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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Perennial International Limited, you should at once hand this circular to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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*Perennial*

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**PERENNIAL INTERNATIONAL LIMITED**

**恒都集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00725)**

**MAJOR TRANSACTION IN RELATION TO THE  
CONSTRUCTION CONTRACT FOR THE THIRD PHASE  
CONSTRUCTION WORKS**

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A letter from the Board is set out on pages 4 to 9 of this circular.

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## DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Perennial International Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of the Third Phase Construction Contract, being VND45,106,066,547 (equivalent to approximately HK\$15,336,063)
“Contractor”	Golden Lotus Construction J.S.C., a company incorporated in Vietnam
“Directors”	directors of the Company
“First Phase Construction Contract”	the construction contract dated 12 January 2018 entered into between the Principal and the Contractor in relation to the First Phase Construction Works, details of which are set out in the Company’s announcement dated 12 January 2018
“First Phase Construction Works”	the construction of the production facilities as phase one development of the Land, details of which are set out in the Company’s announcement dated 12 January 2018
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

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## DEFINITIONS

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“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons
“Land”	the land located in Vietnam Singapore Industrial Park in Quang Ngai Province, Vietnam with a site area of approximately 30,000 square metres
“Latest Practicable Date”	30 March 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Do”	Mr. Do Thanh Duy
“Principal”	Perennial Cable (Vietnam) Company Limited, a company incorporated in Vietnam and a wholly-owned subsidiary of the Company
“Second Phase Construction Contract”	the construction contract dated 4 September 2018 entered into between the Principal and the Contractor in relation to the Second Phase Construction Works, details of which are set out in the Company’s announcement dated 4 September 2018
“Second Phase Construction Works”	the construction of the production facilities as phase two development of the Land
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)

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## DEFINITIONS

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“Spector Holdings”	Spector Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, and is a controlling shareholder (as defined in the Listing Rules) interested in 70.78% of the entire issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Phase Construction Contract”	the construction contract dated 11 March 2020 entered into between the Principal and the Contractor in relation to the Third Phase Construction Works
“Third Phase Construction Works”	the construction of the production facilities as phase three development of the Land
“United States”	The United States of America
“VND”	Vietnam Dong, the lawful currency of Vietnam
“%”	per cent.

*For illustration purposes, amounts in VND in this circular have been translated into VND1.00 = HK\$0.00034. Such conversion shall not be construed as representations that amounts in VND were or may have been converted into HK\$ as such rate or any other exchange rate.*

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LETTER FROM THE BOARD

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*Perennial*  
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**PERENNIAL INTERNATIONAL LIMITED**

**恒都集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00725)**

*Executive Directors:*

Mr. Mon Chung Hung

*(Chief Executive Officer and Deputy Chairman)*

Mr. Siu Yuk Shing, Marco

Ms. Mon Wai Ki, Vicky

Ms. Mon Tiffany

*Non-executive Director:*

Ms. Koo Di An, Louise *(Chairman)*

*Independent non-executive Directors:*

Mr. Lau Chun Kay

Ms. Chung Kit Ying

Mr. Lee Chung Nai, Jones

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Principal place of*

*business in Hong Kong:*

Units 2002–2006, 20th Floor

Greenfield Tower

Concordia Plaza

1 Science Museum Road

Tsimshatsui, Kowloon

Hong Kong

1 April 2020

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION IN RELATION TO THE  
CONSTRUCTION CONTRACT FOR THE THIRD PHASE  
CONSTRUCTION WORKS**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 11 March 2020. On 11 March 2020 (after trading hours of the Stock Exchange), the Principal, a wholly-owned subsidiary of the Company, entered into the Third Phase Construction Contract with the Contractor, pursuant to which the Contractor shall be appointed for the Third Phase Construction Works at the Consideration of VND45,106,066,547 (equivalent to approximately HK\$15,336,063).

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## LETTER FROM THE BOARD

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As the First Phase Construction Contract, the Second Phase Construction Contract and the Third Phase Construction Contract involve the same parties and project and form a series of transactions conducted within the past 12-month period, the Third Phase Construction Contract is required to be aggregated with the First Phase Construction Contract and the Second Phase Construction Contract for the purpose of computing the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

Upon aggregation of the First Phase Construction Contract, the Second Phase Construction Contract and the Third Phase Construction Project, one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules is or are more than 25% but less than 100%, entering into the Third Phase Construction Contract (aggregate with the First Phase Construction Contract and the Second Phase Construction Contract) constitutes a major transaction on the part of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

For the reasons set out in the section headed "Listing Rules Implications" in this circular, the special general meeting requirement to approve the Third Phase Construction Contract is to be dispensed with. This circular will therefore be sent to the Shareholders for their information only.

The purposes of this circular are to provide you with, among others, further information regarding the Third Phase Construction Contract.

### THE THIRD PHASE CONSTRUCTION CONTRACT

Date: 11 March 2020 (after trading hours of the Stock Exchange)

Parties: (1) Perennial Cable (Vietnam) Company Limited, as the Principal; and  
(2) Golden Lotus Construction J.S.C., as the Contractor.

The Principal is a company incorporated in Vietnam with limited liability and is principally engaged in the manufacturing and sale of electric cables, wires, wire harness and accessories. The Principal is a wholly-owned subsidiary of the Company.

The Contractor is a company incorporated in Vietnam and principally engaged in property development and construction. The ultimate beneficial owner of the Contractor is Mr. Do, who is also the general director and representative of the Contractor. Mr. Do was referred by Vietnam Singapore Industrial Park to the Principal for the First Phase Construction Contract. Apart from having a business relationship with the Company in relation to the First Phase Construction Works, the Second Phase Construction Works and the Third Phase Construction Works, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Contractor and Mr. Do are Independent Third Parties.

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## LETTER FROM THE BOARD

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### Consideration

The Consideration is VND45,106,066,547 (equivalent to approximately HK\$15,336,063) and will be paid in the following manner:

- (i) within 15 days after the signing of the Third Phase Construction Contract, the Principal shall pay 10% of the Consideration;
- (ii) after commencement of the Third Phase Construction Works, the Contractor shall submit a completed work report every 30 days to the Principal and an invoice upon the Principal's confirmation. The Principal shall review the report and application within 5 days upon receiving such documents and make payment within 15 days upon confirmation. The total amount of such payments shall not exceed 80% of the Consideration; and
- (iii) the remaining 10% of the Consideration shall be retained by the Principal (the "**Retention Monies**"). 50% of the Retention Monies shall be released upon the provision of the original copies of a construction acceptance record and construction settlement application from the Contractor to the Principal and the remaining 50% of the Retention Monies shall be released upon the provision by the Contractor of the original copy of a letter of guarantee issued by a bank to the Principal.

The Consideration was arrived after arm's length negotiations between the Principal and the Contractor and was determined with reference to the size and project design of the Third Phase Construction Works which comprised of the construction of an electric cable and wire manufacturing factory, an auxiliary warehouse and a building, which consists of a carpark, warehouse and an office.

The Consideration was arrived at from a tendering process whereby four potential contractors were invited to participate in the tender for the Third Phase Construction Works. In selecting a contractor, the Group considered the fee quotation, quality of work, previous experience on similar projects and warranties to be provided after completion of the Third Phase Construction Works.

Given that the Consideration was the lowest among the fee quoted by the potential contractors, the Directors consider that the Consideration is fair and reasonable.

It is intended that the Consideration will be funded by internal resources and banking facilities.

### Condition precedent

The Third Phase Construction Contract is conditional upon the satisfaction of the Company having obtained the written approval from the Shareholder(s) in accordance with the requirements under the Listing Rules regarding the Third Phase Construction Contract and the transactions contemplated thereunder.



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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, the above condition has been fulfilled.

### **Effective date**

The effective date of the Third Phase Construction Contract is on 16 March 2020 upon the satisfaction of the condition precedent under the Third Phase Construction Contract.

### **Performance guarantee**

The Contractor shall provide the Principal with a performance guarantee to guarantee the due performance and observance of the Third Phase Construction Contract by letter of guarantee issued by bank. The amount of performance guarantee is equivalent to 5% of the Consideration.

### **Construction period**

The Third Phase Construction Works are expected to be completed by the end of August 2020.

### **INFORMATION OF THE CONTRACTOR**

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Contractor is a company incorporated in the Vietnam and principally engaged in property development and construction. The Contractor was selected through tendering process. The Contractor is the contractor appointed for the construction works under the First Phase Construction Contract and the Second Phase Construction Contract. The Group satisfies with the services and works of the Contractor in relation to the First Phase Construction Works and the Second Phase Construction Works. After arm's length negotiations with the Contractor, the Group engaged the Contractor for the Third Phase Construction Works.

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE THIRD PHASE CONSTRUCTION CONTRACT**

The Company is an investment holding company and its subsidiaries are principally engaged in the manufacturing and trading of electric cable and wire products.

The First Phase Construction Works consisted of the construction of a factory building, a canteen building and other ancillary facilities such as water treatment, guard room and electricity room, while the Second Phase Construction Works consisted of the construction of two factory buildings. Both the First Phase Construction Works and the Second Phase Construction Works had been completed and their capital expenditure incurred were approximately VND72,726,000,000 (equivalent to approximately HK\$24,727,000) and VND63,450,000,000 (equivalent to approximately HK\$21,573,000) respectively.

The Third Phase Construction Works are also located in Vietnam Singapore Industrial Park in Quang Ngai Province, Vietnam. It is expected that the Third Phase Construction Works would

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## LETTER FROM THE BOARD

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be completed by the end of August 2020. In addition, the total expected capital expenditure and amount incurred as at the Latest Practicable Date are approximately VND65,588,000,000 (equivalent to approximately HK\$22,300,000) and VND4,510,606,655 (equivalent to approximately HK\$1,534,000) respectively. The Third Phase Construction Works will be funded as to 30% by internal resources and 70% by banking facilities.

As the Contractor is the contractor appointed for the construction works under the First Phase Construction Contract and the Second Phase Construction Contract and the Group is satisfied with the services and works of the Contractor in relation to the First Phase Construction Works and the Second Phase Construction Works, the Group engaged the Contractor for the Third Phase Construction Works and entered into the Third Phase Construction Contract with the Contractor as its third phase of developing of the Land as the Group's production facilities in Vietnam.

It has been the Group's objectives to reallocate its production resources due to the increasing production costs in the People's Republic of China and to obtain tax benefits for the Group's sales of its products to the United States.

Prior to the Third Phase Construction Works, the Group's factory in Shenzhen manufactures electric cables and wires which are subsequently delivered to the factories in the First Phase Construction Works and the Second Phase Construction Works. The factories in the First Phase Construction Works and the Second Phase Construction Works produce electric cable harness and power cords with molding and crimping machines, which assemble the electric cables, wires and polyvinyl chloride resins that are manufactured in the factory in Shenzhen and other terminals and electronic components that are imported from third party suppliers.

The United States has imposed additional tariff on imported products that are considered as China-origin. In determining whether the products are of China-origin, the United States customs considers the totality of circumstances and evaluates whether a substantial transformation occurs when components of products of various origins are assembled into final products for export to the United States. As electric cables and wires are manufactured in the Group's factory in Shenzhen and are considered to be a main component for the final products, the final products would be considered as China-origin even though they are assembled in the factories in Vietnam. As a result, the Group is currently exposed to the additional tariff on its final products. The completion of the Third Phase Construction Works would therefore allow the Group to manufacture the electric cables and wires in Vietnam and hence would be more likely to result in an occurrence of a substantial transformation in the Group's factories in Vietnam and may not be subject to additional tariff.

In view of the above, the Directors consider that the entering into and the terms of the Third Phase Construction Contract, including the Consideration, are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### LISTING RULES IMPLICATIONS

As the First Phase Construction Contract, the Second Phase Construction Contract and the Third Phase Construction Contract involve the same parties and project and form a series of transactions conducted within the past 12-month period, the Third Phase Construction Contract is required to be aggregated with the First Phase Construction Contract and the Second Phase Construction Contract for the purpose of computing the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules.

Upon aggregation of the First Phase Construction Contract, the Second Phase Construction Contract and the Third Phase Construction Project, one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules is or are more than 25% but less than 100%, entering into the Third Phase Construction Contract (aggregate with the First Phase Construction Contract and the Second Phase Construction Contract) constitutes a major transaction on the part of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders have any material interest in the Third Phase Construction Contract or are required to abstain from voting if the Company were to convene a general meeting for the approval of the Third Phase Construction Contract.

As at the Latest Practicable Date, Spector Holdings, a controlling shareholder (as defined in the Listing Rules), is interested in 140,822,000 Shares, representing 70.78% of the entire issued share capital of the Company. Spector Holdings is beneficially owned as to 99.9% by Mr. Mon Chung Hung, the chief executive officer and the deputy chairman of the Company and an executive Director, and as to 0.1% by Ms. Koo Di An, Louis, the chairman of the Company and a non-executive Director.

Under Rule 14.40 of the Listing Rules, a major transaction must be made conditional on approval by shareholders of an issuer. In this regard and in lieu of holding a special general meeting of the Shareholders to approve the Third Phase Construction Contract, the Company has, according to the Listing Rules, obtained a written approval on the Third Phase Construction Contract from Spector Holdings to dispense with such special general meeting requirement.

This circular is despatched to the Shareholders for their information only.

### FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully  
For and on behalf of the Board  
**Perennial International Limited**  
**Mon Chung Hung**  
*Chief Executive Officer*

## 1. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for each of the three years ended 31 December 2017, 2018 and 2019 are disclosed in the annual reports of the Company for the years ended 31 December 2017, 2018 and 2019 respectively. These annual reports are published on the website of the Stock Exchange ([www.hkex.com.hk](http://www.hkex.com.hk)) and the website of the Company ([www.perennial.todayir.com](http://www.perennial.todayir.com)).

## 2. INDEBTEDNESS STATEMENT

### Borrowings

As at 29 February 2020, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group has total outstanding borrowings of HK\$62,870,000. The maturity of borrowings is as follows:

	<b>Bank loans</b> <i>HK\$'000</i>	<b>Trust receipt loans</b> <i>HK\$'000</i>
Within 1 year	34,800	21,670
Between 1 and 2 years	6,400	–
	<u>41,200</u>	<u>21,670</u>

The Group's trade and loan finance facilities amounted to approximately HK\$185,040,000, of which approximately HK\$173,040,000 were secured by legal charges over certain land and buildings and investment properties of the Group with a total carrying value of HK\$143,818,000.

### Contingent liabilities

As at 29 February 2020, the Group did not have any contingent liabilities.

### Disclaimer

Save as aforesaid or as otherwise disclosed herein, the Group did not have any debt securities issued and outstanding, or authorised or otherwise created but unissued, any term loans (secured, unsecured, guaranteed or not), any other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances (other than normal trade bills) or acceptance credits or hire purchase commitments (whether secured or unsecured, guaranteed or not), any mortgages or charges, or other material contingent liabilities or guarantees at the close of business of 29 February 2020.

The Directors are not aware of any material changes in the Group's indebtedness and contingent liabilities since the close of business on 29 February 2020.

### **3. WORKING CAPITAL**

The Directors are of the opinion that, after taking into account of the Group's internal resources, cash flow from operations, banking facilities available to the Group, the Group will have sufficient working capital to satisfy its present requirements that is, for at least the next twelve months from the date of this circular in the absence of unforeseen circumstances.

### **4. FINANCIAL EFFECTS OF THE THIRD PHASE CONSTRUCTION CONTRACT ON THE GROUP**

The Consideration will be funded by the funded by the Group's internal resources and banking facilities. As at the Latest Practicable Date, a sum of approximately VND4,510,606,655 (equivalent to approximately HK\$1,533,606) has been paid as part payment of the Consideration. As at 29 February 2020, the Group has cash and cash equivalents of approximately HK\$38.8 million. The Directors consider that the Third Phase Construction Contract will not have any immediate material effect on the total assets, earnings and liabilities of the Group.

### **5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

The Group is principally engaged in the manufacturing and trading of electric cable and wire products.

Following the completion of the Third Phase Construction Works, the Group would have expanded its production facilities and will be more flexible in leveraging the productions in Vietnam to attain maximum efficiency in the deployment of resources of the Group to achieve high standard of cost rationalisation. The Group's performance will be further strengthened by the operations of the factory in Vietnam and that the Group's business risk exposure will be minimised by the diversified three-site production capacity, having its factories situated in Shenzhen, Heyuan and Vietnam.

To broaden the customer base, the Group will further explore the market in Japan, Europe and the emerging markets. The Group's factory in Shenzhen will still be a key production site of the Group. The Group's production schedule will be decided after overall consideration of different factors, including supply of workers, level of cost of productions and the preference of its customers. These factors will be carefully reviewed so that the operations of Shenzhen production site will be efficient and competitive. However, the Group will still be looking for opportunities to utilise the potential economic value of the Shenzhen production site.

The Directors considered that the Third Phase Construction Works is in line with the objective of the Group to maintain a long term sustainability and growth of the business.

**6. MATERIAL ADVERSE CHANGE**

The Directors have confirmed that they were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2019, being the date to which the latest published audited accounts of the Company were made up to.

## 1. 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.

## 2. DISCLOSURE OF INTERESTS

### Directors' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the each of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any its associated corporation (within the meaning of Part XV of the SFO, which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

#### *Long positions in ordinary shares of the Company*

Name of Director	Number of ordinary shares held			Total number of shares held (Note 1)	Approximate percentage of the Company's issued share capital
	Personal interests	Family interests	Corporate interests		
Mon Chung Hung	284,000	5,258,000 (Note 1)	140,822,000 (Note 2)	146,364,000	73.57%
Koo Di An, Louise	5,258,000	14,110,600 (Note 3)	–	146,364,000	73.57%
Lau Chun Kay	138,000	–	–	138,000	0.07%

*Notes:*

1. Mr. Mon Chung Hung (“**Mr. Mon**”) is the spouse of Ms. Koo Di An, Louise (“**Ms. Koo**”). Accordingly, Mr. Mon is deemed to be interested in the Shares deemed to be interested in the shares of the Company in which Ms. Koo is deemed to be interested under Part XV of the SFO.
2. The 140,822,000 shares were held in the name of Spector Holdings Limited, the issued share capital of which is beneficially owned as to 99.9% by Mr. Mon and as to 0.1% by Ms. Koo. Therefore, Mr. Mon is deemed to be interested in the Shares held by Spector Holdings under Part XV of the SFO. Each of Mr. Mon and Ms. Koo is a director of Spector Holdings.
3. Ms. Koo is the spouse of Mr. Mon. Accordingly, Ms. Koo is deemed to be interested in the Shares deemed to be interested in the shares of the Company in which Mr. Mon is deemed to be interested under Part XV of the SFO.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or any its associated corporation (within the meaning of Part XV of the SFO, which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

As at the Latest Practicable Date, so far as the Directors were aware, the following Directors or proposed Directors is a director or employee of a company which has an interest or short position in the shares and underlying shares of the issuer which would fall to be disclosed to the issuer under the provisions of Divisions 2 and 3 of Part XV of the SFO:

**Name of Director**

Mr. Mon (*Note*)

Ms. Koo (*Note*)

*Note:* Each of Mr. Mon and Ms. Koo is a director of Spector Holdings, which directly owns as to 70.78% of the entire issued share capital of the Company and is deemed to be interested in such Shares under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors is a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.



**3. COMPETING INTEREST**

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or their respective associates had any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group, or have or may have any other conflicts of interest with the Group.

**4. DIRECTORS' SERVICE CONTRACTS**

None of the Directors had entered or been proposed to enter into any service contract with the Company or any other member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation) as at the Latest Practicable Date.

**5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS**

As at the Latest Practicable Date, none of the Directors were materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group. As at the Latest Practicable Date, save as disclosed in this circular, none of the Directors had any interest, directly or indirectly, in any assets which have been, since 31 December 2019 (being the date to which the latest published audited consolidated accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

**6. MATERIAL CONTRACTS**

The Group has not entered into any contracts that are or may be material (not being contracts entered into in the ordinary course of business) within the two years immediately preceding the date of this circular.

**7. LITIGATION**

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries were engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

**8. GENERAL**

- (a) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The principal place of business in Hong Kong of the Company is situated at Units 2002–2006, 20th Floor, Greenfield Tower, Concordia Plaza, 1 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong.
- (c) The branch share registrar of the Company in Hong Kong is Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong.
- (d) The company secretary of the Company is Mr. Lai Wing Hong, who is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.
- (e) In the event of inconsistency, the English text of this circular shall prevail over the Chinese text thereof.

**9. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal business hours on Business Days at the office of the Company at Units 2002–2006, 20th Floor, Greenfield Tower, Concordia Plaza, 1 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong for a period of 14 days from the date of this circular:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company and its subsidiaries for the three financial years ended 31 December 2017, 31 December 2018 and 31 December 2019; and
- (c) this circular.