall be such as to enable the Shareholder, according to his intentions, to instruct the proxy to vote in favour of or against (or, in default of instructions, to exercise his discretion in respect of) each resolution dealing with any such business.

A proxy or proxies representing either an individual Shareholder or a Shareholder which is a corporation shall be entitled to exercise the same powers on behalf of the Shareholder which he or they represent as such Shareholder could exercise, including the right to vote individually on a show of hands.

Material differences

The Articles contain substantially similar provisions. However, under the Articles, there is no provision regarding the right to vote on a show of hands.

(e) Accounts and audit

Summary

The Board shall cause true accounts to be kept of the sums of money received and expended by the Company, the property, assets, credits and liabilities of the Company and all other matters required by the Companies Act affecting the Company or necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions.

The books of account are to be kept at the head office or at such other place as the Board thinks fit and shall always be open to the inspection of the Directors provided that such records as are required by the Companies Act shall also be kept at the registered office. No Shareholder (not being a Director) or other person has any right to inspect any account, book or document of the Company except as conferred by the Companies Act or ordered by a court of competent jurisdiction or authorised by the Board or the Company in general meeting.

The Board shall from time to time cause to be prepared and laid before the Company at its annual general meeting such profit and loss accounts, balance sheets, group accounts (if any) and reports as are required by the Companies Act. Every balance sheet of the Company shall be signed on behalf of the Board by two Directors and a copy of every balance sheet (including every document required by law to be comprised therein or attached or annexed thereto) and profit and loss account which is to be laid before the Company at its annual general meeting, together with a copy of the Directors' report and a copy of the auditors' report, shall not less than 21 days before the date of the meeting be sent to every Shareholder of, and every holder of debentures of, the Company and every other person entitled to receive notices of general meetings of the Company under the Companies Act or the New Bye-laws. If all or any of the shares or debentures of the Company are for the time being (with the consent of the Company) listed or dealt in on any stock exchange, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as are for the time being required under its regulations or practice.

Auditors shall be appointed and their duties regulated in accordance with the Companies Act. Subject as otherwise provided by the Companies Act, the remuneration of the auditors shall be fixed by or on the authority of the Company at each annual general meeting but, in respect of any particular year, the Company in general meeting may delegate the fixing of such remuneration to the Board.

Material differences

The Articles contain similar provisions. However, there is no requirement to keep the book of account at the Company's registered office. There is no requirement under the Articles where if all or any of the shares or debentures of the Company are for the time being (with the consent of the Company) listed or dealt in on any stock exchange, there shall be forwarded to the appropriate officer of such stock exchange such number of copies of such documents as are for the time being required under its regulations or practice.

(f) Dividends and other methods of distribution

Summary

The Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Board.

Unless and to the extent that the rights attached to any shares or the terms of their issue otherwise provide, all dividends shall be apportioned and paid pro rata according to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. No amount paid upon a share in advance of calls will for this purpose be treated as paid up on the shares. The Board may retain any dividends or other moneys payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. The Board may deduct from any dividend or bonus payable to any Shareholder all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve either: (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up, provided that the Shareholders entitled to such dividend will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or (b) that the Shareholders entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Board thinks fit. The Company may also, upon the recommendation of the Board, by a special resolution resolve in respect of any one particular dividend of the Company that it may be satisfied wholly in the form of an allotment of shares credited as fully paid up without offering any right to Shareholders to elect to receive such dividend in cash in lieu of such allotment.

Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared, the Board may further resolve that such dividend be satisfied wholly or in part by the distribution of specific assets of any kind.

The Board may, if it thinks fit, receive from any Shareholder willing to advance the same, and either in money or money's worth, all or any part of the money uncalled and unpaid or instalments payable upon any shares held by him, and in respect of all or any of the moneys so advanced may pay interest at such rate (if any) not exceeding 20% per annum, as the Board may decide but a payment in advance of a call shall not entitle the Shareholder to receive any dividend subsequently declared or to exercise any other rights or privileges as a Shareholder in respect of the share or the due portion of the shares upon which payment has been advanced by such Shareholder before it is called up.

All dividends or bonuses unclaimed for one year after having been declared may be invested or otherwise used by the Board for the benefit of the Company until claimed and the Company shall not be constituted a trustee in respect thereof. All dividends or bonuses unclaimed for six years after having been declared may be forfeited by the Board and shall revert to the Company.

The Company may exercise the power to cease sending cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions or after the first occasion on which such a cheque or warrant is returned undelivered.

Material differences

The Articles contain substantially similar provisions save that dividend must be paid out of profits and reserves lawfully available for distribution including share premium and there is no reference to contributed surplus which is distributable under the laws of Bermuda only.

(g) Inspection of register of members***Summary***

There are no provisions in the New Bye-laws relating to inspection of the register of members.

Material differences

The Articles provide that the register of members shall be open to inspection for at least two (2) hours every business days.

(h) Rights of the minorities in relation to fraud or oppression***Summary***

There are no provisions in the New Bye-laws relating to rights of minority members in relation to fraud or oppression. However, Bermuda company law provides for protection of minorities.

Material differences

The Articles contain no provisions specifically dealing with such rights of minority Shareholders.

(i) Procedures on liquidation***Summary***

A resolution that the Company be wound up by the court or be wound up voluntarily shall be a special resolution.

If the Company is wound up, the surplus assets remaining after payment to all creditors are to be divided among the Shareholders in proportion to the capital paid up on the shares held by them respectively, and if such surplus assets are insufficient to repay the whole of the paid up capital, they are to be distributed so that, as nearly as may be, the losses shall be borne by the Shareholders in proportion to the capital paid up on the shares held by them respectively, all subject to the rights of any shares issued on special terms and conditions.

If the Company is wound up (whether the liquidation is voluntary or by the court) the liquidator may, with the sanction of a special resolution, divide among the Shareholders in specie or kind the whole or any part of the assets of the Company and whether the assets consist of property of one kind or different kinds and the liquidator may, for such purpose, set such value as he deems fair upon any one or more class or classes of property to be so divided and may determine how such division is to be carried out as between the Shareholders or different classes of Shareholders and the Shareholders within each class. The liquidator may, with like sanction, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator thinks fit, but so that no Shareholder shall be compelled to accept any shares or other assets upon which there is a liability.

Material differences

The Articles contain similar provisions.

(j) Untraceable Shareholders

Summary

The Company shall have the power to sell, in such manner as the Board thinks fit, any shares of a Shareholder who is untraceable, but no such sale shall be made unless:

- (i) all cheques or warrants, being not less than three in total number, for any sum payable in cash to the holder of such shares in respect of them sent during the relevant period in the manner authorised by the New Bye-Laws of the Company have remained uncashed;
- (ii) so far as it is aware at the end of the relevant period, the Company has not at any time during the relevant period received any indication of the existence of the Shareholder who is the holder of such shares or of a person entitled to such shares by death, bankruptcy or operation of law;

APPENDIX I

**SUMMARY OF THE NEW MEMORANDUM OF
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AND THE ARTICLES**

- (iii) the Company has caused an advertisement to be inserted in the newspapers of its intention to sell such shares and a period of three months has elapsed since the date of such advertisement; and
- (iv) the Company has notified the relevant stock exchange of its intention to effect such sale.

Material differences

The Articles contain similar provisions.

The following is a summary of the principal terms of the New Share Option Scheme proposed to be adopted at the EGM but does not form part of, nor was it intended to be, part of the New Share Option Scheme nor should it be taken as affecting the interpretation of the New Share Option Scheme:

1. PURPOSE OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules, and will be valid and effective for a period of ten (10) years, commencing on the Adoption Date.

The purposes of the New Share Option Scheme are, through ownership of Shares and/or the increase in value of Shares, to align the Participants' interests with those of the Group, to incentivise and reward the Participants for their contribution to the long-term growth and profits of the Group and any of the Invested Entity, and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group and any of the Invested Entity, with a view to achieving the objective of increasing the value of the Group.

2. WHO MAY JOIN AND BASIS OF ELIGIBILITY

The basis of eligibility of any of the class of Participants to the grant of any Options shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group and any Invested Entity. Such Participant(s) include:

- (a) any Eligible Employee, which include any employee (whether full time or part time employee, including any executive Director but excluding any non-executive Director) of any member of the Group and any of the Invested Entity;
- (b) any non-executive Director and independent non-executive Director; and
- (c) any supplier of goods or services to, any customer of, and any advisors, consultants, agents and distributors of any member of the Group or any of the Invested Entities, who in the sole opinion of the Board, will contribute or have contributed to the Group or the Invested Entities.

The Board will consider the contribution or future contribution to the Group of each Participant and the need to retain, motivate or otherwise maintain business relationship with the Participant. The Directors consider this basis of determination to be fair and reasonable to the Company and the Shareholders as a whole.

Upon acceptance of an Option, the Grantee shall pay HK\$1.00 in favour of the Company by way of consideration for the grant thereof before the prescribed acceptance date, alongside with a duplicate letter comprising acceptance of the Option duly signed by the Grantee stating the number of the Shares accepted. Any offer to grant an Option to subscribe for the Shares may be accepted in respect of less than the number of the Shares in respect of which it is offered provided that it is accepted in respect of such number of the Shares as represents a board lot for the time being for the purposes of trading on the Stock Exchange or an integral multiple. To the extent that the offer to grant an Option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined and lapsed automatically.

3. SUBSCRIPTION PRICE FOR SUBSCRIPTION OF THE SHARES

The Subscription Price in respect of any particular Option shall, subject to the adjustments referred to in paragraph 20, be such price as determined by the Board in its absolute discretion at the time of the grant of the relevant Option, but in any event shall not be less than the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the Offer Date, which must be a trading day;
- (ii) the average closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange for the five (5) Business Days immediately preceding the Offer Date; and
- (iii) the par value of a Share on the date of grant.

Without prejudice to the generality of the foregoing, the Board may grant Options in respect of which the Subscription Price is fixed at different prices for different periods during the Option Period provided that the Subscription Price for the Shares for each of the different period shall not be less than the Subscription Price determined in the manner set out in this paragraph.

4. ACCEPTANCE OF OFFERS

An offer for the grant of an Option shall be made to a Participant by letter in such form as the Board may from time to time determine requiring the Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the New Share Option Scheme and shall remain open for acceptance by the Participant concerned for a period of seven (7) days from the Offer Date (inclusive of the Offer Date). The amount payable by the Grantee(s) to the Company on acceptance of the offer for the grant of an Option is HK\$1.00.

5. MAXIMUM NUMBER OF THE SHARES

- (i) Subject to sub-paragraphs (ii), (iii) and (iv) below, the maximum number of Shares in respect of which Options may be granted under the New Share Option Scheme and any Other Schemes involving the issue or grant of options or similar rights over Shares or other securities by the Company shall not, in aggregate, exceed 10% of the Shares in issue as at the Adoption Date (the “**Scheme Mandate Limit**”). Options lapsed in accordance with the terms of the New Share Option Scheme or any Other Schemes referred to above will not be counted for the purpose of calculating the Scheme Mandate Limit.
- (ii) The Scheme Mandate Limit may be refreshed by obtaining the approval of the Shareholders in a general meeting, provided that the total number of the Shares which may be issued upon the exercise of the Options to be granted under the New Share Option Scheme and any Other Schemes as the refreshed Scheme Mandate Limit must not exceed 10% of the Shares in issue as at the date of the Shareholders’ approval of such refreshed Scheme Mandate Limit. Options previously granted under the New Share Option Scheme or any Other Schemes (including Options outstanding, cancelled, lapsed or exercised in accordance with the terms of the New Share Option Scheme or any Other Schemes) will not be counted for the purpose of calculating the total number of the Shares subject to the refreshed Scheme Mandate Limit. For the purpose of seeking the approval of Shareholders pursuant to this sub-paragraph, the Company shall send a circular to the Shareholders containing the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.
- (iii) The Company may also, by obtaining separate approval from the Shareholders in a general meeting for granting Options beyond the Scheme Mandate Limit as stipulated in the above sub-paragraphs, provided that the Grantee(s) of such Options in excess of the Scheme Mandate Limit are specifically identified by the Company before such approval is sought. For the purpose of seeking the approval of Shareholders pursuant to this sub-paragraph, the Company shall send a circular to the Shareholders containing a generic description of the specified Grantees who may be granted such Options, the number and terms of the Options to be granted, the purpose of granting the Options to the Grantees with an explanation as to how the terms of Options serve such purpose and the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer as required under Rule 17.02(4) of the Listing Rules.

- (iv) Notwithstanding anything to the contrary, the maximum number of the Shares which may be issued upon exercise of all outstanding Options granted under the New Share Option Scheme and any Other Schemes must not exceed 30% of the Shares in issue from time to time. No Options may be granted under the New Share Option Scheme if this will result in the limit set out in this sub-paragraph being exceeded.
- (v) If the Company conducts a share consolidation or subdivision after the adoption of the New Share Option Scheme, or if applicable, the extended limit referred to above has been approved in general meeting, the maximum number of Shares that may be issued upon exercise of all options to be granted under the New Share Option Scheme and Other Schemes, under the limit set out herein or so extended, as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

6. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

No Participant shall be granted Options if exercised in full, would result in the total number of the Shares already issued under all the Options granted to him which have been exercised and issuable under all the Options granted to him which are for the time being subsisting and unexercised in any 12-month period would exceed 1% of the number of the Shares in issue as at the Offer Date. Any further grant of Options in excess of this 1% limit shall be subject to:

- (i) separate approval by the Shareholders in general meeting with the Participant and the Participant's associates (or his associates if such Participant is a connected person) abstaining from voting, the numbers and terms (including the Subscription Price) of the Options to be granted to such Participant must be fixed before the Shareholders' approval and the date of the meeting of the Board at which the Board proposes such further grant of Option shall be taken as the Offer Date for the purpose of calculating the Subscription Price; and
- (ii) the issue of a circular by the Company disclosing the identity of the Participant, the numbers of and terms of the Options to be granted (and the Options previously granted to such Participant), the information as required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

7. GRANT OF THE OPTIONS TO CONNECTED PERSONS

Each grant of Options to a Director, chief executive (other than a proposed Director or a proposed chief executive of the Company) or substantial Shareholder, or any of their respective associates, under the New Share Option Scheme or any Other Schemes shall comply with the requirements of Rule 17.04 of the Listing Rules and shall be subject to approval by the independent non-executive Directors (excluding independent non-executive Director who is a Grantee of the Options).

If the Board proposes to grant Options to a substantial Shareholder or an independent non-executive Director, or any of their respective associates; or where any grant of Options to a substantial Shareholder or an independent non-executive Director, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the Offer Date:

- (i) representing in aggregate over 0.1% of the relevant class of the Shares in issue on the Offer Date; and
- (ii) having an aggregate value, based on the closing price of the Shares as stated in the daily quotations sheet of the Stock Exchange on the Offer Date, in excess of HK\$5,000,000,

such further grant of Options will be subject to the approval of the Shareholders at a general meeting at which the Grantee(s), their associates, or all core connected persons of the Company shall abstain from voting in favour of the resolution concerning the grant of the Options at the general meeting. Any vote taken at the meeting to approve the grant of such Options shall be taken as a poll. The Company shall comply with Rules 13.39(5), 13.40, 13.41 and 13.42 of the Listing Rules. The further grant of Options will also be subject to the issue of a circular by the Company and such circular to be issued to the Shareholders pursuant to this sub-paragraph shall contain the following information:

- (i) details of the number and terms (including the Option Period, performance targets (if any), the Subscription Price, the minimum period (if any) to be held before eligible to be exercised, basis of determination of subscription price and the rights attached to the Shares or the Option) of the Options to be granted to each such substantial Shareholder or independent non-executive Director, or any of their respective associates, which must be fixed before the Shareholders' meeting and the date of Board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the Subscription Price;
- (ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is a Grantee of the Options) to the independent Shareholders as to voting;
- (iii) the information required under Rules 17.02(2)(c) and 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules;
- (iv) the information required under Rule 2.17 of the Listing Rules; and
- (v) such other information required under Rules 17.03(5) to 17.03(10) not stated above.

8. RESTRICTION ON THE TIME OF GRANT OF THE OPTIONS

The Board shall not grant any Options after a price sensitive development has occurred or a price sensitive matter has been the subject of a decision until an announcement of such price sensitive information has been published in accordance with the requirements of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of The Laws of Hong Kong). In particular, no Options shall be granted during the period commencing one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for approval of the results of the Company for any year, half-year or quarter-year period or any other interim period (whether or not required under the Listing Rules); and
- (ii) the deadline for publishing an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the announcement of the results, no Option shall be granted during any period of delay in publishing a results announcement.

The Board may not grant any Option to a Participant who is a Director during the periods or times in which such Directors are prohibited from dealing in shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed under Appendix 10 of the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

9. TIME OF EXERCISE OF THE OPTIONS

An Option may be exercised in accordance with the terms of the New Share Option Scheme at such period as the Board may in its absolute discretion determine, given that such period shall not be more than ten (10) years from the date upon which the Option is deemed to be granted and accepted. No Option may be granted after the Scheme Period (i.e. more than ten (10) years after the Adoption Date). The Board may at its discretion determine the minimum period for which the Option has to be held before the exercise of the Option.

10. PERFORMANCE TARGET

Save as imposed by the Board and provided in the offer of the grant of the relevant Options, there is no performance target which has to be achieved before the exercise of any Option.

11. RANKING OF SHARES

Options granted under the New Share Option Scheme do not carry any right to vote in any general meeting of the Company, or any right, dividend, transfer or any other rights, including those arising on the liquidation of the Company. The Shares to be allotted upon the exercise of an Option shall not carry any voting right until completion of the registration of the Grantee (or any other person) as the holder thereof. Subject to the aforesaid, the Shares allotted and issued upon the exercise of an Option will be subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully paid Shares in issue on the date of exercise.

12. RIGHTS ARE PERSONAL TO THE GRANTEE

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option.

13. RIGHTS ON CEASING EMPLOYMENT OR DEATH

If a Grantee ceases to be an employee of the Company or any of its subsidiaries:

- (i) in the event of the Grantee ceasing to be an Eligible Employee for any reason other than his or her death or the termination of his or her employment on one or more of the grounds specified in paragraph 14 below, the Grantee may exercise the Option up to the entitlement of such Grantee at the date of cessation in whole or in part (to the extent which has become exercisable and not already exercised) on or before the date which shall be the last actual working day with the Company or its relevant subsidiary or the relevant Invested Entity whether salary is paid in lieu of notice or not, or such longer period following the date of cessation as the Board may determine; or
- (ii) in the event that the Grantee ceases to be a Participant by reason of death, (provided that none of the events which would be a ground for termination of his or her employment under paragraph 14 arises prior to his or her death), the legal personal representative(s) of this Grantee shall be entitled within a period of twelve (12) months from the date of death (or such longer period as the Board may determine) to exercise the Option in whole or in part (to the extent which has become exercisable and not already exercised prior to such date of death).

14. RIGHTS ON DISMISSAL

If a Grantee ceases to be an employee of the Company or any of its subsidiaries on any one or more of the following grounds resulting in the termination of the Grantee's employment:

- (i) guilty of misconduct;
- (ii) has committed an act of bankruptcy or has become insolvent;
- (iii) has made any arrangement or composition with his or her creditors generally; or
- (iv) has been convicted of any criminal offence involving the Grantee's integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his or her employment at common law or pursuant to any applicable laws or under the Grantee's service contract with the Company or its relevant subsidiary or the relevant Invested Entity.

A resolution of the Board or the board of directors of the Company's subsidiary or the board of directors of the relevant Invested Entity to the effect that employment of a Grantee has or has not been terminated on one or more of the grounds specified in this paragraph 14 shall be conclusive and binding on the Grantee. The date on which the Grantee ceases to be an Eligible Employee by reason of the above grounds, the Option shall lapse automatically (to the extent not already exercised) and not be exercisable after the date of termination of the Grantee's employment.

15. RIGHTS ON A GENERAL OFFER

In the event a general or partial offer, whether by way of take-over offer, share repurchase offer, or scheme of arrangement or otherwise in like manner is made to all Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror (as defined in the Takeovers Codes)), the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, *mutatis mutandis*, and assuming that they will become, by the exercise in full of the Options granted to them, shareholders of the Company. If such offer becomes or is declared unconditional during the Option Period of the relevant Option, a Grantee shall be entitled to exercise his or her or its Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in exercise of his or her or its Option at any time before the close of such offer (or any revised offer).

16. RIGHTS ON WINDING-UP

In the event a notice is given by the Company to the Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each Shareholder give notice thereof to all Grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each Grantee (or the Grantee's legal personal representative(s)) shall be entitled to exercise all or any of the Grantee's Options (to the extent which has become exercisable and not already exercised) at any time not later than two (2) Business Days prior to such proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate Subscription Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the Business Day immediately prior to the date of such proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid, which the Shares shall rank *pari passu* with all other Shares in issue on the date prior to the passing of the resolution to wind-up the Company to participate in the distribution of assets of the Company available in liquidation.

17. RIGHTS ON COMPROMISE OR ARRANGEMENT

In the event of a compromise or arrangement between the Company and its creditors (or any class of them) or between the Company and the Shareholders (or any class of them), in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same day as it gives notice of the meeting to its Shareholders or creditors to consider such a scheme or arrangement, and thereupon any Grantee (or the Grantee's legal personal representative) may forthwith and until the expiry of the period commencing from such date and ending with the earlier of the date falling two (2) calendar months thereafter and the date on which such compromise or arrangement is sanctioned by Court be entitled to exercise the Grantee's Option (to the extent which has become exercisable and not already exercised), but the exercise of the Option shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective.

18. LAPSE OF THE OPTIONS

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (i) the expiry of the Option Period;
- (ii) the expiry of any of the periods referred to in paragraph 13;
- (iii) except as otherwise notified by the Company, the date on which the offer (or as the case may be, the revised offer) referred to in paragraph 15 closes;

- (iv) subject to paragraph 16, the date of the commencement of the winding-up of the Company;
- (v) the date on which the Grantee ceases to be an Eligible Employee by reason of the termination of his or her employment on the grounds prescribed in paragraph 14, or the pass of a resolutions pursuant to paragraph 14;
- (vi) subject to paragraph 17, the date when the proposed compromise or arrangement becomes effective;
- (vii) the date on which the Grantee commits a breach with respect to paragraph 12; or
- (viii) the date on which the Directors at their absolute discretion determine that the Grantee (other than an Eligible Employee) or such Grantee's associate has committed any breach of any contract entered into between the Grantee or such Grantee's associate on the one part and the Group or any Invested Entity on the other part or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with such Grantee's creditors generally.

19. CANCELLATION OF THE OPTIONS GRANTED BUT NOT YET EXERCISED

Any cancellation of Options granted but not exercised shall require approval of the Board and the Shareholders in general meeting with the relevant Grantees and their associates abstaining from voting. Any vote taken at the meetings to approve such cancellation must be taken by poll. Cancelled Options may be re-issued after such cancellation has been approved, provided that re-issued Options shall only be granted in compliance with the terms of the New Share Option Scheme. Where the Company cancels Options and issues new ones to the same Grantee, the issue of such new Options may only be made under a scheme with available unissued Shares (excluding the Shares the subject of cancelled Options) within the limit approved by the Shareholders pursuant to paragraph 5.

20. EFFECTS OF ALTERATIONS TO CAPITAL STRUCTURE

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable, whether by way of capitalisation of profits or reserves, rights issue, consolidation, subdivision or reduction (other than an issue of the Shares as consideration in respect of a transaction to which the Company is a party), or an issue of securities with a price-dilutive element, such as open offer, such corresponding alterations (if any) shall be made in:

- (i) the number of Shares subject to the Option so far as unexercised; and/or
- (ii) the Subscription Price; and/or

(iii) the method of exercise of the Option,

as the Company's independent financial adviser or such auditors for the time being of the Company, shall certify in writing to the Board to be in their opinion fair and reasonable, provided that any alteration shall be made on the basis that the proportion of the issued share capital of the Company to which a Grantee is entitled after such alteration shall remain the same as that to which the Grantee was entitled before such alteration and that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, but so that no such alteration shall be made the effect of which would be to enable any Share to be issued at less than its par value and no such adjustment will be required in circumstances where there is an issue of the Shares or other securities of the Group as consideration in a transaction.

21. PERIOD OF THE NEW SHARE OPTION SCHEME

The Scheme Period for the New Share Option Scheme will be valid and effective for a period of commencing on the Adoption Date and ending on the tenth anniversary of the Adoption Date (both dates inclusive), unless terminated earlier by the Shareholders in a general meeting.

22. ALTERATION TO THE NEW SHARE OPTION SCHEME

The New Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (i) any changes to the definitions of "**Participant**" and "**Grantee**" and "**Option Period**";
- (ii) any changes to the provisions of this paragraph 22, paragraphs 3 to 21 and 23;
- (iii) any alteration to the terms and conditions of the New Share Option Scheme which are of a material nature;
- (iv) any change to the terms of Options granted; and
- (v) any change to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme,

shall first be approved by a resolution by the Shareholders in general meeting, except where such alterations take effect automatically under the existing terms of the New Share Option Scheme, provided that the amended terms of the New Share Option Scheme or the Options shall still comply with the requirements of Chapter 17 of the Listing Rules and that no such alteration shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alteration except with the consent or sanction in writing of such number of Grantees as shall together hold Options in respect of not less than three-fourths in nominal value of all Shares then subject to Options granted under the New Share Option Scheme and provided further that any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature shall first be approved by the Stock Exchange.

23. TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company may by the necessary resolution in a general meeting at any time terminate the operation of the New Share Option Scheme and in such event no further Option will be offered but the provisions of the New Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of the Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provision of the New Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

24. CONDITIONS OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme is subject to and conditional upon (i) the passing of the resolution of Shareholders of the Company to adopt the New Share Option Scheme and is conditional upon the Listing Committee; and (ii) the Listing Committee (as defined in the Listing Rules) of the Stock Exchange granting approval of listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of Options granted under the New Share Option Scheme.

The biographical details of the Director proposed to be re-elected at the EGM are set out below:

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. David Tsoi (“**Mr. Tsoi**”), aged 73, obtained a master’s degree in business administration from the University of East Asia, Macau (currently known as University of Macau) in October 1986. Mr. Tsoi was admitted as (i) an associate of the Association of Chartered Certified Accountants in September 1981; and (ii) an associate of the Taxation Institute of Hong Kong in March 1984. Furthermore, Mr. Tsoi was admitted as (i) a fellow member of CPA Australia in November 2009; (ii) a fellow member of the Association of Hong Kong Accountants in July 2014; (iii) a fellow of the Institute of Chartered Accountants in England and Wales in June 2015; (iv) a chartered professional accountant member of the Chartered Professional Accountants of British Columbia, Canada, in June 2015; and (v) a fellow member of the Society of Chinese Accountants and Auditors in December 2015.

Mr. Tsoi has over 30 years of experience in the field of accounting, auditing and financial management. He currently serves as a director of Alliot, Tsoi CPA Limited, and he is a certified public accountant (practicing) registered with the Hong Kong Institute of Certified Public Accountants. Mr. Tsoi is currently an independent non-executive director of the following companies listed on either GEM or the main board of the Stock Exchange:

Name of the listed companies and stock code	Commencement of appointment
Universal Technologies Holdings Limited (stock code: 1026)	since June 2013
Guru Online (Holdings) Limited (stock code: 8121)	since May 2014
VPower Group International Holdings Limited (stock code: 1608)	since October 2016
Green International Holdings Limited (stock code: 2700)	since June 2017
Tianli Holdings Group Limited (stock code: 117)	since August 2017
Everbright Grand China Assets Limited (stock code: 3699)	since January 2018

In the past, Mr. Tsoi had also served the following companies listed on either GEM or the main board of the Stock Exchange, as an independent non-executive director:

Name of the listed companies and stock code	Period of appointment
Loto Interactive Limited (stock code: 8198)	from October 2001 to July 2017
CRRC Corporation Limited (stock code: 1766)	from March 2008 to June 2014
Enviro Energy International Holdings Limited (stock code: 1102)	from July 2008 to June 2017

Mr. Tsoi has entered into a service agreement with the Company for a term of three (3) years with effect from 14 May 2021, and is subject to retirement by rotation and re-election in accordance with the Articles and the Listing Rules. Pursuant to Mr. Tsoi's service agreement, the annual remuneration of Mr. Tsoi as an independent non-executive Director is HK\$192,000, which shall be paid on a monthly basis. Such remuneration is determined by the compensation and benefits committee of the Company and the Board with reference to his duties and responsibilities and the prevailing market conditions.

Save as disclosed above, up to the Latest Practicable Date, Mr. Tsoi does not have any interests in Shares, underlying Shares and debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, up to the Latest Practicable Date, Mr. Tsoi (i) has not held any directorship in any other public companies the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years; (ii) has not held any other positions in the Company or any member of the Group; (iii) does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders (as defined in the Listing Rules) of the Company; and (iv) does not have other major appointments or professional qualifications.

Save as disclosed above, up to the Latest Practicable Date, there is no information in relation to the re-election of Mr. Tsoi that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

NOTICE OF THE EGM



InvesTech Holdings Limited
威訊控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1087)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of InvesTech Holdings Limited (the “**Company**”) will be held at 2/F, 35-45B Bonham Strand, Sheung Wan, Hong Kong on 23 June 2021 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendment(s) the following resolutions of the Company:

SPECIAL RESOLUTIONS

1. “**THAT**

- (a) subject to the obtaining of all necessary governmental and regulatory consents, the change of the domicile of the Company (“**Change of Domicile**”) from the Cayman Islands to Bermuda by way of de-registration as a company under the laws of the Cayman Islands and continuation of the Company as an exempted company under the laws of Bermuda be and is hereby approved;
- (b) conditional upon the continuance of the Company in Bermuda as an exempted company under the laws of Bermuda, the memorandum of continuance, a copy of which has been produced to the Meeting marked “**A**” for the purpose of identification, be and is hereby adopted in substitution for the existing amended and restated memorandum of the Company, effective from the date that the memorandum of continuance is approved and registered by the Registrar of Companies in Bermuda;
- (c) conditional upon the continuance of the Company in Bermuda as an exempted company under the laws of Bermuda, the bye-laws of the Company, a copy of which has been produced to the Meeting marked “**B**” for the purpose of identification, be and is hereby adopted in substitution for the existing amended and restated articles of association of the Company, effective from the date that the memorandum of continuance is approved and registered by the Registrar of Companies in Bermuda;

NOTICE OF THE EGM

- (d) conditional upon the continuance of the Company in Bermuda as an exempted company under the laws of Bermuda, the maximum number of the Directors shall, for the time being, be fixed at twenty (20) and the Directors be and are hereby authorized to fill any vacancies on the board of Directors (the “**Board**”) and to appoint additional Directors up to the maximum number determined herein or such other maximum number as may be determined from time to time by members of the Company in general meeting and to appoint alternate Directors at their discretion; and
 - (e) the Board be and is hereby authorized to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as it may consider necessary or expedient to give effect to or in connection with the implementation of the Change of Domicile.”
2. “**THAT** subject to the passing of special resolution numbered 1 above:
- (a) the entire amount standing to the credit of the share premium account of the Company as at the date of passing this resolution be and is hereby cancelled and transferred to an account designated as the contributed surplus account of the Company (the “**Cancellation of Share Premium Account**”);
 - (b) the account designated as the contributed surplus account of the Company be designated as the contributed surplus account of the Company within the meaning of the Companies Act 1981 of Bermuda (as revised) (the “**Contributed Surplus Account**”) upon the Change of Domicile (as defined in special resolution numbered 1 above) becoming effective and the amount standing to the credit of such designated account shall continue to stand to the credit of the Contributed Surplus Account upon the Change of Domicile becoming effective; and
 - (c) the Board be and is hereby authorized to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as it may consider necessary or expedient to give effect to or in connection with the implementation of the Cancellation of Share Premium Account.”

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3. “**THAT** subject to the passing of special resolution numbered 1 above and conditional upon the Change of Domicile (as defined in special resolution numbered 1 above) becoming effective and the Stock Exchange granting the listing of, and permission to deal in, the New Shares (as defined below) arising from the Capital Reorganisation (as defined below):
- (a) every twenty (20) issued and unissued shares of US\$0.02 each in the existing share capital of the Company be and are consolidated (the “**Share Consolidation**”) into one (1) share of US\$0.40 each (the “**Consolidated Shares**”);
 - (b) the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation be and is rounded down to a whole number by cancelling any fraction in the issued share capital of the Company arising from the Share Consolidation;
 - (c) the par value of each of the then issued Consolidated Shares be and is hereby reduced from US\$0.40 each to US\$0.01 each (the “**New Shares**”) by cancelling the capital paid-up thereon to the extent of US\$0.39 on each of the then issued Consolidated Shares (together with sub-paragraph (b) above are hereinafter referred to as the “**Capital Reduction**”);
 - (d) each of the then authorized but unissued Consolidated Shares of US\$0.40 each be and is hereby sub-divided into forty (40) New Shares of US\$0.01 each (the “**Share Subdivision**”, together with the Share Consolidation and the Capital Reduction, the “**Capital Reorganisation**”);
 - (e) the credits arising from the Capital Reduction be transferred to the Contributed Surplus Account (as defined in special resolution numbered 2 above) and the Board be and is hereby authorized to use the amount then standing to the credit of the Contributed Surplus Account in any manner as may be permitted under the bye-laws of the Company in effect from time to time and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of the Company which may arise from time to time and/or paying dividends and/or making any other distribution out of the Contributed Surplus Account from time to time without any further authorization from the shareholders of the Company and all such actions in relation thereto be and are approved, ratified and confirmed; and

NOTICE OF THE EGM

- (f) the Board be and is hereby authorized to do all such acts and things and execute all such documents on behalf of the Company, including under seal where applicable, as it may consider necessary or expedient to give effect to or in connection with the implementation of the Capital Reorganisation involving the Share Consolidation, the Capital Reduction and the Share Subdivision and (where applicable) to aggregate all fractional New Shares and sell them for the benefit of the Company.”

ORDINARY RESOLUTIONS

4. **“THAT**

- (a) subject to the granting by the Listing Committee of The Stock Exchange of Hong Kong Limited of the listing of and permission to deal in the Shares to be issued and allotted by the Company under the proposed share option scheme of the Company (a copy of which is produced to the meeting marked “**C**” and signed by the chairman of the meeting for the purpose of identification) (the “**New Share Option Scheme**”), such New Share Option Scheme be and is hereby approved and adopted as the Company’s share option scheme and the Directors be and are hereby authorised to take all such steps as they may deem necessary, desirable or expedient to carry into effect, waive or amend the Scheme subject to the terms of the Scheme and Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (as amended from time to time) (the “**Listing Rules**”); and
- (b) the directors of the Company (the “**Directors**”) be and are hereby authorised to grant options to subscribe for Shares in accordance with the rules of the Scheme up to a maximum of 10% of the Shares in issue as at the date of passing of this resolution, to issue and allot Shares pursuant to the exercise of the options so granted, to administer the Scheme in accordance with its terms and to take all necessary actions incidental thereto as the Directors deem fit.”

5. To re-elect Mr. David Tsoi as an independent non-executive director of the Company.

By Order of the Board
InvesTech Holdings Limited
Chan Sek Keung, Ringo
Chairman and CEO

Hong Kong, 31 May 2021

NOTICE OF THE EGM

Executive Directors:

Mr. Chan Sek Keung, Ringo (*Chairman and CEO*)

Ms. Wang Fang (*Vice CEO*)

Mr. Lu Chengye

Mr. Liu Chun Fai

Non-executive Director:

Mr. Wong Tsu Wai, Derek

Independent Non-executive Directors:

Mr. Tsoi, David

Mr. Lu, Brian Yong Chen

Mr. Yuen Shiu Wai

Registered Office:

71 Fort Street

PO Box 500

George Town

Grand Cayman

KY1-1106

Cayman Islands

Principal Place of Business in Hong Kong:

Room 1201, 12/F

C C Wu Building

302-308 Hennessy Road

Wanchai

Hong Kong

Notes:

1. Considering the outbreak of coronavirus disease 2019 (“COVID-19”) pandemic, certain measures will be implemented at the extraordinary general meeting (the “EGM”) with a view to addressing the risk to attendees of infection, including, without limitation (i) all attendees will be required to wear a surgical face mask throughout the EGM within the EGM venue (no mask will be provided at the EGM venue); (ii) all attendees will be required to undergo mandatory body temperature screening; (iii) all attendees will be required to complete and submit health declaration form; (iv) seating will be arranged to ensure approximate social distancing; (v) no corporate gifts and/or refreshments will be distributed; and (vi) hand sanitizer will be available at the entrance of the EGM venue. The Company reminds attendees that they should carefully consider the risks of attending the EGM, taking into account their own personal circumstances. For details, all attendees of the EGM should read the section headed “Precautionary Measures for the Extraordinary General Meeting” on pages i and ii of the circular of the Company for the EGM dated 31 May 2021.
2. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint one or, if he/she/it is the holder of two or more shares, one or more proxies to attend and, on a poll, vote in his/her/its stead. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member who is an individual or a member which is a corporation shall be entitled to exercise the same powers on behalf of the member which he or they represent as such member could exercise.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.

NOTICE OF THE EGM

4. In order to be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the offices of the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the commencement of the meeting or any adjournment thereof (as the case may be).
5. Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting to be convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. Where there are joint holders of any share, any one of such joint holders may vote either in person or by proxy in respect of such share as if he/she/it were solely entitled thereto; but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
7. The transfer books and register of members of the Company will be closed from 18 June 2021 (Friday) to 23 June 2021 (Wednesday) (both dates inclusive), during which period no transfer of shares will be effected. The holders of shares whose name appears on the register of members of the Company on 23 June 2021 (Wednesday) will be entitled to attend and vote at the extraordinary general meeting. In order to qualify for the right to attend and vote at the extraordinary general meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 17 June 2021 (Thursday).
8. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
9. Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in this notice will be decided by poll at the above meeting.