
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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This circular, for which the directors (the “**Directors**”) of Directel Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange 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.

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

If you have sold all your shares in the Company, you should at once hand this circular and accompanying proxy form to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.



DIRECTEL HOLDINGS LIMITED

直通電訊控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8337)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

This circular will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting. This circular will also be posted on the Company’s website at www.directel.hk.

A notice convening the Annual General Meeting of the Company to be held at Office Nos. 1, 2, 14 and 15, 37th Floor, Hong Kong Plaza, No. 188 Connaught Road West, Hong Kong on Thursday, 18 May 2023 at 10:00 a.m. is set out on pages 14 to 18 of this circular. Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the accompanying proxy form to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours (i.e. 10:00 a.m. on Tuesday, 16 May 2023) before the time appointed for holding the Annual General Meeting or any adjournment thereof. The return of the proxy form will not preclude you from attending and voting in person in the Annual General Meeting if you so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

31 March 2023

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company convened and to be held on Thursday, 18 May 2023 at 10:00 a.m. at Office Nos. 1, 2, 14 and 15, 37th Floor, Hong Kong Plaza, No. 188 Connaught Road West, Hong Kong or any adjournment thereof, the notice of which is set out on pages 14 to 18 of this circular
“Associate(s)”	has the meaning as ascribed to it/them under the GEM Listing Rules
“Auditor”	the auditors for the time being of the Company
“Board”	the board of Directors of the Company
“Business Day”	a day on which the Stock Exchange is open for the business of dealing in securities
“Company”	Directel Holdings Limited (直通電訊控股有限公司), a company incorporated in the Cayman Islands with limited liability whose securities are listed on GEM
“connected person”	has the meaning as ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	23 March 2023 being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Nomination Committee”	the nomination committee of the Board

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Shareholder(s)”	holders of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs issued by the Hong Kong Securities and Future Commission, as amended from time to time
“%”	per cent.

LETTER FROM THE BOARD OF DIRECTORS



DIRECTEL HOLDINGS LIMITED

直通電訊控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8337)

Non-executive directors:

Mr. Li Kin Shing (*Chairman*)

Mr. Wong Kin Wa

Mr. Hu Tiejun

Executive directors:

Mr. Pang Kwok Chau (*Chief Executive Officer*)

Mr. Li Wang

Independent non-executive directors:

Mr. Chen Xue Dao

Ms. Lee Man Yee, Maggie

Mr. Liu Kejun

Registered office:

Windward 3

Regatta Office Park

PO Box 1350

Grand Cayman KY1-1108

Cayman Islands

***Head office and principal
place of business:***

Office Nos. 1, 2, 14 and 15
37th Floor

Hong Kong Plaza

No. 188 Connaught Road West
Hong Kong

31 March 2023

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the Annual General Meeting, resolutions will be proposed to (i) grant to the Directors general mandates to allot, issue and deal with new Shares of the Company and to repurchase Shares of the Company; and (ii) re-elect the Directors in accordance with the articles of association of the Company. This circular contains the explanatory statement in compliance with the GEM Listing Rules and to give all the information reasonably necessary to enable Shareholders of the Company to make an informed decision on whether to vote for or against the resolutions.

LETTER FROM THE BOARD OF DIRECTORS

GENERAL MANDATES

At the Annual General Meeting, separate ordinary resolutions will be proposed to renew the general mandates to authorise the Directors (i) to allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of the resolution (the “**Issue Mandate**”); (ii) to exercise all powers (the “**Repurchase Mandate**”) of the Company to repurchase issued and fully paid Shares on GEM up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of the resolution; (iii) to extend the general mandate granted to the Directors to allot, issue and deal with additional Shares as mentioned in paragraph (i) above by the amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the Repurchase Mandate.

As at the Latest Practicable Date, there were in issue an aggregate of 184,875,000 Shares. Subject to the passing of the proposed resolution for the grant of the Issue Mandate and on the basis that no Share is issued or repurchased by the Company prior to the Annual General Meeting, the Directors will be authorised to allot and issue under the Issue Mandate up to 36,975,000 Shares, and to the extent the Repurchase Mandate is exercised, plus the amount of Shares representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate shall continue to be in force during the period ending on the earliest of (i) the date of the next annual general meeting; (ii) the date by which the next annual general meeting of the Company is required to be held by law or by its articles of association; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company. The existing general mandates to issue and repurchase Shares granted to the Directors pursuant to the resolutions passed by the Shareholders of the Company on 15 June 2022 will expire at the Annual General Meeting.

EXPLANATORY STATEMENT

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in Appendix I to this circular. The information in the explanatory statement is to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate.

LETTER FROM THE BOARD OF DIRECTORS

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the non-executive Directors are Mr. Li Kin Shing, Mr. Wong Kin Wa and Mr. Hu Tiejun; the executive Directors are Mr. Pang Kwok Chau and Mr. Li Wang; and the independent non-executive Directors are Mr. Chen Xue Dao, Ms. Lee Man Yee, Maggie and Mr. Liu Kejun. Pursuant to the articles of association of the Company, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

The Nomination Committee had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive directors based on the independence criteria as set out in Rule 5.09 of the GEM Listing Rules and confirmed that all of them remain independent.

Accordingly, Mr. Pang Kwok Chau, Mr. Wong Kin Wa and Ms. Lee Man Yee, Maggie, being Directors to retire in rotation in accordance with the articles of association of the Company, will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

Brief biographical and other details of Mr. Pang Kwok Chau, Mr. Wong Kin Wa and Ms. Lee Man Yee, Maggie, who are proposed to be re-elected at the Annual General Meeting are set out as follows:

Mr. Pang Kwok Chau (彭國洲), aged 62, is the chief executive officer and an executive Director. He is responsible for the overall marketing strategic planning and direction of the Group. Mr. Pang obtained a craft certificate in radio servicing (無線電修理行業技能證書) after the completion of a two-year part-time evening course from a Technical Institute under the Education Department, Hong Kong in July 1979 immediately following his graduation from secondary school and has over 28 years of experience in the telecommunications industry, especially in international roaming operation. Since joining the Group, Mr. Pang has been actively involved in the Group's business of "One Card Multiple Number" service in Hong Kong and the PRC. He has also been involved in the Group's overall corporate governance since 2007. Before joining the Group as the general manager in 2001, Mr. Pang served as the manager of China-Hong Kong Telcelink Company Limited since 1995. He was appointed as an executive Director on 31 August 2009.

LETTER FROM THE BOARD OF DIRECTORS

Mr. Pang has entered into a renewal service agreement with the Company to serve as an executive Director for a term of three years commencing from 1 May 2022, which may be terminated by either party thereto giving to the other not less than three months' prior notice in writing or less than three months' prior notice in writing agreed by both parties. Pursuant to the service agreement, Mr. Pang is entitled to an annual remuneration of HK\$600,000. He is also entitled to a bonus payment on such amount as shall be determined by the Board in its absolute discretion. The determination of his emoluments is based on salaries paid by comparable companies, time commitment, his duties and responsibilities in the Company, the Company's performance and its remuneration policy.

Mr. Wong Kin Wa (黃建華), aged 55, is a non-executive Director. Mr. Wong obtained a diploma in auditing from Guangzhou Radio & TV University in 1988. Mr. Wong has over 22 years of finance and marketing experience, in particular in the telecommunications industry in Hong Kong and Macau. He is an executive director of Global Link Communications Holdings Limited ("**Global Link**"), a company listed on GEM, since 26 May 2016 and was further appointed as the chief executive officer of Global Link with effect from 27 November 2020. Mr. Wong had been an executive director and chief financial officer of Goldstream Investment Limited (previously known as International Elite Ltd. ("**IEL**")) till 27 December 2018, a company listed on the Main Board and controlled by Mr. Li Kin Shing and his spouse, Ms. Kwok King Wa till 28 November 2018. Before joining IEL in 2000, he was the manager of China-Hong Kong Telelink Co., Ltd. from 1997 to 1999. Mr. Wong joined Denway Motors Limited (駿威汽車有限公司)(previously known as Denway Investment Limited), a company whose shares were formerly listed on the Main Board, as the vice general manager of the Finance Department from 1993 to 1997. He was appointed as a non-executive Director on 31 August 2009.

Mr. Wong has entered into a renewal service agreement with the Company to serve as a non-executive Director for a term of three years commencing from 1 May 2022, which may be terminated by either party thereto giving to the other not less than three months' prior notice in writing or less than three months' prior notice in writing agreed by both parties. Pursuant to the service agreement, Mr. Wong is entitled to an annual remuneration of HK\$80,000. He is also entitled to a bonus payment on such amount as shall be determined by the Board in its absolute discretion. The determination of his emoluments is based on salaries paid by comparable companies, time commitment, his duties and responsibilities in the Company, the Company's performance and its remuneration policy.

Ms. Lee Man Yee, Maggie (李敏怡), aged 52, was appointed as an independent non-executive Director on 20 May 2010. Ms. Lee has over 22 years of accounting, finance, taxation, audit and corporate governance experience and is a member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Ms. Lee obtained a diploma in business administration in the PRC from the Hong Kong Productivity Council.

LETTER FROM THE BOARD OF DIRECTORS

Pursuant to code provision B.2.3 of the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules, any further appointment of independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by the shareholders. Ms. Lee has served the Company as an independent non-executive Director for more than 12 years. The Board, with the assistance and recommendation from the Nomination Committee, has assessed the independence of Ms. Lee as an independent non-executive director according to the criteria for independence set out in Rule 5.09 of the GEM Listing Rules (“**Independence Criteria**”) and considered that Ms. Lee continues to be independent as she has satisfied all the Independence Criteria in the following ways:

- (a) Ms. Lee has confirmed her independence to the Stock Exchange in respect of each of the Independence Criteria;
- (b) Ms. Lee has demonstrated continued independent judgement which contributes positively to the development of the Company’s strategy and policies;
- (c) since the listing of the Company in 2010, neither Ms. Lee nor any of her immediate family members, has had and have any executive or management role or functions in the Company and its subsidiaries, nor has she or any of her immediate family members been employed by any member of the Group;
- (d) neither Ms. Lee nor any of her immediate family members, has received any remuneration from the Company apart from Director’s fees and does not participate in the Group’s staff incentive plan or pension scheme;
- (e) neither Ms. Lee nor any of her immediate family members, has received any remuneration from a third party in relation to her directorship;
- (f) neither Ms. Lee nor any of her immediate family members, has any financial, business, family or other material relationships with the Group, its management, advisers and business;
- (g) neither Ms. Lee nor any of her immediate family members, holds any cross directorships or other significant links with other directors through involvement with other companies;
- (h) neither Ms. Lee nor any of her immediate family members, holds any issued Share capital of the Company;
- (i) neither Ms. Lee nor any of her immediate family members, serves as a director or employee of a significant competitor of the Group; and

LETTER FROM THE BOARD OF DIRECTORS

- (j) after due and careful consideration, the Nomination Committee of the Board considers Ms. Lee suitably independent to carry out her duties as an independent non-executive Director.

In considering Ms. Lee's re-election, the Board, with the assistance and recommendation from the Nomination Committee of the Board of the Company, has reviewed the structure, size, composition and diversity of the Board from a number of aspects, including but not limited to age, gender, length of service, and the professional experience, skills and expertise that Ms. Lee can provide. The Board is of the view that during her tenure as an independent non-executive director of the Company, Ms. Lee has made positive and valuable contributions to the Company's strategies and policies with independent judgement from her areas of expertise, including accounting, finance, taxation, audit and corporate governance. She also contributes to the diversity of the Board in gender and is able to devote sufficient time and attention to perform the duties as an independent non-executive director. In view of the above, Ms. Lee's re-election is considered to be of benefit to the Company. The Board considered that her continued tenure with the Company will continue to bring a wide range of valuable insight and expertise to the Board. A separate resolution will be proposed for her re-election at the AGM.

Ms. Lee has entered into a renewal service agreement with the Company to serve as an independent non-executive Director for a term of three years commencing from 1 June 2022, which may be terminated by either party thereto giving to the other not less than three months' prior notice in writing or less than three months' prior notice in writing agreed by both parties. Pursuant to the service agreement, Ms. Lee is entitled to an annual remuneration of HK\$80,000. She is also entitled to a bonus payment on such amount as shall be determined by the Board in its absolute discretion. The determination of her emoluments is based on salaries paid by comparable companies, time commitment, her duties and responsibilities in the Company, the Company's performance and its remuneration policy.

Save as disclosed hereof, as at the Latest Practicable Date, and to the best knowledge and belief of the Board, the Directors confirmed that:

- (a) each of Mr. Pang Kwok Chau, Mr. Wong Kin Wa and Ms. Lee Man Yee, Maggie is not connected with any Director, senior management, management Shareholders, substantial Shareholder or controlling Shareholder of the Company;
- (b) each of Mr. Pang Kwok Chau, Mr. Wong Kin Wa and Ms. Lee Man Yee, Maggie has no other interests in the Shares which are required to be disclosed under Part XV of the SFO;
- (c) each of Mr. Pang Kwok Chau, Mr. Wong Kin Wa and Ms. Lee Man Yee, Maggie does not hold any directorships in listed public companies in the last three years;
- (d) there is no other information that needs to be disclosed pursuant to any of the requirements as set out in Rule 17.50(2) of the GEM Listing Rules; and

LETTER FROM THE BOARD OF DIRECTORS

- (e) the Company is not aware of any other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-election of Directors.

GENERAL INFORMATION

The notice for the Annual General Meeting has been set out on pages 14 to 18 of this circular.

Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete and return the accompanying proxy form to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours (i.e. 10:00 a.m. on Tuesday, 16 May 2023) before the time appointed for holding the Annual General Meeting or any adjournment thereof. The return of the proxy form will not preclude you from attending and voting in person if you so wish and in such event, the form of proxy previously submitted shall be deemed to be revoked.

VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, all votes of Shareholders at the Annual General Meeting must be taken by way of poll and the Company will announce the results of the poll in the manner as prescribed under Rule 17.47(5) of the GEM Listing Rules.

RECOMMENDATION

The Directors consider that the general mandates to issue and repurchase Shares and the re-election of Directors proposed are in the interest of the Company and so recommend you to vote in favour of the relevant resolutions at the forthcoming Annual General Meeting.

Yours faithfully,
By order of the Board
Directel Holdings Limited
Li Kin Shing
Chairman

This is an explanatory statement given to all Shareholders of the Company, as required by the GEM Listing Rules, to provide requisite information of the Repurchase Mandate.

1. GEM LISTING RULES FOR REPURCHASES OF SHARES

The GEM Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid Shares on GEM subject to certain restrictions, the more important of which are summarised below:

(a) Shareholders' approval

All proposed repurchase of securities on the Stock Exchange by a company with primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by special approval of a particular transaction.

(b) Share capital

Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of the passing of the relevant resolutions. The Company's authority is restricted to purchases made on GEM in accordance with the GEM Listing Rules. As at the Latest Practicable Date, there were in issue an aggregate of 184,875,000 Shares. Exercise in full of the Repurchase Mandate, on the basis that no further Shares would be issued or repurchased prior to the date of the Annual General Meeting, would accordingly result in up to 18,487,500 Shares being repurchased by the Company.

(c) Reasons for repurchase

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company with the flexibility to make such repurchase as and when appropriate and is beneficial to the Company. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets and/or its earnings per Share. As compared with the position of the Company in its financial statements for the year ended 31 December 2022 (being the most recent published audited accounts), the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be made in full during the proposed repurchase period. However, the Directors will not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(d) Funding of repurchases

Repurchase of the Shares will be funded out of funds legally available for such purpose in accordance with the memorandum and articles of association of the Company and the applicable laws of the Cayman Islands. The Company is empowered by its memorandum and articles of association to repurchase its Shares. Cayman Islands law provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the share premium of the Company. Under Cayman Islands law, the repurchased Shares will remain part of the authorised but unissued share capital.

(e) Connected persons

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of the close associates (as defined in the GEM Listing Rules) of any of the Directors has any present intention, in the event that the proposed Repurchase Mandate is approved by the Company's Shareholders, to sell Shares to the Company. As at the Latest Practicable Date, no core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make repurchases of Shares.

(f) Undertaking of the Directors

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and applicable laws of the Cayman Islands, and in accordance with the regulations set out in the memorandum and articles of association of the Company.

(g) Effect of Takeovers Code and minimum public float

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the register of the Shareholders maintained by the Company pursuant to Section 336 under Part XV of the SFO showed that the Company has been notified of the following interests, being 5% or more of the Company's issued share capital:

Name of Shareholders	Number of Shares held	Approximate percentage of existing shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Mr. Li Kin Shing <i>(Note 1)</i>	109,500,000	59.23%	65.81%
Ms. Kwok King Wa <i>(Note 2)</i>	109,500,000	59.23%	65.81%
New Everich Holdings Limited <i>(Note 3)</i>	104,437,500	56.49%	62.77%
Golden Brand Holdings Limited <i>(Note 4)</i>	16,500,000	8.92%	9.92%
Mr. Bai Zhifeng <i>(Note 5)</i>	16,500,000	8.92%	9.92%

Notes:

1. Among the 109,500,000 Shares, 104,437,500 Shares are owned by New Everich Holdings Limited which is owned as to 54% and 46% by Mr. Li Kin Shing and Ms. Kwok King Wa respectively. Mr. Li Kin Shing is the spouse of Ms. Kwok King Wa. Accordingly, Mr. Li Kin Shing is deemed to be interested in the 104,437,500 Shares under the SFO.
2. Among the 109,500,000 Shares, 5,062,500 Shares are owned by Mr. Li Kin Shing and 104,437,500 Shares are owned by New Everich Holdings Limited which is owned as to 54% and 46% by Mr. Li Kin Shing and Ms. Kwok King Wa respectively. Ms. Kwok King Wa is the spouse of Mr. Li Kin Shing. Accordingly, Ms. Kwok King Wa is deemed to be interested in the 5,062,500 Shares and 104,437,500 Shares held by Mr. Li Kin Shing and New Everich Holdings Limited respectively under the SFO.
3. These Shares are beneficially owned by New Everich Holdings Limited.
4. These Shares are beneficially owned by Golden Brand Holdings Limited.
5. The 16,500,000 Shares are owned by Golden Brand Holdings Limited which is wholly owned by Mr. Bai Zhifeng.

In the event that the Directors shall exercise in full the Repurchase Mandate, the total interests of the above Shareholders would be increased to approximately the respective percentages shown in the last column above and such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that there is no issue of Shares in the Company between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase Mandate in whole will result in less than the relevant prescribed minimum percentage of the Shares of the Company being held by the public as required by the Stock Exchange. The Directors confirm that the Repurchase Mandate will not be exercised to the extent as may result in a public shareholding of less than such prescribed minimum percentage.

2. SHARE PURCHASE MADE BY THE COMPANY

The Company had not repurchased any of the Shares (whether on GEM or otherwise) during the previous six months immediately preceding the Latest Practicable Date.

3. SHARE PRICES

During each of the 12 months immediately preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on GEM were as follows:

	Price Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
Month		
2022		
March	0.231	0.230
April	0.231	0.231
May	0.231	0.160
June	0.190	0.190
July	0.190	0.170
August	0.345	0.150
September	0.163	0.163
October	0.163	0.163
November	0.163	0.153
December	0.158	0.118
2023		
January	0.159	0.106
February	0.148	0.098
March (up to the Latest Practicable Date)	0.350	0.082

NOTICE OF ANNUAL GENERAL MEETING



DIRECTEL HOLDINGS LIMITED

直通電訊控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8337)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Directel Holdings Limited (the “**Company**”) will be held at Office Nos. 1, 2, 14 and 15, 37th Floor, Hong Kong Plaza, No. 188 Connaught Road West, Hong Kong, on Thursday, 18 May 2023 at 10:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 December 2022.
2. To appoint auditors and to authorise the board of directors of the Company (the “**Directors**”) to fix their remuneration.
3. (A) To re-elect Mr. Pang Kwok Chau as a Director.
(B) To re-elect Mr. Wong Kin Wa as a Director.
(C) To re-elect Ms. Lee Man Yee, Maggie as a Director.
4. To authorise the board of Directors to fix the remuneration of the Directors.
5. As special business, to consider and if thought fit, pass the following resolutions with or without amendments as ordinary resolutions:
 - (A) “**THAT**
 - (a) subject to paragraph (c) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) to allot, issue and deal with the new shares in the capital of the Company or securities convertible into shares, options, warrants or similar rights to subscribe for shares or such convertible securities of the Company, and to make or grant offers, agreements and/or options (including bonds, warrants, and debentures

NOTICE OF ANNUAL GENERAL MEETING

convertible into shares of the Company) which would or might require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this Resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and/or options (including bonds, warrants, and debentures convertible into shares of the Company) which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Right Issue (as hereinafter defined);
 - (ii) the grant or exercise of any option under the option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and its subsidiaries and/or other eligible persons of shares or rights to acquire shares of the Company; or
 - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of the cash payment for a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly;

- (d) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“Right Issue” means an offer of shares or other securities of the Company or an offer or issue of warrants, options or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside the Hong Kong Special Administrative Region of the People’s Republic of China).”

(B) **“THAT**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its own shares on GEM (“**GEM**”) of The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange or of any other stock exchange, be and is hereby generally and unconditionally approved and authorised;
- (b) the aggregate nominal amount of the shares of the Company to be purchased by the Company pursuant to the approval in paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable law to be held; and
 - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

(C) “**THAT**

conditional upon Resolutions 5(A) and 5(B) being passed, the aggregate nominal amount of the number of shares in the capital of the Company which are repurchased by the Company under the authority granted to the Directors as mentioned in Resolution 5(B) shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to Resolution 5(A) above.”

On behalf of the Board
Directel Holdings Limited
Li Kin Shing
Chairman

Hong Kong, 31 March 2023

Head office and principal place of business:

Office Nos. 1, 2, 14 and 15

37th Floor

Hong Kong Plazal

No. 188 Connaught Road West

Hong Kong

Notes:

- (1) The instrument appointing a proxy shall be in writing under the hand of appointer or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer, attorney or other person duly authorised to sign the same.
- (2) A member of the Company entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint another person as his proxy to attend and, on a poll, vote on his behalf. A proxy need not be a member of the Company but must attend the annual general meeting to represent the member.
- (3) In order to be valid, the form of proxy must be deposited with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong together with any power of attorney or other authority, under which it is signed, or a notarially certified copy of that power or authority, not less than 48 hours (i.e. 10:00 a.m. on Tuesday, 16 May 2023) before the time for holding the meeting or any adjournment thereof.
- (4) In the case of joint holders of any shares in the Company, any one of such joint holders may vote at the annual general meeting, either in person or by proxy, in respect of such shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting, either personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such shares shall be accepted to the exclusion of the votes of the other joint registered holders.

NOTICE OF ANNUAL GENERAL MEETING

- (5) Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or at any adjourned meeting (as the case may be) should they so wish, and in such event, the form of proxy previously submitted shall be deemed to be revoked.
- (6) For determining the entitlement to attend and vote at the annual general meeting, the company's register of members will be closed from Monday, 15 May 2023 to Thursday, 18 May 2023, both days inclusive, during which time no transfer of shares will be registered. In order to ensure that the shareholders are entitled to attend and vote at the annual general meeting, the shareholders must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17 Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:30 p.m. on Friday, 12 May 2023 for registration of the relevant transfer.
- (7) If tropical cyclone warning signal no. 8 or above, "extreme conditions" caused by super typhoons or a black rainstorm warning signal is in force at 7:00 a.m. on Thursday, 18 May 2023, the meeting will be postponed and further announcement for details of alternative meeting arrangements will be made. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. You should make your own decision as to whether you would attend the meeting under bad weather conditions and if you should choose to do so, you are advised to exercise care and caution.
- (8) References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this circular, the non-executive directors of the Company are Mr. Li Kin Shing, Mr. Wong Kin Wa and Mr. Hu Tiejun, the executive directors of the Company are Mr. Pang Kwok Chau and Mr. Li Wang and the independent non-executive directors of the Company are Ms. Lee Man Yee, Maggie, Mr. Chen Xue Dao and Mr. Liu Kejun.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquires, 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.

This circular will remain on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting. This circular will also be posted on the Company's website at www.directel.hk.