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If you are in any doubt as to 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 adviser.

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

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INNOVAX HOLDINGS LIMITED

創陞控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2680)

NOTICE OF ANNUAL GENERAL MEETING AND PROPOSALS FOR RE-ELECTION OF DIRECTORS AND PROPOSALS FOR GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

A notice convening the AGM of Innovax Holdings Limited to be held at Unit A to C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong on Friday, 5 August 2022 at 2:00 p.m. is set out on pages 7 to 10 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM (i.e. not later than 2:00 p.m. on Wednesday, 3 August 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude any Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Practical measures will be taken to try to avoid the spread of COVID-19 at the AGM, including:

- compulsory temperature checks and health declarations for all attendees, including Directors and Shareholders
- compulsory wearing of surgical face masks throughout the AGM
- maintaining proper distance between seats
- no refreshments and gifts will be served at the AGM
- Any other additional precautionary measures in accordance with the prevailing requirements or guidelines of the Hong Kong Government and/or regulatory authorities, or as the Company considers appropriate in light of the development of the COVID-19 pandemic.

Any person who does not comply with the precautionary measures will not be admitted to the venue of the AGM. The Company reminds the Shareholders, particularly those who are unwell or subject to quarantine in relation to COVID-19, that they may appoint any person or the chairman of the AGM as a proxy to vote on the resolutions, instead of attending the AGM in person.

22 June 2022

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	annual general meeting of the Company to be held at Unit A to C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong on Friday, 5 August 2022 at 2:00 p.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“BSI”	Billion Shine International Investment Limited, a company incorporated in British Virgin Islands with limited liability on 28 April 2017
“Buy-back Mandate”	the general and unconditional mandate proposed to be granted to the Directors to buy back Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the relevant resolution at the AGM
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Innovax Holdings Limited (創陞控股有限公司), a company incorporated in Cayman Islands with limited liability on 14 June 2016, the issued Shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“core connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the general and unconditional mandate proposed to be granted to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution at the AGM
“Group”	the Company and its subsidiaries
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	17 June 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Nomination Committee”	the nomination committee of the Board
“Remuneration Committee”	the remuneration committee of the Board
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it in the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs

LETTER FROM THE BOARD



INNOVAX HOLDINGS LIMITED

創陞控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2680)

Executive Directors:

Mr. Chung Chi Man (*Chairman*)

Mr. Poon Siu Kuen, Calvin (*Chief Executive Officer*)

Independent non-executive Directors:

Dr. Wu Kwun Hing

Mr. Yip Siu Hong

Ms. Chan Ka Lai, Vanessa

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Headquarters and Principal place of
Business in Hong Kong:*

Unit A to C, 20/F

Neich Tower

128 Gloucester Road

Wanchai

Hong Kong

22 June 2022

Dear Shareholders,

**NOTICE OF ANNUAL GENERAL MEETING
AND
PROPOSALS FOR RE-ELECTION OF DIRECTORS
AND
PROPOSALS FOR GENERAL MANDATES TO ISSUE
AND
BUY BACK SHARES**

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM relating, in particular, to (i) the re-election of Directors; and (ii) the grant of the General Mandate and Buy-back Mandate and to provide you with the notice of AGM.

LETTER FROM THE BOARD

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 84(1) of the Articles of Association, 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 at the AGM and shall be eligible for re-election. Mr. Chung Chi Man, an executive Director, and Ms. Chan Ka Lai, Vanessa, an independent non-executive Director, will retire by rotation at the AGM and, being eligible, offered themselves for re-election at the AGM.

In accordance with Article 83(3) of the Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his appointment and be subject to re-election at such meeting. As disclosed in the announcement of the Company dated 1 June 2022, our independent non-executive Director Mr. Yip Siu Hong was appointed by the Board to fill in the vacancy arising from the resignation of Mr. Choi Wai Ping, and shall therefore undergo re-election at the AGM. Mr. Yip has offered himself for re-election at the AGM.

In accordance with the nomination policy of the Company and the objective criteria (including without limitation, gender, age, ethnicity, cultural and educational background, professional experiences and knowledge) with due regard for the benefits of diversity, as set out under the board diversity policy of the Company, the Nomination Committee has reviewed the re-election of the Directors through:

- (a) evaluating the performance and contribution of the retiring Directors during the last financial year of the Company and the period thereafter up to the date of evaluation; and
- (b) assessing the independence of Mr. Yip Siu Hong and Ms. Chan Ka Lai, Vanessa, and considered whether they remained independent and suitable to continue to act in such role.

After due evaluation and assessment, the Nomination Committee is of the opinion that:

- (a) the performance of the retiring Directors was satisfactory and contributed effectively to the operation of the Board; and
- (b) based on the information available to the Nomination Committee and the annual written independence confirmation received from Ms. Chan Ka Lai, Vanessa, and the letter of independence confirmation received from Mr. Yip Siu Hong upon his appointment as an independent non-executive Directors, the Nomination Committee was satisfied that each of them
 - i. fulfills the requirements of an independent non-executive Director as stipulated under Rule 3.13 of the Listing Rules; and
 - ii. is the person of integrity and independent in character and judgement.

LETTER FROM THE BOARD

Accordingly, Nomination Committee has recommended Mr. Chung Chi Man, Mr. Yip Siu Hong and Ms. Chan Ka Lai, Vanessa for re-election at the AGM.

The remuneration of the Directors is determined with reference to their duties, responsibilities, experience and to the prevailing market conditions. Pursuant to the Article of Association, the fees payable to the Directors for their services will from time to time be determined by an ordinary resolution; any Director who holds any executive office or who serves on any committee, or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may be paid such additional remuneration by way of salary, commission or otherwise as the Board may determine. The amount of remuneration paid or payable for the year ended 28 February 2022 to each of the Directors are set out in the Company's 2021/2022 annual report.

Details of the Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

PROPOSED GRANTING OF THE GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

At the AGM, ordinary resolutions will be proposed to grant to the Directors (1) a general unconditional mandate to buy back Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed not exceeding 10% of the total number of Shares in issue as at the date of passing of the ordinary resolution of the Buy-back Mandate (i.e. a total of 40,000,000 Shares on the basis that the issued share of the Company (400,000,000 Shares) remains unchanged on the date of the AGM); (2) a general unconditional mandate to allot, issue and deal with additional Shares not exceeding the aggregate of (a) 20% of the total number of Shares in issue as at the date of passing of the ordinary resolution of the General Mandate (i.e. a total of 80,000,000 Shares on the basis that the issued share of the Company (400,000,000 Shares) remains unchanged on the date of the AGM) and (b) the aggregate number of Shares bought back by the Company (if any) under the Buy-Back Mandate.

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Buy-back Mandate or issue new Shares pursuant to the General Mandate.

An explanatory statement on the Buy-back Mandate as required by the Listing Rules and under the Companies Ordinance, is set out in the Appendix II to this circular.

AGM

The notice of AGM is set out on pages 7 to 10 of this circular.

The register of members of the Company will be closed from Tuesday, 2 August 2022 to Friday, 5 August 2022 (both dates inclusive), for the purpose of determining the entitlements of the Shareholders to attend and vote at the AGM, during which period no transfer of Shares will be registered. In order to qualify to attend and vote at the AGM, all transfers accompanied by the

LETTER FROM THE BOARD

relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Monday, 1 August 2022.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.innovax.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM (i.e. not later than 2:00 p.m. on Wednesday, 3 August 2022) or at any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM in person should you so wish.

VOTING

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 of the meeting, 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 Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Board considers that all proposed resolutions set out in the notice of AGM, including, among others, (a) the re-election of Directors, and (b) the grant of the General Mandate and the Buy-back Mandate, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all resolutions to be proposed at the AGM.

GENERAL INFORMATION

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

By order of the Board
Innovax Holdings Limited
Chau Lok Yi
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING



INNOVAX HOLDINGS LIMITED

創陞控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2680)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Innovax Holdings Limited (the “**Company**”) will be held at Unit A to C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong on Friday, 5 August 2022 at 2:00 p.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the Board and auditor for the year ended 28 February 2022.
- 2(i)(a). To re-elect Mr. Chung Chi Man as an executive Director.
- 2(i)(b). To re-elect Mr. Yip Siu Hong as an independent non-executive Director.
- 2(i)(c). To re-elect Ms. Chan Ka Lai, Vanessa as an independent non-executive Director.
- 2(ii). To authorize the Board of Directors to fix the remuneration of the Directors.
3. To re-appoint BDO Limited as auditor of the Company and to authorise the Board of Directors to fix its remuneration.

and to consider and, if thought fit, pass with or without modification the following resolutions as ordinary resolutions:

4. **“THAT:**
 - (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional Shares or securities convertible into Shares or options, warrants or similar rights to subscribe for the Shares or such convertible securities and to make or grant offers, agreements or options which would or might require the exercise of such powers whether during or after the end of the Relevant Period (as defined below) be and is hereby generally and unconditionally approved;
 - (b) the aggregate number of Shares allotted or agreed to be allotted by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution, other than pursuant to a (i) rights issue, (ii) any scrip dividend scheme or similar

NOTICE OF ANNUAL GENERAL MEETING

arrangement providing for the allotment of the Shares in lieu of the whole or part of a dividend on the Shares or (iii) a specific authority granted by the Shareholders in general meeting, shall not exceed the aggregate of:

- (A) 20% of the total number of Shares in issue as at the date of passing of this Resolution; and
- (B) (if the Directors of the Company are so authorised by a separate ordinary resolution of the Shareholders) the aggregate number of Shares bought back by the Company (if any) under the general mandate to buy back Shares referred to in Resolution numbered 5 below,

and the said approval shall be limited accordingly; and

- (c) for the purpose of this resolution numbered 4, “Relevant Period” means the period from the passing of the resolution until the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the end of the period within which the Company is required by the Articles of Association or any applicable laws to hold its next annual general meeting; and
 - (iii) the date on which the mandate is varied or revoked by an ordinary resolution of the Shareholders in a general meeting.
- (d) for the purpose of this resolution numbered 4, “Shares” mean ordinary shares of the Company and “Shareholders” mean holders of the Shares.”

5. **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to buy back the Shares on The Stock Exchange of Hong Kong Limited, or on any other stock exchange on which the Shares may be listed (and which is recognised by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited for this purpose), be and is hereby generally and unconditionally approved;
- (b) the maximum number of Shares to be bought back by the Company pursuant to the approval in paragraph (a) shall not exceed in aggregate 10% of the total number of the Shares in issue as at the date of passing of this Resolution and at such price or prices as may be determined by the Directors of the Company, provided the purchase price shall not be 5% or more than the average closing market price for the five preceding trading days on which the Shares were traded on the Stock Exchange, and otherwise in accordance with all applicable laws and the

NOTICE OF ANNUAL GENERAL MEETING

requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, and the said approval shall be limited accordingly; and

- (c) for the purpose of this resolution numbered 5, “Relevant Period” means the period from the passing of the resolution until the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the end of the period within which the Company is required by the Articles of Association or any applicable laws to hold its next annual general meeting; and
 - (iii) the date on which the mandate is varied or revoked by an ordinary resolution of the shareholders of the Company in a general meeting; and
 - (d) for the purpose of this resolution numbered 5, “Shares” mean ordinary shares of the Company and “Shareholders” mean holders of the Shares.”
6. **THAT** conditional on the passing of Resolutions 4 and 5, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue, grant or otherwise deal with additional Shares in the Company pursuant to Resolution 4 be and is hereby extended by the addition thereto of the total number of Shares bought back by the Company under the general mandate granted pursuant to Resolution 5, provided that such number of Shares shall not exceed 10% of the total number of Shares in issue as at the date of passing of Resolutions 4 and 5.

By Order of the Board
Innovax Holdings Limited
Chau Lok Yi
Company Secretary

Hong Kong, 22 June 2022

Notes:

1. In order to determine the eligibility to attend and vote at the above meeting, the register of members of the Company will be closed from Tuesday, 2 August 2022 to Friday, 5 August 2022 (both dates inclusive). To qualify to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 1 August 2022.
2. Any member of the Company entitled to attend and vote at the above meeting (or any adjournment thereof) is entitled to appoint one or more persons as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.

NOTICE OF ANNUAL GENERAL MEETING

3. In the case of joint registered holders of any shares in the Company, any one of such persons may vote at the above meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders are present at the above meeting personally or by proxy, that one so present whose name stands first in the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
4. In order to be valid, the completed form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours (i.e. Wednesday, 3 August 2022 at 2:00 p.m.) before the time appointed for holding the above meeting or adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM and any adjournment thereof if you so wish, and if such event, the form of proxy will be deemed to be revoked.
5. Shareholders are suggested to telephone the Company's hotline on (852) 2311 0322 for arrangements of the meeting in the event that a gale warning (tropical cyclone no. 8 or above) or "extreme conditions" caused by super typhoons or black rainstorm warning is hoisted on the day of the meeting.
6. Due to the recent development of the epidemic COVID-19, the Company will implement the following precautionary measures at the above meeting against the epidemic to protect the Shareholders from the risk of infection:
 - (i) compulsory body temperature check will be conducted for every shareholder or proxy at the entrance of the venue. Any person with a body temperature of over 37.5 degrees Celsius will not be admitted to the venue;
 - (ii) every shareholder or proxy is required to (a) fill in health declaration form with information including travelling record and health condition; and (b) wear surgical facial mask throughout the meeting. Any person who refuses to follow the aforesaid will not be admitted to the venue;
 - (iii) every shareholder or proxy who has travelled from jurisdictions, which according to the Department of Health of Hong Kong would render such person subject to a quarantine order, within 14 days of the date of above meeting will not be admitted to the venue;
 - (iv) no refreshments and gifts will be served at the above meeting; and
 - (v) any other additional precautionary measures in accordance with the prevailing requirements or guidelines of the Hong Kong Government and/or regulatory authorities, or as the Company considers appropriate in light of the development of the COVID-19 pandemic.

Furthermore, the Company wishes to strongly advise the Shareholders, particularly those who are unwell or subject to quarantine in relation to COVID-19, that they may appoint any person or the chairman of the above meeting as a proxy to vote on the resolutions, instead of attending the above meeting in person.

As at the date of this announcement, the Board comprises: Mr. Chung Chi Man as Chairman of the Company and executive director; Mr. Poon Siu Kuen, Calvin as chief executive officer and executive Director; Dr. Wu Kwun Hing, Mr. Yip Siu Hong and Ms. Chan Ka Lai, Vanessa as independent non-executive Directors.

The following are the details of the Directors proposed to be re-elected at the AGM.

EXECUTIVE DIRECTOR

Mr. CHUNG Chi Man (鍾志文), aged 49, is the founder of the Group, the chairman and an executive Director of the Company. Mr. Chung was appointed as a Director on 14 June 2016 and was re-designated as an executive Director on 4 May 2018. He was appointed as the chairman of the Company on 4 May 2018. He is also the director of Innovax Capital Limited, Innovax Securities Limited, Innovax Asset Management Limited and Innovax Futures Limited. He has acted as a responsible officer of Innovax Capital Limited for Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since 25 February 2015 and 30 May 2019 respectively. Mr. Chung is primarily responsible for overall strategic planning and development of the Group as well as overseeing the general management of the Group.

Mr. Chung has over 25 years of experience in financial services, accounting and management as well as investment consultancy. He started his career in international bank and served as various senior managerial and financial advisory positions in various companies.

Mr. Chung obtained a bachelor degree in business administration from the Chinese University of Hong Kong in December 1995. He was awarded Sir Edward Youde Memorial Scholarship in 1992 and is fellow member of the Association of Chartered Certified Accountant since July 2001.

Mr. Chung has entered into a service contract with the Company for a fixed term of three years commencing from 14 September 2018. Mr. Chung is entitled to an annual salary of approximately HK\$1,500,000 exclusive of any sum receivable as allowances or other remuneration from the Group with discretionary bonus as determined by the Remuneration Committee in respect of each complete financial year of the Company with reference to the Group's operation result. Such emoluments are determined by reference to the prevailing market conditions.

Save as disclosed above, there is no information which is disclosable nor is Mr. Chung involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Chung that need to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yip Siu Hong (葉少康), aged 53, was appointed as an independent non-executive Director on 1 June 2022. He is mainly responsible for supervising and providing independent advice to the Board.

Mr. Yip graduated from the Chinese University of Hong Kong with a bachelor's degree in Science in 1991 and obtained a master's degree in Business Administration in 2004. He also obtained a master's degree of Arts in Quantitative Analysis for Business from the City University of Hong Kong in 1998. He was conferred an Honorary Fellow from the City University of Hong Kong in 2011. He was conferred an Honorary Fellow from Lingnan University in October 2021. He was also a torchbearer in the Beijing 2008 Olympic Torch Relay. In 2011, Mr. Yip was awarded the Medal of Honor by the Hong Kong Special Administrative Region.

Mr. Yip is experienced in business consultancy industry, social services and education sectors. Mr. Yip is currently the Founding CEO and director of EP Venture Company Limited and Appetizup Company Limited.

Mr. Yip has entered into letter of appointment with the Company for a fixed term of three years commencing 1 June 2022. Under the terms of service contract, Mr. Yip is entitled to an annual director's fee of HK\$120,000. Such emoluments are determined by reference to, among other things, the prevailing market conditions.

Save as disclosed above, there is no information which is disclosable nor is Mr. Yip involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Yip that need to be brought to the attention of the Shareholders.

Ms. CHAN Ka Lai, Vanessa (陳嘉麗), aged 48, was appointed as an independent non-executive Director on 24 August 2018. She is mainly responsible for supervising and providing independent advice to the Board.

Ms. Chan is a professional accountant with over 25 years of experience in auditing, accounting and financial management. Currently, Ms. Chan is the operating director of WA C&E Limited which specialising in providing business advisory services. She is currently an independent non-executive director of Tycoon Group Holdings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 3390). She worked in China Agri-Industries Holdings Limited, a stated-owned enterprise previously listed on the Main Board of the Stock Exchange, from November 2009 to December 2018 with the last position as financial controller. Prior to joining China Agri-Industries Holdings Limited, she worked as an accounting manager of The Kowloon Motor Bus Co. (1933) Ltd. from August 2005 to February 2008 and worked in KPMG Hong Kong from July 1995 to August 2005 with the last position as senior audit manager.

Ms. Chan obtained a bachelor degree of arts in accountancy from the Hong Kong Polytechnic University in October 1995. She is a fellow member of the Hong Kong Institute of Certified Public Accountants since March 2006 and the Association of Chartered Certified Accountants since October 2006. Ms. Chan is also a member of the Chartered Governance Institute since March 2004, the Hong Kong Institute of Directors since January 2018 and Hong Kong Securities and Investment Institute since September 2021.

Ms. Chan has entered into letter of appointment with the Company for a fixed term of three years commencing 14 September 2018. Under the terms of service contract, Ms. Chan is entitled to an annual director's fee of HK\$120,000. Such emoluments are determined by reference to, among other things, the prevailing market conditions.

Save as disclosed above, there is no information which is disclosable nor is Ms. Chan involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Chan that need to be brought to the attention of the Shareholders.

APPENDIX I DETAILS OF THE DIRECTORS PROPOSED FOR RE-ELECTION

Both the Board and the Nomination Committee consider the re-election of the above Directors is in the best interests of the Company and the Shareholders as a whole. The proposed re-election of the above Directors will be considered by separate resolutions at the AGM.

This appendix serves as an explanatory statement, as required by the Listing Rules, and also as a memorandum of the terms of a proposed buy-back, as required by Section 239(2) of the Companies Ordinance, to provide information to Shareholders with regard to the Buy-Back Mandate.

1 SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares in issue was 400,000,000 Shares. Subject to the passing of the resolution regarding the Buy-back Mandate and on the basis that the issued share of the Company remains unchanged on the date of AGM, the Company would be allowed to buy back a maximum of 40,000,000 Shares, during the period in which the Buy-back Mandate remains in force, representing not more than 10% of the total number of Shares in issue as at the date of the AGM.

2 REASONS FOR BUY-BACKS

The Directors believe that the ability to buy back Shares is in the interests of the Company and the Shareholders. Buy-backs may, depending on the circumstances, result in an increase in the net assets value and/or earnings per Share. The Directors have sought the grant of a general mandate to buy back Shares to give the Company the flexibility to do so if and when appropriate. The number of Shares to be bought back on any occasion and the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regard to the circumstance then pertaining and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

3 FUNDING OF BUY-BACKS

In buying back Shares, the Company may only apply funds lawfully available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws and regulations of Cayman Island and any other applicable laws, as the case may be.

There could be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited accounts for the year ended 28 February 2022) if the Buy-back Mandate were to be carried out in full at any time during the share buy-back period. However, the Directors will not propose to exercise the Buy-back Mandate if, in the opinion of the Directors, this would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing position of the Company.

4 SHARE BUY-BACKS MADE BY THE COMPANY

The Company had not bought back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

5 SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months preceding the Latest Practicable Date are as follows:

Month	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
June 2021	0.87	0.66
July 2021	1.08	0.64
August 2021	0.87	0.72
September 2021	0.80	0.67
October 2021	0.75	0.65
November 2021	0.70	0.50
December 2021	0.58	0.445
January 2022	0.50	0.44
February 2022	0.54	0.365
March 2022	0.385	0.26
April 2022	0.42	0.28
May 2022	0.50	0.285
June 2022 (up to the Latest Practicable Date)	0.35	0.305

6 GENERAL

The Buy-back Mandate will expire upon the earliest of: (i) the conclusion of the next annual general meeting of the Company; or (ii) the end of the period within which the Company is required by the Articles of Association or any applicable laws to hold its next annual general meeting; or (iii) the date on which the Buy-back Mandate is varied or revoked by an ordinary resolution of the Shareholders in a general meeting.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates currently intends to, in the event that the proposal is approved at the AGM, sell any Shares to the Company.

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make any buy-backs of Shares pursuant to the Buy-back Mandate in accordance with the Listing Rules and the applicable laws and regulations of Cayman Islands.

No core connected person of the Company (as defined in the Listing Rules) has notified the Company that he or she has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Buy-back Mandate is approved at the AGM.

7 TAKEOVERS CODE

If, as a result of any buy-back of Shares, a Shareholder’s proportionate interest in the voting rights of the Company is increased, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (with the meaning under the Takeovers Code), depending on the level of such increase, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, the following interests in Shares were recorded in the register of interests in shares and short positions of the Company maintained under Section 336 of the SFO:

Name of substantial Shareholder	<i>Note</i>	Number of Shares held/interested	Percentage of shareholding (as at the Latest Practicable Date)	Percentage of shareholding (if the Shares Buy-back Mandate is exercised in full)
Chung Chi Man	(1), (3)	300,400,000	75.1%	83.4%
BSI	(1)	300,000,000	75%	83.3%
Lee Yin Har	(2)	300,000,000	75%	83.3%

Notes:

- (1) Mr. Chung and Billion Shine International Investment Limited (“**BSI**”) are the Controlling Shareholders. Mr. Chung owns the entire issued share capital of BSI. By virtue of the SFO, Mr. Chung is deemed to be interested in such Shares held by BSI.
- (2) Ms. Lee Yin Har is the spouse of Mr. Chung. She is deemed, or taken to be, interested in all Shares in which Mr. Chung is interested in for the purpose of the SFO.
- (3) On 9 March 2022, Mr. Chung had been granted by the Company 400,000 options to purchase shares of the Company. Accordingly, Mr. Chung has an additional interests in the underlying shares of the Company pursuant to the share options.

Save as aforesaid and based on the information available to the Directors as at the Latest Practicable Date, the Directors are not aware of any consequences or implications which may arise under the Takeovers Code as a result of exercising the power to buy back Shares under the Buy-back Mandate. The Directors do not have any present intention to exercise the Buy-back Mandate to such extent as will trigger the Takeovers Code.

The Directors do not propose to buy back Shares which would result in the aggregate number of Shares of the Company in issue in public reducing to below the prescribed minimum percentage required by the Stock Exchange.