
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in KPa-BM Holdings Limited, you should at once hand this circular and the enclosed form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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(incorporated in the Cayman Islands with limited liability)

(Stock code: 2663)

**(1) DECLARATION OF FINAL DIVIDEND;
(2) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;
(3) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(4) PROPOSED ADOPTION OF THE SECOND AMENDED AND
RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION; AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of KPa-BM Holdings Limited to be held at 27/F, The Octagon, 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong on 9 September 2022 at 10:00 a.m. is set out on pages 28 to 33 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the Company at www.kpa-bm.com.hk. Whether or not you are able to attend such meeting, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of the power of attorney or authority, to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at "Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong" (if the form of proxy is returned before 15 August 2022) or at "17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong" (if the form of proxy is returned on or after 15 August 2022), as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting or any adjourned meeting thereof (as the case may be).

Completion and return of the form of proxy will not preclude you from attending and voting in person at such meeting or any adjourned meeting thereof (as the case may be) and, in such event, the form of proxy shall be deemed to be revoked.

Precautionary measures and special arrangements for the AGM

In view of the novel coronavirus (COVID-19) outbreak, certain measures will be implemented at the AGM to reduce the risk of infection to attendees of the AGM, including but not limited to (i) compulsory body temperature check; (ii) wearing of surgical mask throughout the AGM; and (iii) no refreshments or drinks will be provided. Attendees who do not comply with the precautionary measures above may be denied entry to the AGM venue, at the absolute discretion of the Company as permitted by law.

For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy and to return their proxy forms by the time specified above, instead of attending the AGM in person.

The Company will keep monitoring the COVID-19 situation and may implement additional measures which, if any, will be announced at a time closer to the date of the AGM.

* For identification purpose only

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at the 27/F, The Octagon, 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong on Friday, 9 September 2022 at 10:00 a.m., the notice of which is set out on pages 28 to 33 of this circular, or any adjourned meeting thereof;
“Articles”	the articles of association of the Company as amended and restated, supplemented or modified from time to time;
“associates”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Company”	KPa-BM Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2663);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Core Shareholder Protection Standards”	the 14 core shareholder protection standards set out in Appendix 3 to the Listing Rules
“Director(s)”	Director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares of up to 20% of the number of the issued Shares as at the date of passing of the relevant resolution granting such mandate;
“Latest Practicable Date”	19 July 2022, being the latest practical date prior to the printing of this circular for the purpose of ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

DEFINITIONS

“Memorandum”	the memorandum of association of the Company as amended and restated, supplemented or modified from time to time;
“Proposed Amendments”	the proposed amendments to the current Memorandum and Articles of Association as set out in Appendix III to this circular
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to repurchase Shares not exceeding 10% of the aggregate number of the issued Shares as at the date of passing of the relevant resolution granting such mandate;
“Second Amended and Restated M&A”	the second amended and restated memorandum and articles of association incorporating and consolidating all the Proposed Amendments to be considered and approved for adoption by way of a special resolution at the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.

LETTER FROM THE BOARD



(incorporated in the Cayman Islands with limited liability)

(Stock code: 2663)

Executive Directors:

Mr. Yip Pak Hung (*Chairman*)

Mr. Wai Yat Kin (*Chief Executive Officer*)

Independent Non-executive Directors:

Ms. Lai Pik Chi, Peggy

Mr. Lam Chi Wai, Peter

Dr. Yeung Kit Ming

Registered office:

Windward 3

Regatta Office Park

P.O. Box 1350

Grand Cayman, KY1-1108

Cayman Islands

Principal place of business

in Hong Kong:

27/F., The Octagon

6 Sha Tsui Road

Tsuen Wan, New Territories

Hong Kong

26 July 2022

To the Shareholders

Dear Sir or Madam,

- (1) DECLARATION OF FINAL DIVIDEND;**
**(2) PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;**
(3) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
**(4) PROPOSED ADOPTION OF THE SECOND AMENDED AND
RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION; AND**
(5) NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information regarding the following resolutions to be proposed at the AGM in relation to the proposed final dividend, the granting of the Issue Mandate, the granting of the Repurchase Mandate, the granting of an extension to the Issue Mandate, the re-election of the retiring Directors and the proposed adoption of the Second Amended and Restated M&A.

* For identification purpose only

LETTER FROM THE BOARD

A notice convening the AGM setting out the details of the nine ordinary resolutions and one special resolution to be proposed at the AGM is set out on pages 28 to 33 of this circular.

DECLARATION OF FINAL DIVIDEND

Reference is made to the results announcement for the year ended 31 March 2022 of the Company dated 24 June 2022. The Board has recommended a final dividend in respect of the financial year ended 31 March 2022 of HK1.5 cents per ordinary share which, subject to the approval of Shareholders at the AGM and compliance with the Articles and the Companies Act of the Cayman Islands, will be paid on or around 5 October 2022 to Shareholders whose names appear on the Company's register of members on 21 September 2022. An ordinary resolution will be proposed at the AGM to approve the declaration of the final dividend.

ISSUE MANDATE AND REPURCHASE MANDATE

Pursuant to the resolutions of the Shareholders passed on 20 August 2021, the Directors have been granted general and unconditional mandates (i) to allot, issue and deal with Shares; and (ii) to repurchase Shares. Such general mandates would expire: (a) at the conclusion of the next annual general meeting of the Company; (b) at the expiration of the period within which the Company is required by any applicable laws or the Articles to hold its next annual general meeting; or (c) when varied, revoked or renewed by an ordinary resolution of Shareholders in general meeting, whichever is the earliest.

As at the Latest Practicable Date, the existing general mandates have not been utilised and will lapse at the conclusion of the AGM. Therefore, ordinary resolutions will be proposed at the AGM that the Directors be granted

- (i) a general and unconditional mandate to allot, issue and deal with new Shares with the aggregate nominal value not exceeding 20% of the number of Shares in issue on the date of passing the relevant resolution (that is, the Issue Mandate);
- (ii) a general and unconditional mandate to exercise all the powers of the Company to purchase or repurchase Shares with the aggregate nominal value not exceeding 10% of the number of Shares in issue on the date of passing the relevant resolution (that is, the Repurchase Mandate); and
- (iii) the extension of the Issue Mandate set out in (i) above to include the number of shares which may be purchased or repurchased by the Company pursuant to the Repurchase Mandate set out in (ii) above.

An explanatory statement providing the requisite information regarding the Repurchase Mandate as required to be sent to the Shareholders under the Listing Rules is set out in Appendix I to this circular.

The Company had in issue an aggregate of 600,000,000 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolutions for the approval of the Issue Mandate and the Repurchase Mandate and in accordance with the terms therein, the Company will be allowed to allot, issue and deal with a maximum of 120,000,000 new Shares and to repurchase a maximum of 60,000,000 Shares respectively, on the basis that no further Shares will be issued or repurchased by the Company between the Latest Practicable Date to the date of the AGM.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

The Board currently consists of two Executive Directors namely Mr. Yip Pak Hung and Mr. Wai Yat Kin and three Independent Non-executive Directors namely Ms. Lai Pik Chi, Peggy, Mr. Lam Chi Wai, Peter and Dr. Yeung Kit Ming.

In accordance with Article 108(a) of the current Articles provides that at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Yip Pak Hung, an Executive Director (“**Mr. Yip**”), and Mr. Lam Chi Wai, Peter, an Independent Non-executive Director (“**Mr. Lam**”), shall retire from office at the AGM and, being eligible, offers themselves for re-election.

The re-election of Directors has been reviewed by the Nomination Committee of the Company which recommended to the Board that the re-election be proposed for Shareholders’ approval at the AGM. The nominations were made in accordance with the Nomination Policy of the Company and the objective criteria for the nominations include but not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service, with due regard for the benefits of diversity as set out under the Board Diversity Policy of the Company.

In recommending Mr. Yip to stand for re-election as an Executive Directors and Mr. Lam to stand for re-election as Independent Non-executive Director, the Nomination Committee has considered the following backgrounds and attributes of the nominees concerned:

- (a) Mr. Yip has over 20 years experiences in the structural engineering and construction industry. He obtained a Bachelor’s Degree of Arts from the Faculty of Science and Mathematics of the University of Windsor in Canada.
- (b) Mr. Lam has over 20 years experiences in sales and marketing in the timepiece industry. He obtained a Diploma in Business Administration and a Bachelor’s Degree of Business Administration from the Hong Kong Shue Yan University (formerly known as Hong Kong Shue Yan College) in July 1986 and October 2010 respectively.

The Nomination Committee considered that in view of their diverse and different educational backgrounds and professional knowledge and experience in structural engineering and construction industry and sales and marketing in the timepiece industry as mentioned above and the biographical details of the retiring Directors as set out in the Appendix II to this circular. Mr. Yip and Mr. Lam will bring valuable perspective, knowledge, skills and experience to the Board for its efficient and effective functioning and their appointments will contribute to the diversity of the Board appropriate to the requirements of the Company’s business.

The Board has further assessed the independence of the all the Independent Non-executive Directors by reference to rule 3.13 of the Listing Rules and considers that all of them are independent to the Company.

LETTER FROM THE BOARD

PROPOSED ADOPTION OF THE SECOND AMENDED AND RESTATED M&A

Reference is made to the announcement of the Company dated 19 July 2022 in relation to the proposed adoption of the Second Amended and Restated M&A.

The Stock Exchange has announced various amendments to the Listing Rules to implement the proposals under the “Consultation Conclusion Paper on Listing Regime for Overseas Issuers” published on 19 November 2021. The amendments to the Listing Rules have already taken effect from 1 January 2022 and include the introduction of the Core Shareholder Protection Standards that will apply to all listed issuers to provide the same level of protection to all investors.

In order to (a) conform with the Core Shareholder Protection Standards; (b) provide flexibility to the Company in relation to the conduct of general meetings by allowing general meetings of the Company to be held as electronic meetings or hybrid meetings where Shareholders may participate by electronic communication facilities in substitution for or in addition to physical attendance at one or more locations and providing certain powers to the Board and the chairman of the meeting in relation thereto; and (c) incorporate certain general updating and housekeeping amendments, the Directors propose to amend the current Memorandum and Articles by adopting the Second Amended and Restated M&A at the AGM, where a special resolution will be proposed to adopt the Second Amended and Restated M&A in substitution for, and to the exclusion of, the current Memorandum and Articles.

Details of the Proposed Amendments set out in Appendix III to this circular. The Chinese translation of the Proposed Amendments is for reference only. In case of any discrepancy or inconsistency between the English version and its Chinese translation, the English version shall prevail.

The proposed adoption of the Second Amended and Restated M&A is subject to approval by the Shareholders by way of a special resolution at the forthcoming AGM. In this regard, a special resolution numbered 10 as set out in the notice of the AGM will be proposed at the AGM. The legal advisers to the Company as to Hong Kong laws and Cayman Islands laws have respectively confirmed that the Proposed Amendments conform with the applicable requirements under the Listing Rules and do not contravene the applicable laws of the Cayman Islands. The Company confirms that there is nothing unusual about the Proposed Amendments for a Cayman Islands company listed on the Stock Exchange.

AGM AND PROXY ARRANGEMENT

The notice convening the AGM to be held at 10:00 a.m. on Friday, 9 September 2022 at 27/F, The Octagon, 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong is set out on pages 28 to 33 of this circular.

A form of proxy for use in connection with the AGM is enclosed herewith. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at “Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong” (if the form of proxy is returned before 15 August 2022) or at “17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong” (if the form of proxy is returned on or after 15 August 2022), as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof (as the case may be) and, in such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

VOTING AT THE AGM

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all the resolutions proposed at the AGM will be taken by way of poll. None of the Shareholders is required to abstain from voting at the AGM pursuant to the Listing Rules and/or the Articles.

An announcement on the poll results will be made by the Company after the AGM on websites of the Stock Exchange at www.hkexnews.hk and the Company at www.kpa-bm.com.hk in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 6 September 2022 to Friday, 9 September 2022, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify to attend and vote at the AGM, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at "Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong" (if the transfer forms and the relevant share certificates are lodged before 15 August 2022) or at "17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong" (if the transfer forms and the relevant share certificates are lodged on or after 15 August 2022) not later than 4:30 p.m. on Monday, 5 September 2022.

To ascertain entitlement to the proposed final dividend, the register of members of the Company will also be closed from Monday, 19 September 2022 to Wednesday, 21 September 2022, both days inclusive, during which period no transfer of shares will be registered. Subject to the approval by the Shareholders at the AGM, the proposed final dividend will be paid on or around 5 October 2022 to the Shareholders whose names appear on the register of members of the Company on 21 September 2022. In order to qualify for the proposed final dividend (if any), all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at "Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong" (if the transfer forms and the relevant share certificates are lodged before 15 August 2022) or at "17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong" (if the transfer forms and the relevant share certificates are lodged on or after 15 August 2022), no later than 4:30 p.m. on Friday, 16 September 2022.

RESPONSIBILITY STATEMENT

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

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.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that the declaration of final dividend, the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, the re-election of retiring Directors and adoption of the Second Amended and Restated M&A are in the interests of the Company as well as the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours sincerely,
By order of the Board
KPa-BM Holdings Limited
Yip Pak Hung
Chairman and Executive Director

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

The following is the explanatory statement as required by the Listing Rules to be provided to the Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors at the AGM.

SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 600,000,000 Shares in issue.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate at the AGM and on the basis that there will be no change in the total number of issued Shares before the AGM, the Directors would be authorised under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, a maximum of 60,000,000 Shares, representing 10% of the total number of issued Shares as at the date of the AGM.

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 when appropriate and beneficial to the Company. Such repurchases, depending on market conditions and funding arrangements at the time, may lead to enhancement of the net asset value of the Company and/or the earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. The number of Shares to be repurchased on any occasion and the price and other terms on which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

SOURCE OF FUNDS

The Company is empowered by the Articles to repurchase its Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles, the Companies Act of the Cayman Islands, the Listing Rules and/or other applicable laws, rules and regulations, as the case may be.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 March 2022) in the event that the Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE 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 their respective close associates (as defined in the Listing Rules) has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company. No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

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 Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles.

EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors' exercising the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer for Shares under Rule 26 of the Takeovers Code.

If the Repurchase Mandate were exercised in full, the shareholding percentage of the Shareholders, who have an interest in 5% or more of the issued share capital of the Company (based on the number of the Shares they held as at the Latest Practicable Date), before and after such repurchase would be as follows:

Shareholder	Number of Shares/ underlying shares held	Percentage of shareholding as at the Latest Practicable Date	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Success Wing Investment Limited ("Success Wing") (Note 1)	369,000,000	61.50%	68.33%
Mr. Wai Yat Kin (Note 1)	434,420,000	72.40%	80.45%
Mr. Yip Pak Hung (Note 1)	434,420,000	72.40%	80.45%
Mr. Lui Bun Yuen (Note 1)	434,420,000	72.40%	80.45%
Ms. Lam Suk Lan Bonnie (Note 2)	434,420,000	72.40%	80.45%
Ms. Wu Janet (Note 3)	434,420,000	72.40%	80.45%

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

Note:

1. Success Wing is the registered and beneficial owner holding 61.50% of the issued Shares. The issued share capital of Success Wing is owned as to 89.35% by Mr. Wai Yat Kin (“Mr. Wai”) and Mr. Yip Pak Hung (“Mr. Yip”), each an executive Director and Mr. Lui Bun Yuen, Danny (“Mr. Lui”) as a concert party. By virtue of a concert parties confirmatory deed entered into between Mr. Lui, Mr. Wai and Mr. Yip dated 14 July 2015, each of Mr. Lui, Mr. Wai and Mr. Yip is deemed to be interested in the entire shareholding interests of Success Wing in the Company under the SFO.
2. Ms. Lam Suk Lan Bonnie is the spouse of Mr. Yip and she is deemed or taken to be interested in all the Shares which are beneficially owned by Mr. Yip under the SFO
3. Ms. Wu Janet is the spouse of Mr. Wai and she is deemed or taken to be interested in all the Shares which are beneficially owned by Mr. Wai under the SFO

On the basis that the issued Shares remains the same, the Directors are not aware of any consequences which would give rise to an obligation to make a mandatory offer under the Rules 26 and 32 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate to such an extent that the public holding of Shares would be reduced below 25% of the issued share capital of the Company.

SHARE PRICES

The highest and lowest traded prices for the Shares on the Stock Exchange during each of the twelve months prior to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
July	0.440	0.390
August	0.450	0.340
September	0.350	0.320
October	0.350	0.330
November	0.395	0.335
December	0.385	0.345
2022		
January	0.380	0.360
February	0.360	0.350
March	0.375	0.345
April	0.360	0.270
May	0.340	0.325
June	0.335	0.280
July (up to the Latest Practicable Date)	0.325	0.265

SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares had been made by the Company during the six months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

APPENDIX II BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

Set out below are the biographical details of the Directors who will retire at the conclusion of the AGM and will be proposed to be re-elected at the AGM.

EXECUTIVE DIRECTOR

Mr. Yip Pak Hung (葉柏雄), aged 63, was appointed as a Director on 15 May 2015 and then as an Executive Director and Chairman of the Board on 26 June 2015. Mr. Yip is primarily responsible for the overall management and corporate policy making of the Group's business operations.

He is also a director of all the subsidiaries of the Company, except 應力恒富設計貿易(深圳)有限公司.

Mr. Yip obtained a Bachelor's Degree of Arts from the Faculty of Science and Mathematics of the University of Windsor in Canada in June 1983. He joined the Group and was appointed as a director of KPa Engineering on 16 January 1993. Prior to joining the Group, Mr. Yip has accumulated approximately 8 years of sales experience in different industries from 1984 to 1992. Mr. Yip has more than 20 years of experience in the structural engineering and construction industry. He has held a leadership role in the overall management and administration of the Group's business operation since he joined the Group.

Mr. Yip has been a director of Constar Engineering Limited ("Constar"), a private company incorporated in Hong Kong in 1994, which has been struck off by the Company Registry as a defunct company and dissolved on 5 September 2003 pursuant to section 291 of the Predecessor Companies Ordinance. Constar was set up to market and promote the flagpole business. However, owing to (i) the comparatively small scale of the flagpole business of Constar; and (ii) the fact that Constar had not carried out any substantial business since incorporation, Constar subsequently became a defunct company. Pursuant to section 291 of the Predecessor Companies Ordinance, where the Registrar of Companies has reasonable cause to believe that a company is not carrying on business or in operation, the Registrar may strike the name of the company off the register after the expiration of a specified period.

Mr. Yip confirmed that the said company was solvent and it had not carried out any substantial business at the time of it being struck off.

As at the Latest Practicable Date, Mr. Yip held a long position of 434,420,000 Shares, representing 72.40% of the total issued Shares.

Mr. Yip has entered into a service contract with the Company pursuant to which he will serve on successive terms of one year each, but subject to retirement by rotation at least once every three years and eligible for re-election pursuant to the Articles and the Listing Rules. Mr. Yip will be entitled to a remuneration of HK\$3,020,000 per annum, which was determined by the Board on recommendation of the Remuneration Committee by reference to his duties and responsibilities with the Company, the Company's performance and current market situation.

APPENDIX II BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Lam Chi Wai, Peter (林志偉), aged 62, was appointed as an Independent Non-executive Director on 22 September 2015 and is responsible for providing independent judgment on the Group's strategy, performance, resources and standard of conduct. He is the chairman of the Remuneration Committee and a member of both the Audit Committee and the Nomination Committee of the Company.

Mr. Lam obtained a Diploma in Business Administration, a Bachelor's Degree of Business Administration from Hong Kong Shue Yan University (formerly known as Hong Kong Shue Yan College) in July 1986 and in October 2010 respectively. Mr. Lam has over 20 years of experience in sales and marketing in the timepiece industry. From 1986 to 1995, he worked in the sales and/or marketing department for various watch trading companies. Mr. Lam was engaged in a watch-selling business from 1995 to 2014.

Mr. Lam entered into a service agreement with the Company pursuant to which he will serve on successive terms of one year each, but subject to the requirements for retirement by rotation at least once every three years and re-election at the annual general meeting of the Company pursuant to the Articles and the Listing Rules. Mr. Lam is entitled to receive a monthly Director's fee of HK\$20,000, which is determined by the Board with reference to the prevailing market rate and Mr. Lam's duties and responsibilities in the Company. Mr. Lam's Director's fee is subject to review by the Board and the Remuneration Committee of the Company from time to time.

Save as disclosed above, as at the Latest Practicable Date, each of the retiring Directors has confirmed that (i) he does not hold any directorship in other public listed companies in Hong Kong or overseas in the past three years; (ii) he does not hold any other position with the Company and any member of the Group; (iii) he does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company; (iv) he does not have any interest in the Shares or underlying shares of the Company within the meaning of Part XV of the SFO; and (v) there is no other information that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor there is any other matter that needs to be brought to the attention of the Shareholders in relation to his reappointment.

The following are the changes to the current Memorandum and Articles of Association introduced by the Second Amended and Restated M&A. Unless otherwise specified, clauses and articles referred to herein are clauses and articles of the Second Amended and Restated M&A.

All capitalised terms in the proposed amendments contained in this Appendix are terms defined in the current Memorandum and Articles of Association which shall have the corresponding meanings ascribed to them in the current Memorandum and Articles of Association.

Clause	Provisions in the Second Amended and Restated Memorandum and Articles of Association (showing changes to the current Memorandum of Association)	Remarks
1	The registered office will be situated at the offices of Appleby Ocorian Trust (Cayman) Ltd., Clifton House, 75 Fort Street, Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands or at such other place in the Cayman Islands as the Directors may from time to time decide.	
4.15	To distribute any of the property of the Company among the m Members of the Company in specie.	
6	The liability of the m Members of the Company is limited.	

Article	Provisions in the Second Amended and Restated Memorandum and Articles of Association (showing changes to the current Articles of Association)	Remarks
1(a)	Table "A" of the Companies Law Act (as revised) shall not apply to the Company.	
1(b)	<p>Companies LawAct: means the Companies LawAct (as revised) of the Cayman Islands as amended from time to time and every other act, order regulation or other instrument having statutory effect (as amended from time to time) for the time being in force in the Cayman Islands applying to or affecting the Company, the Memorandum of Association and/or the Articles of Association;</p> <p>Hybrid Meeting: means a general meeting held and conducted by (i) physical attendance by Members and/proxies at the principal Meeting Location and where applicable, one or more Meeting Locations and (ii) virtual attendance and participation by Members and/or proxies by means of electronic facilities;</p> <p>Meeting Location(s): shall have the meaning given to it in Article 77A;</p> <p>Member: means the person who is duly registered in the Register as holder for the time being of any Share and includes persons who are jointly so registered;</p>	<p>New definition</p> <p>New definition</p> <p>New definition</p> <p>New definition</p>

1(c)(iii)	subject to the foregoing provisions of this Article, any words or expressions defined in the Companies Law Act (except any statutory modification thereof not in force when these Articles become binding on the Company) shall bear the same meaning in these Articles, save that “company” shall where the context permits include any company incorporated in the Cayman Islands or elsewhere; and	
1(e)	A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of such Shareholders as, being entitled so to do, vote in person or, where proxies are allowed, by proxy or, in the case of any Shareholder being a corporation, by its duly authorised representative at a general meeting held in accordance with these Articles and of which not less than 14 days’ notice has been duly given.	
5(a)	If at any time the share capital of the Company is divided into different classes of Shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the Shares of that class) may, subject to the provisions of the Companies Law Act, be varied or abrogated either (i) with the consent in writing of the holders of not less than <u>three-fourths of the voting rights of the</u> the ¾ in nominal value of the issued Shares of that class or (ii) with the sanction of a Special Resolution passed at a separate general meeting of the holders of the Shares of that class. To every such separate general meeting the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply, but so that the necessary quorum <u>of any such meeting and of any adjournment thereof</u> (other than at an adjourned meeting) shall be not less than two persons holding (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or representing by proxy one-third in <u>the</u> nominal value of the issued Shares of that class, that the quorum for any meeting adjourned for want of quorum shall be two Shareholders present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy (whatever the number of Shares held by them) and that any holder of Shares of the class present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy may demand a poll.	

11(a)	All unissued Shares and other securities of the Company shall be at the disposal of the Board and it may offer, allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times, for such consideration and generally on such terms (subject to Article 9) as it in its absolute discretion thinks fit, but so that no Shares shall be issued at a discount <u>to its nominal value</u> . The Board shall, as regards any offer or allotment of Shares, comply with the provisions of the Companies Law Act, if and so far as such provisions may be applicable thereto.	
12(a)	The Company may at any time pay commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any Shares, but so that the conditions and requirements of the Companies Law Act shall be observed and complied with, and in each case the commission shall not exceed 10% of the price at which the Shares are issued.	
12(b)	If any Shares are issued for the purpose of raising money to defray the expenses of the construction of any works or buildings or the provision of any plant which cannot be made profitable within a period of one year, the Company may pay interest on so much of that share capital as is for the time being paid up for the period and, subject to any conditions and restrictions mentioned in the Companies Law Act, may charge the sum so paid by way of interest to capital as part of the cost of construction of the works or buildings, or the provisions of the plant.	
13(d)	sub-divide its Shares or any of them into Shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Companies Law Act, and so that the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-division, one or more of the Shares may have any such preferred or other special rights over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new Shares;	
17(a)	The Board shall cause to be kept the Register and there shall be entered therein the particulars required under the Companies Law Act.	

17(b)	Subject to the provisions of the Companies Law Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a principal or branch register of Shareholders at such location as the Board thinks fit and, during the Relevant Period, the Company shall keep its principal or a branch register of Shareholders in Hong Kong.	
17(c)	During the Relevant Period (except when the Register is closed), any Shareholder may inspect Except when the Register is closed and, if applicable, subject to the additional provisions of Article 18(a), the Register maintained in Hong Kong shall be open to inspection for at least two(2) hours during business hours by Shareholders be kept open to inspection by any Shareholder any Register maintained in Hong Kong without charge or by any other person, upon a maximum payment of HK\$2.5 or such lesser sum specified by the Board, at the Office or such other place at which the Register is kept in accordance with the Act or, if appropriate, upon a maximum payment of HK\$1 or such lesser sum specified by the Board at the Registration Office. Any Shareholder may and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Companies Ordinance.	
17(d)	The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper or any other newspapers in accordance with the requirements of the HK Stock Exchange or by any electronic means in such manner as may be accepted by the HK Stock Exchange to that effect, be closed The Register may be closed at such time or for such period not exceeding in the whole 30 days in each year as the Board may determine. The period of thirty (30) days may be extended in respect of any year if approved by the Shareholders by ordinary resolution.	
39	Subject to the Companies Law Act, all transfers of Shares shall be effected by transfer in writing in the usual or common form or in such other form as the Board may accept provided always that it shall be in such a form prescribed by the HK Stock Exchange and may be under hand only or, if the transferor or transferee is a Clearing House (or its nominee(s)), under hand or by machine imprinted signature or by such other means of execution as the Board may approve from time to time.	

41(c)	Notwithstanding anything contained in these Articles, the Company shall as soon as practicable and on a regular basis record in the principal Register all removals of Shares effected on any branch Register and shall at all times maintain the principal Register and all branch Registers in all respects in accordance with the Companies Law Act.	
62	At all times during the Relevant Period other than the year of the Company's adoption of these Articles, the Company shall in each <u>financial year</u> hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as <u>such in the notice calling it; and such annual general meeting must be held within six months after the end of the Company's financial year unless a not more than 15 Months (or such longer period as may be otherwise authorised by the HK Stock Exchange) shall elapse between the date of one annual general meeting of the Company and that of the next.</u> The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.	
63	All general meetings other than annual general meetings shall be called extraordinary general meetings. <u>All general meetings (including an annual general meeting or any adjourned or postponed meeting) may be held in any part of the world and at one or more locations as provided in Article 77A as a hybrid meeting or as an electronic meeting, as may be determined by the Board.</u>	

64	<p>The Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the <u>voting right (on a one share one vote basis) in the paid-up capital of the Company having the right of voting at general meetings</u>. Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any <u>business or resolution</u> specified in such requisition. Such meeting shall be held within two Months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.</p>	
65	<p>An annual general meeting of the Company shall be called by at least 21 days' notice in writing, and a general meeting of the Company other than an annual general meeting, shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify <u>(a) the time and date of the meeting, (b) save for an electronic meeting, the place of the meeting and if there is more than one meeting location as determined by the Board pursuant to Article 77A, the principal place of the meeting, (c) if the general meeting is to be held by means of a hybrid meeting or electronic meeting, the notice shall include a statement with details of the electronic and/or communication facilities for attendance and participation by electronic means at the meeting, and (d) the day, the hour and the agenda of the meeting and particulars of the resolutions to be considered at that meeting and in case of special business (as defined in Article 67), the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:</u></p>	

65(b)	in the case of any other meeting, by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 95% of the total voting rights at the meeting of all Shareholders <u>members</u> of the Company.	
68	For all purposes the quorum for a general meeting shall be two Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and entitled to vote, ; <u>or for quorum purposes only, two persons appointed by the clearing house as authorised representative or by proxy shall form a quorum for all purposes. No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless the requisite quorum shall be present at the time when the meeting proceeds to business and continues to be present until the conclusion of the meeting.</u>	
70	The chairman (if any) of the Company or if he is absent or declines to take the chair at such meeting, the vice chairman (if any) of the Company shall take the chair at every general meeting, or, if there be no such chairman or vice chairman, <u>The chairman or the vice chairman (if any) of a general meeting (which includes a physical meeting, a hybrid meeting or an electronic meeting) may attend, preside as chairman at, and conduct proceedings of, such meeting by means of electronic facilities.</u> , or, if <u>If</u> at any general meeting neither of such chairman or vice chairman is present within 15 minutes after the time appointed for holding such meeting, or both such persons decline to take the chair at such meeting, the Directors present shall choose one of their number as chairman of the meeting, and if no Director be present or if all the Directors present decline to take the chair or if the chairman chosen shall retire from the chair, then the Shareholders present shall choose one of their number to be chairman of the meeting.	

71	<p>The chairman of the meeting may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time <u>and/or from place to place and/or from one form to another (i.e., a physical meeting, a hybrid meeting or an electronic meeting)</u> as the meeting shall determine. Whenever a meeting is adjourned for 14 days or more, at least seven clear days' notice, specifying the <u>details as set out in Article 77A</u> place, the day and the hour of the adjourned meeting shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no notice of an adjournment or of the business to be transacted at any adjourned meeting needs to be given nor shall any Shareholder be entitled to any such notice. No business shall be transacted at an adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.</p>	
74	<p>A poll shall be taken in such manner (including the use of ballot or voting papers or tickets) and at such time and place as the chairman of the meeting directs. No notice need be given of a poll not taken immediately. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was required or demanded. <u>The Chairman may determine that the results of the poll, if certified by scrutineer(s) appointed by the Company or by the Chairman or a Director or the Secretary, shall be published on the Company's website without the requirement for the results being declared at any meeting or adjourned meeting or postponed meeting. The publication on the Company's website of the results of the relevant poll which shows that a resolution has been carried or lost or has or has not been carried by any particular majority, and an entry to that effect in the minutes of the proceedings of the Company shall, in the absence of manifest error, be conclusive evidence of such fact.</u></p>	
77A(1)	<p><u>The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations ("Meeting Location(s)") determined by the Board at its absolute discretion. Any Shareholder or any proxy attending and participating in such way or any Shareholder participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting.</u></p>	New Article

<p><u>77A(2)</u></p>	<p>All general meetings are subject to the following:</p> <ul style="list-style-type: none">(a) <u>where a Shareholder attends the general meeting at a Meeting Location and/or in the case of a hybrid meeting, the place of where the meeting is held shall be at the principal Meeting Location;</u>(b) <u>where Shareholders attend the general meeting in person (in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy at a Meeting Location and/or Shareholders participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the chairman of the meeting is satisfied that adequate electronic facilities are available throughout the meeting to ensure that Shareholders at all Meeting Locations and Shareholders participating in an electronic meeting or a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;</u>(c) <u>where Shareholders attend a meeting by being present at one of the Meeting Locations and/or where Shareholders participating in an electronic meeting or a hybrid meeting by means of electronic facilities, a failure of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the principal Meeting Location to participate in the meeting after the meeting has been convened or in the case of an electronic meeting or a hybrid meeting, the inability of one or more Shareholders or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting; and</u>	<p><u>New Article</u></p>
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	(d) <u>if any of the Meeting Locations is outside Hong Kong and/or in the case of a hybrid meeting, the provisions of these Articles concerning the service and giving of Notice for the meeting, and the time for lodging proxies, shall apply by reference to the principal Meeting Location; and in the case of an electronic meeting, the time for lodging proxies shall be as stated in the Notice for the meeting.</u>	
77B	<u>Without prejudice to other provisions in Article 77, a physical meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.</u>	New Article
79	Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of Shares, at any general meeting on a poll every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy, shall have one vote for every Share of which he is the holder which is fully paid or credited as fully paid (but so that no amount paid or credited as paid on a Share in advance of calls or instalments shall be treated for the purposes of this Article as paid on the Share), and on a show of hands every Shareholder who is present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall (save as provided otherwise in this Article) have one (1) vote. On a poll a Shareholder entitled to more than one vote need not use all his votes or cast all his votes in the same way. Notwithstanding anything contained in these Articles, where more than one proxy is appointed by a Shareholder which is a Clearing House (or its nominee(s)), each such proxy shall have one vote on a show of hands and on a poll, each such proxy is under no obligation to cast all his votes in the same way. <u>Votes (whether on a show of hands or by way of poll) may be cast by such means, electronic or otherwise, as the Directors or the chairman of the meeting may determine.</u>	

79A	<p>All Shareholders including a Shareholder which is a Clearing House (or its nominee(s) shall have the right to (a) speak at a general meeting; and (b) vote at general meeting except where a Shareholder is required by the Listing Rules to abstain from voting to approve the matter under consideration. Where the Company has knowledge that any Shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted.</p>	
92(b)	<p>Where a Shareholder is a Clearing House (or its nominee(s)), it may (subject to Article 93) authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of Shareholders provided that if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such representative is so authorised. A person so authorised pursuant to the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House (or its nominee(s)) which he represents as that Clearing House (or its nominee(s)) could exercise as if such person were an individual Shareholder, including the right to <u>speak and to vote individually</u> on a show of hands.</p>	
96	<p>The number of Directors shall not be less than two (2). The Company shall keep at its Registered Office a register of its directors and officers in accordance with the Companies Law<u>Act</u>.</p>	

108(a)	Notwithstanding any other provisions in these Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. <u>Any Director required to stand for re-election pursuant to Article 112 shall not be taken into account in determining the number of Directors and which Directors are to retire by rotation.</u> A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.	
116	The Board may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular but subject to the provisions of the Companies Law <u>Act</u> , by the issue of debentures, debenture stock, bonds or other securities of the Company, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.	
118	Any debentures, debenture stock, bonds or other securities (other than Shares) may be issued at a discount <u>to its nominal value</u> , premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment or subscription of or conversion into Shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise.	
119	The Directors shall cause a proper register to be kept, in accordance with the provisions of the Companies Law <u>Act</u> , of all mortgages and charges specifically affecting the property of the Company and shall duly comply with such provisions of the Companies Law with regard to the registration of mortgages and charges as may be specified or required.	

144	The Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit, and any Secretary so appointed may, without prejudice to his right under any contract with the Company, be removed by the Board. Anything by the Companies Law Act or these Articles required or authorised to be done by or to the Secretary, if the office is vacant or there is for any other reason no Secretary capable of acting, may be done by or to any assistant or deputy Secretary, or if there is no assistant or deputy Secretary capable of acting, by or to any officer of the Company authorised generally or specifically on behalf of the Board.	
145	The Secretary shall attend all meetings of the Shareholders and shall keep correct minutes of such meetings and enter the same in the proper books provided for the purpose. He shall perform such other duties as are prescribed by the Companies Law Act and these Articles, together with such other duties as may from time to time be prescribed by the Board.	
146	A provision of the Companies Law Act or of these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of the Secretary.	
176(a)	The Company shall at each annual general meeting <u>by Ordinary Resolution</u> appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The <u>Company may by Ordinary Resolution</u> Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditors (if any) may act. The remuneration of the Auditors shall be fixed by or on the authority of the Company in the annual general meeting by <u>Ordinary Resolution</u> except that in any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by Company may by Ordinary Resolution <u>the Board</u> .	

176(b)	The Shareholders may, at any general meeting convened and held in accordance with these Articles, remove the Auditors by Special <u>Ordinary</u> Resolution at any time before the expiration of the term of office and shall, by Ordinary Resolution, at that meeting appoint new auditors in its place for the remainder of the term.	
193(a)(iv)	the Company has notified the HK Stock Exchange of its intention to sell <u>of</u> such sale.	
196(d)	Such of the provisions of these Articles as are applicable to fully paid Shares shall apply to stock, and the words “Share” and “Shareholder” herein shall include “stock” and “stockholder” and “ m <u>Member</u> ”.	
197	<p style="text-align: center;"><u>FINANCIAL YEAR</u></p> <p><u>Unless otherwise determined by the Directors, the financial year end of the Company shall be 31 of March in each year.</u></p>	New Article

NOTICE OF ANNUAL GENERAL MEETING



(incorporated in the Cayman Islands with limited liability)

(Stock code: 2663)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of KPa-BM Holdings Limited (the “**Company**”) will be held at 27/F, The Octagon, 6 Sha Tsui Road, Tsuen Wan, New Territories, Hong Kong on 9 September 2022 at 10:00 am for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions:

ORDINARY RESOLUTIONS

As ordinary business:

1. to receive and consider the audited financial statements of the Company, the report of the directors (the “**Directors**”) and the report of the Auditor for the year ended 31 March 2022;
2. to re-elect Mr. Yip Pak Hung as an Executive Director;
3. to re-elect Mr. Lam Chi Wai, Peter as an Independent Non-executive Director;
4. to authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration;
5. to approve the proposed final dividend of HK1.5 cents per ordinary share;
6. to re-appoint BDO Limited as Auditor of the Company and authorise the Board to fix the auditor’s remuneration; and
7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”), the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to allot, issue or otherwise deal with unissued shares of the Company (“**Shares**”) in the capital of the Company and to make or grant offers, agreements, options and other rights, including warrants to subscribe for shares of the Company and other securities, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as defined in paragraph (d) of this resolution) to make or grant offers, agreements, options and other rights which might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) of this resolution);

- (c) the aggregate number of shares of the Company allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution); or (ii) the exercise of any options granted under all share option schemes of the Company (or similar arrangements) adopted from time to time in accordance with the Listing Rules; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, shall not exceed the aggregate of: (aa) 20% of the aggregate number of issued Shares as at the date of the passing of this resolution; (bb) (if the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the aggregate number of such Shares purchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the number of issued shares of the Company as at date of the passing of this resolution), and the authority pursuant to paragraphs (a) and (b) of this resolution shall be limited accordingly; and

- (d) for the purposes 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 laws of the Cayman Islands to be held; and

- (iii) the passing of an ordinary resolution of the shareholders of the Company in general meeting revoking or varying such authority given under this resolution.

“Rights Issue” means an offer of shares of the Company or offer or issue of warrants or options or other securities giving rights to subscribe for the Shares open for a period fixed by the Directors to holders of Shares on the register of members of the

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Company on a fixed record date in proportion to their then holding of such shares (subject to such exclusions 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligation under the laws of, or requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange, in any territory outside Hong Kong, applicable to the Company.)”

8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to purchase or repurchase Shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company on the Stock Exchange or on any other stock exchange on which the shares or securities of the Company may be listed and is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Securities and Futures Commission, the Companies Act of the Cayman Islands, the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company which may be purchased or repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate number of issued Shares at the date of the passing of 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 laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution of the shareholders of the Company in general meeting revoking or varying such authority given under this resolution.”

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9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon resolutions no. 7 and no. 8 above being passed (with or without amendments), the general and unconditional mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with shares of the Company pursuant to the resolution set out in resolution no. 7 above be and is hereby extended by the addition thereto an amount of shares representing the aggregate nominal amount of shares of the Company purchased or repurchased by the Company pursuant to the authority granted to the directors of the Company under resolution no. 8 above, provided that such amount shall not exceed 10% of the aggregate number of issued Shares as at the date of the passing of this resolution.”

SPECIAL RESOLUTION

As special business:

10. To consider and, if thought fit, pass with or without modifications, the following resolution as a special resolution:

“**THAT** the second amended and restated memorandum and articles of association of the Company in the form produced and tabled to the meeting, a copy of which has been produced to the AGM marked “A” and signed by the chairman of the AGM for the purpose of identification, be approved and adopted in substitution for and to the exclusion of the current memorandum and articles of association of the Company with immediate effect after the close of this meeting; and that any one of the Directors be and is hereby authorised to do all things necessary to implement the adoption of the second amended and restated memorandum and articles of association of the Company.”

By order of the Board
KPa-BM Holdings Limited
Yip Pak Hung
Chairman and Executive Director

Hong Kong, 26 July 2022

Principal place of business in Hong Kong:

27/F., The Octagon
6 Sha Tsui Road
Tsuen Wan, New Territories
Hong Kong

Registered office:

Windward 3
Regatta Office Park
P.O. Box 1350
Grand Cayman, KY1-1108
Cayman Islands

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Notes:

1. Nine ordinary resolutions and one special resolution to be considered at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and of the Company in accordance with the Listing Rules.
2. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in his stead. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

In the case of joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the meeting, whether in person or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.

3. A form of proxy for use at the meeting is being despatched together with this notice. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the office of the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at "Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong" (if the form of proxy is returned before 15 August 2022) or at "17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong" (if the form of proxy is returned on or after 15 August 2022), not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. An explanatory statement containing further details regarding resolution no. 8 above is set out in Appendix I of the circular to the shareholders of the Company (the "Circular"), which is being despatched together with this notice.
5. Biographical details of the retiring Directors of the Company proposed to be re-elected at the AGM are out in Appendix II to the Circular.
6. Changes introduced by the Second Amended and Restated Memorandum and Articles of Association are set out in Appendix III to the Circular.
7. The register of members of the Company will be closed from Tuesday, 6 September 2022 to Friday, 9 September 2022 (both days inclusive), during which period no transfer of shares will be registered. All transfer of the Company's shares together with the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong no later than 4:30 p.m. on Monday, 5 September 2022 in order for the holders of the shares to qualify to attend and vote at the AGM or any adjournment thereof.

To ascertain entitlement to the proposed final dividend, the register of members of the Company will also be closed from Monday, 19 September 2022 to Wednesday, 21 September 2022. In order to qualify for the proposed final dividend, which are subject to approval of shareholders at the AGM, holders of shares of the Company must ensure that all transfers of shares be lodged with the Company's branch share registrar and transfer office in Hong Kong for registration no later than 4:30 p.m. on Friday 16 September 2022.

8. If Typhoon Signal No.8 or above is expected to be hoisted or "extreme conditions" caused by super typhoons or a Black Rainstorm Warning Signal is expected to be in force at 12:00 noon on the day of the AGM, then the AGM will be postponed and the Shareholders will be informed of the date, time and venue of the postponed meeting by a supplementary notice, posted on the Company's website (www.kpa-bm.com.hk) and the website of the HKEx (www.hkexnews.hk).

If Typhoon Signal No. 8 or above or a Black Rainstorm Warning Signal is cancelled before 12:00 noon on the day of the AGM, and where conditions permit, the AGM will be held as scheduled. The AGM will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force.

Shareholders should decide on their own whether they would attend the AGM under bad weather conditions bearing in mind their own situations and, if they do so, they are advised to exercise care and caution.

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9. Precautionary measures and special arrangements for disease control

In view of the novel coronavirus (COVID-19) outbreak, certain measures will be implemented at the AGM to reduce the risk of infection to attendees of the AGM, including but not limited to (i) compulsory body temperature check; (ii) wearing of surgical mask throughout the AGM; and (iii) no refreshments or drinks will be provided. Attendees who do not comply with the precautionary measures above may be denied entry to the AGM venue, at the absolute discretion of the Company as permitted by law.

For the health and safety of Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the AGM by appointing the Chairman of the AGM as their proxy and to return their proxy forms by the time specified above, instead of attending the AGM in person.

The Company will keep monitoring the COVID-19 situation and may implement additional measures which, if any, will be announced at a time closer to the date of the AGM.

As at the date of this notice, the Board comprised Executive Directors Mr. Yip Pak Hung (Chairman of the Board) and Mr. Wai Yat Kin; and Independent Non-executive Directors Ms. Lai Pik Chi, Peggy, Mr. Lam Chi Wai, Peter and Dr. Yeung Kit Ming.