
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 for independent advice.

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

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AV CONCEPT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 595)

PROPOSED

- (1) GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;**
- (2) RE-ELECTION OF RETIRING DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at The Conference Room, 6th Floor, Enterprise Square Three, 39 Wang Chiu Road, Kowloon Bay, Hong Kong on Monday, 4 September 2023 at 11:00 a.m. is set out on pages AGM-1 to AGM-5 of this circular.

Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at The Conference Room, 6th Floor, Enterprise Square Three, 39 Wang Chiu Road, Kowloon Bay, Hong Kong on Monday, 4 September 2023 at 11:00 a.m. or any adjournment thereof, the notice of which is set out on pages AGM-1 to AGM-5 of this circular
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Companies Act”	the Companies Act, (Law 3 of 1961, as consolidated and revised) Cap. 22 of the Cayman Islands
“Company”	AV Concept Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue and deal with Shares up to a maximum of 20% of the number of issued Shares as at the date of passing of the resolution for approving the issue mandate
“Latest Practicable Date”	21 July 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum and Articles of Association”	the Memorandum and Articles of Association of the Company currently in force
“PRC”	the People’s Republic of China

DEFINITIONS

“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase fully paid Shares up to a maximum of 10% of the number of issued Shares as at the date of passing of the resolution for approving the repurchase mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars
“%”	per cent

LETTER FROM THE BOARD



AV CONCEPT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 595)

Executive Directors:

Dr. So Yuk Kwan (*Chairman and Chief Executive Officer*)

Mr. So Kevin Chi Heng

Mr. So Chi Sun Sunny

Registered office:

P.O. Box 309

Ugland House

Grand Cayman, KY1-1104

Cayman Islands

Independent Non-executive Directors:

Dr. Lui Ming Wah, *PhD, SBS, JP*

Mr. Charles Edward Chapman

Mr. Lai Yat Hung Edmund

*Head office and principal place of
business in Hong Kong:*

6th Floor

Enterprise Square Three

39 Wang Chiu Road

Kowloon Bay

Hong Kong

28 July 2023

To the Shareholders

Dear Sir or Madam,

PROPOSED

**(1) GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;**

**(2) RE-ELECTION OF RETIRING DIRECTORS AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting, including (i) the ordinary resolutions granting the Board the Issue Mandate, the Repurchase Mandate and the extension of Issue Mandate, and (ii) the ordinary resolution proposing the re-election of the retiring Directors and to give you notice of the Annual General Meeting.

An explanatory statement containing all the information necessary to enable the Shareholders to make informed decisions on whether to vote for or against the Repurchase Mandate as required by the Listing Rules is set out in Appendix I to this circular.

2. GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on Friday, 2 September 2022, an ordinary resolution was passed by the Shareholders to grant the existing issue mandate to the Directors.

LETTER FROM THE BOARD

The existing issue mandate will expire at the conclusion of the Annual General Meeting. An ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors a fresh Issue Mandate, i.e. a general and unconditional mandate to allot, issue and deal with, otherwise by way of rights issue or any option scheme or similar arrangements for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares or any Shares issued as scrip dividends pursuant to the Memorandum and Articles of Association, of up to 20% of the total number of Shares in issue at the date of the passing of such resolution. Based on 908,663,302 Shares in issue as at the Latest Practicable Date and assuming that the total number of Shares in issue remains the same from the Latest Practicable Date and up to the date of passing such resolution, the Directors will be able to allot, issue and deal with for up to a total of 181,732,660 Shares if the fresh Issue Mandate is granted at the Annual General Meeting, which will remain in effect until 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 to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

3. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on Friday, 2 September 2022, an ordinary resolution was passed by the Shareholders to grant the existing repurchase mandate to the Directors.

The existing repurchase mandate will expire at the conclusion of the Annual General Meeting. An ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors a fresh Repurchase Mandate, i.e. a general and unconditional mandate to repurchase Shares up to 10% of the total number of Shares in issue at the date of passing of such resolution. The fresh Repurchase Mandate, if granted, will remain in effect until 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 to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

4. EXTEND GENERAL MANDATE TO ISSUE SHARES

Subject to the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the Annual General Meeting to extend the Issue Mandate by the addition to the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the total number of Shares repurchased by the Company pursuant to the Repurchase Mandate provided that such extended amount shall not exceed 10% of the total number of Shares in issue as at the date of passing the resolution for approving the Issue Mandate.

LETTER FROM THE BOARD

5. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 114 of the Articles of Association of the Company, Dr. Lui Ming Wah, PhD SBS, JP and Mr. Lai Yat Hung Edmund will retire by rotation and, are being eligible to offer themselves for re-election at the Annual General Meeting.

Information on Dr. Lui Ming Wah, PhD SBS, JP and Mr. Lai Yat Hung Edmund who are proposed to be re-elected at the Annual General Meeting, is set out in Appendix II to this circular.

6. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting is set out on pages AGM-1 to AGM-5 to this circular. A form of proxy for use the Annual General Meeting is sent to you with this circular. Whether or not you intend to attend the Annual General Meeting, you are advised to complete the form of proxy and return it to the Company's share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event no less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof, should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

To the best of the Directors' knowledge, information and belief, having made reasonable enquiries, the Directors confirm that no Shareholder is required to abstain from voting at the Annual General Meeting.

7. CLOSURE OF REGISTER OF MEMBERS

In order to determine the identity of members who are entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, 30 August 2023 to Monday, 4 September 2023 (both days inclusive) during which period no transfer of shares will be registered. 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 Tengis Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Tuesday, 29 August 2023.

In order to determine Shareholders who qualify for the proposed final dividend, the register of members of the Company will be closed from Friday, 8 September 2023 to Monday, 11 September 2023 (both days inclusive) during which period no transfer of shares will be registered. 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 Tengis Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, 7 September 2023.

LETTER FROM THE BOARD

8. VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at general meeting must be taken by poll. The Chairman will put each of the proposed resolutions to the vote by way of a poll in accordance with Article 78 of the Articles of Association at the Annual General Meeting. The results of the poll will be uploaded on the Company's and the Stock Exchange's websites on the day of the Annual General Meeting.

9. RESPONSIBILITY STATEMENT

The 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 Group. 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 aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

10. RECOMMENDATION

The Directors consider that the proposed general mandates to issue and repurchase Shares and the re-election of retiring Directors are in the best interests of the Company and the Shareholders and recommend that the Shareholders vote in favour of the resolutions.

11. GENERAL INFORMATION

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

Yours faithfully,
For and on behalf of the Board
AV CONCEPT HOLDINGS LIMITED
So Yuk Kwan
Chairman

This appendix includes an explanatory statement required by the Stock Exchange to be presented to the Shareholders concerning the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the Company had 908,663,302 Shares in issue.

Subject to the passing of the resolution for the granting of the Repurchase Mandate (resolution numbered 6 as set out in the notice convening the Annual General Meeting contained in this circular), and on the basis of 908,663,302 Shares in issue and assuming that no Shares are issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 90,866,330 Shares.

2. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association and the applicable laws of the Cayman Islands. The Companies Act provide that repurchases by a company may only be made out of profits of the company or out of the proceeds of a fresh issue of shares made for the purpose, or, if so authorised by its articles of association and subject to the provisions of the Companies Act, out of capital. Any premium payable on a redemption or purchase over the par value of the shares to be purchased must be provided for out of profits of the company or out of the company's share premium account, or, if so authorised by its articles of association and subject to the provisions of the Companies Act, out of capital.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 March 2023, the date to which the last audited accounts of the Company were made up. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

In each of the previous 12 months and up to the Latest Practicable Date, the highest and lowest prices at which the Shares have been traded on the Stock Exchange were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
July	0.550	0.520
August	0.580	0.500
September	0.550	0.395
October	0.510	0.360
November	0.500	0.430
December	0.510	0.445
2023		
January	0.500	0.475
February	0.495	0.470
March	0.485	0.455
April	0.480	0.460
May	0.465	0.420
June	0.455	0.405
July (up to the Latest Practicable Date)	0.430	0.400

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate and in accordance with the Listing Rules and all applicable laws of the Cayman Islands, and in accordance with the regulations set out in the Memorandum and Articles of Association.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention, in the event that the repurchase proposal is approved by the Shareholders, to sell Shares to the Company or its subsidiaries.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders.

6. CODE ON TAKEOVERS AND MERGERS

If on exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Dr. So Yuk Kwan, together with companies controlled by him, owned 574,239,868 Shares representing approximately 63.20% of the issued share capital of the Company. Based on such interest and assuming that no further Shares will be allotted and issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the aggregate interest of Dr. So Yuk Kwan and those companies controlled by him would increase to approximately 70.22% if the Company was to exercise the Repurchase Mandate in full. Such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as disclosed above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert, who may become obliged to make a mandatory offer under Rule 26 of the Takeovers Code as a consequence of any purchases pursuant to the Repurchase Mandate.

7. SHARE REPURCHASE MADE BY THE COMPANY

In the six months immediately preceding the Latest Practicable Date, no repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise).

DR. LUI MING WAH, *PhD, SBS, JP*
Independent Non-executive Director

Dr. Lui Ming Wah (“Dr. Lui”), PhD, SBS, JP, aged 85, has been an Independent Non-executive Director of the Company Since 1996. Dr. Lui is an established industrialist serving as the Honorary Chairman of the Hong Kong Electronic Industries Association Limited and the Honorary President of The Chinese Manufacturers’ Association of Hong Kong, the founder chairman of Hong Kong Shandong Business Association, Honorary President of Federation of HK Shandong Community Organisations Limited. Adviser Prof. of Shandong University. He was elected to the First, Second and Third Legislative Council of the HKSAR in 1998, 2000 and 2004 respectively. Dr. Lui was also member of the tenth and eleventh National Committee of the Chinese People’s Political Consultative Conference, Member of standing Shandong Provincial Committee of C.P.P.C.C., Advisory board member of the Hong Kong International Arbitration Center, President of The Hong Kong Association for the Advancement of Science and Technology and Advisor of Hong Kong Affairs. He is the managing director of Keystone Electronics Co., Limited. Besides, he is currently an independent non-executive director of L.K. Technology Holdings Limited and Gold Peak Technology Group Ltd. (both companies are listed on The Stock Exchange of Hong Kong Limited). Dr. Lui obtained a master’s degree in Applied Science from the University of New South Wales in Australia and a PhD from the University of Saskatchewan in Canada. He completed the “Hong Kong Senior Staff Course No. 1, 1984”. He is a Fellow of The Hong Kong Institute of Directors.

Dr. Lui is the Chairman of the remuneration committee and the corporate governance committee of the Board. Also, Dr. Lui is a member of the audit committee and the nomination committee of the Board.

Dr. Lui has met the independence guidelines set out in Rule 3.13 of the Listing Rules. He has given an annual confirmation concerning his independence to the Company. The Board, therefore, consider him to be independent.

Dr. Lui has entered into a service agreement with the Company for a term of one year, which shall continue thereafter unless and until terminated by either party giving the other no less than one month’s notice in writing. Dr. Lui is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. Dr. Lui is entitled to a director’s fee of HK\$150,000 per annum, which was determined having regard to his duties and responsibilities to the Company.

As at the Latest Practicable Date, Dr. Lui did not have any interests in the Shares within the meaning of Part XV of the SFO. Dr. Lui did not have any relationships with any Directors, senior management, substantial or controlling shareholders of the Company.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no other information that is required to disclose pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

MR. LAI YAT HUNG EDMUND*Independent Non-executive Director*

Mr. Lai Yat Hung Edmund (“**Mr. Lai**”), aged 57, has been an Independent Non-executive Director of the Company since 2019. Mr. Lai obtained a Bachelor’s Degree in Civil Engineering from Imperial College London in 1987. He is a qualified accountant from the Institute of Chartered Accountants of England and Wales. Mr. Lai has over 30 years of experience in finance and treasury management. Mr. Lai started his career in 1987 with Ernst & Young in London where he qualified as a Chartered Accountant. In 1993, Mr. Lai transferred to Ernst & Young in Hong Kong as a manager in their audit services and was responsible for various large company audits and IPO’s in Hong Kong and PRC. In 1996, Mr. Lai joined the Company as the Group Financial Controller. Mr. Lai was the Chief Financial Officer and the Executive Director of the Company from 2003 to 2006. From 2006 to 2008, Mr. Lai acted as the Chief Executive Officer of AV BreconRidge Limited and the President of BreconRidge Manufacturing Solutions (Asia) Limited. In 2008, Mr. Lai started his own consultancy services and worked on projects for various PRC companies and charities. Mr. Lai joined Vertex Services Limited (a member of HMTX Industries LLC) as the Chief Financial Officer since 2011 and continued to serve to present. He has overall responsibility for the finance, treasury and risk management functions of Vertex Services Limited and its related companies in the PRC and Hong Kong.

Mr. Lai is the Chairman of the audit committee of the Board. Also, Mr. Lai is a member of the remuneration committee, the nomination committee and the corporate governance committee of the Board.

Mr. Lai has met the independence guidelines set out in Rule 3.13 of the Listing Rules. He has given an annual confirmation concerning his independence to the Company. The Board, therefore, consider him to be independent.

Mr. Lai has entered into a service agreement with the Company for a term of one year, which shall continue thereafter unless and until terminated by either party giving the other no less than one month’s notice in writing. Mr. Lai is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. Mr. Lai is entitled to a director’s fee of HK\$150,000 per annum, which was determined having regard to his duties and responsibilities to the Company.

As at the Latest Practicable Date, Mr. Lai did not have any interests in the Shares within the meaning of Part XV of the SFO. Mr. Lai did not have any relationships with any Directors, senior management, substantial or controlling shareholders of the Company.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no other information that is required to disclose pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



AV CONCEPT HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 595)

NOTICE IS HEREBY GIVEN that an annual general meeting of AV Concept Holdings Limited (“**Company**”) will be held at The Conference Room, 6th Floor, Enterprise Square Three, 39 Wang Chiu Road, Kowloon Bay, Hong Kong on Monday, 4 September 2023 at 11:00 a.m. to consider and, if thought fit, transact the following ordinary businesses:

1. to receive and consider the audited consolidated financial statements and the reports of the directors and the auditor of the Group for the year ended 31 March 2023;
2. to declare a final dividend of HK1.00 cent per share for the year ended 31 March 2023;
3. to re-elect the retiring directors and to authorise the board of directors to fix the directors’ remuneration, each as a separate resolution; and
4. to re-appoint Ernst & Young as the auditor of the Company and to authorise the board of directors to fix their remuneration;

and, as special businesses, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

5. **“THAT:**
 - (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable law, the exercise by the directors (“**Directors**”) of the Company during the Relevant Period (as defined in paragraph (e) below) of all the powers of the Company to allot, issue and deal with the unissued shares (“**Shares**”) in the capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would require the exercise of such powers be and the same is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of Shares 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 paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined in paragraph (e) below);
 - (ii) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company from time to time;
 - (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (“**Articles of Association**”) and other relevant regulations in force from time to time;
 - (iv) any issue of Shares 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,

shall not exceed the aggregate of:

- (aa) 20% of the number of issued Shares as at the date of the passing of this resolution; and
- (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of 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 as at the date of the passing of this resolution),

and the said approval shall be limited accordingly;

- (d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (c) above as a percentage of the total number of issued Shares at the time immediately before and after such consolidation or subdivision shall be the same; and
- (e) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law of the Cayman Islands to be held; or
- (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expenses or delay which may be involved in determining the existence or extent of any restrictions or obligation under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

6. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors (“**Directors**”) of the Company during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to purchase the shares (“**Shares**”) in the share capital of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (“**SFC**”) and the Stock Exchange for such purpose, and subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Act and all other applicable laws as amended from time to time in this regard, be and the same is hereby generally and unconditionally approved;
- (b) total number of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of issued Shares as at the date of the passing of this resolution, and the said approval shall be limited accordingly;
- (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (b) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (b) above as a percentage of the total number of issued Shares at the time immediately before and after such consolidation or subdivision shall be the same; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purposes of this resolution, “Relevant Period” means the period from the date of 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 or any applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”
7. “**THAT** conditional on the passing of resolutions numbered 5 and 6 above, the general mandate granted to the directors of the Company pursuant to resolution numbered 5 above be and is hereby extended by the addition to the aggregate number of shares of the Company which may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the directors of the Company pursuant to or in accordance with such mandate of an amount representing the aggregate number of shares of the Company repurchased by the Company pursuant to or in accordance with the authority granted under resolution numbered 6 above.”

By order of the Board of
AV CONCEPT HOLDINGS LIMITED
So Yuk Kwan
Chairman

Hong Kong, 28 July 2023

Head office and principal place of business in Hong Kong:
6th Floor
Enterprise Square Three
39 Wang Chiu Road
Kowloon Bay
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company. If more than one proxy is appointed, the appointment shall specify the number of Shares in respect of which each such proxy is appointed.
2. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, at the office of the Company’s Hong Kong branch share registrar and transfer office, Tricor Tengis Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.

NOTICE OF ANNUAL GENERAL MEETING

3. Completion and return of the form of proxy will not preclude members from attending and voting in person at the annual general meeting or any adjournment.
4. In order to determine the identity of members who are entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, 30 August 2023 to Monday, 4 September 2023 (both days inclusive) during which period no transfer of shares will be registered. 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 Tengis Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Tuesday, 29 August 2023.
5. In order to determine Shareholders who qualify for the proposed final dividend, The register of Members of the Company will be closed from Friday, 8 September 2023 to Monday, 11 September 2023 (both days inclusive) during which period no transfer of shares will be registered. 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 Tengis Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Thursday, 7 September 2023.