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Tam Jai International Co. Limited
譚仔國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2217)

CONNECTED TRANSACTION
GRANT OF AWARDED SHARES
PURSUANT TO SHARE AWARD SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING

Independent Financial Adviser
to the Independent Board Committee and the Independent Shareholders



Unless the context requires otherwise, capitalized terms used on this cover page have the same meanings as defined in the section headed "Definitions" in this circular.

A notice convening the extraordinary general meeting of Tam Jai International Co. Limited to be held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Monday, 4 December 2023 at 11:00 a.m. is set out in this circular.

A proxy form for use at the EGM is enclosed. This circular together with the proxy form are published on the respective websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.tamjai-intl.com). Shareholders are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting, or any adjourned meeting, should they so wish and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

Should there be any inconsistencies between the English text and the Chinese text of this circular, the English text of this circular will prevail over the Chinese text.

15 November 2023

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company convened and held on 9 August 2023
“associate”	has the meaning ascribed to it under the Listing Rules
“Awarded Shares”	the 5,657,000 Shares to be granted to the Grantees pursuant to the Share Award Scheme, including the reallocation of 316,800 Lapsed Shares for the Proposed Grant and 5,340,200 new Shares to be allotted and issued to Blessing Keen by the Company pursuant to the General Mandate
“Blessing Keen”	Blessing Keen Investing Limited, a company incorporated in the British Virgin Islands with limited liability on 23 March 2021 and a direct wholly-owned subsidiary of the Trustee
“Board”	the board of Directors
“Class A Employees”	such employees of the Company and/or its subsidiary(ies) who are C-suites executives of the Company, or its executive Directors
“Class B Employees”	such employees of the Company and/or its subsidiary(ies) who form part of its senior management team but are not Class A Employees
“Company”	Tam Jai International Co. Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 2217)
“Connected Grantees”	Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong who are each an executive Director and a director of certain subsidiary(ies) of the Company, one individual who is a former Director and seven other individuals who are directors of certain subsidiaries of the Company, all of whom are Grantees under the Proposed Grant and are connected persons of the Company
“connected person(s)”	shall have the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company (or any adjournment thereof) to be convened and held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Monday, 4 December 2023 at 11:00 a.m. for the purpose of considering and, if thought fit, approving, the Proposed Grant
“Employee Trust”	Tamjai International Employee Trust, being an employee trust established by the Company as the settlor with the Trustee as the trustee for the purpose of recognizing and rewarding the contribution and performance of certain employees of the Group
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the AGM to allot, issue and/or deal with additional Shares
“Grantee(s)”	the grantees of the Awarded Shares under the Share Award Scheme pursuant to the Proposed Grant, which include both the Connected Grantees and the Non-connected Grantees
“Group”	the Company and its subsidiaries
“Independent Board Committee”	the independent board committee comprising all the independent non-executive Directors namely, Mr. Lee Kwok Ming, Mr. Loo Kwok Wing and Mr. Yeung Yiu Keung, to advise the Independent Shareholders in respect of the Proposed Grant
“Independent Financial Adviser”	Innovax Capital Limited, a licensed corporation under the SFO permitted to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities (as defined under the SFO), being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Proposed Grant
“Independent Shareholder(s)”	the Shareholders who are not required to abstain from voting at the EGM for the relevant resolution with respect to the Proposed Grant
“Lapsed Shares”	316,800 unvested awarded shares which have lapsed in accordance with the terms of the Share Award Scheme
“Latest Practicable Date”	10 November 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange on 7 October 2021
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Mid-level Employees”	such employees of the Company and/or its subsidiary(ies) who form part of its mid-level management team and have been specifically considered by the Company to be eligible to receive the Awarded Shares, and are neither Class A Employees nor Class B Employees
“Non-connected Grantees”	Grantees other than the Connected Grantees, and who are not connected persons of the Company
“Proposed Grant”	the proposed grant of 5,657,000 Awarded Shares under the Share Award Scheme to the Grantees subject to the Independent Shareholders’ approval at the EGM
“Prospectus”	the prospectus of the Company dated 23 September 2021
“Remuneration Committee”	the remuneration committee of the Company
“SamGor”	TamJai SamGor Mixian (譚仔三哥米線)
“Senior Executives”	collectively, the Class A Employees and the Class B Employees
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Share Award Scheme”	the share award scheme adopted by the Company on 25 March 2021 (as amended on 9 August 2021)
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“TamJai”	TamJai Yunnan Mixian (譚仔雲南米線)
“Trustee”	Trident Trust Company (HK) Limited, a company incorporated in Hong Kong with limited liability, being the trustee of the Employee Trust for the purposes of implementing and administering, among others, the Share Award Scheme

The Chinese translation of this circular is for reference only. In case of any inconsistency, the English version shall prevail. Unless otherwise specified, references to dates and times of a day in this circular refer to Hong Kong local dates and times.



Tam Jai International Co. Limited
譚仔國際有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 2217)

Executive Directors:

Mr. Lau Tat Man (*Chairman*)
Ms. Chan Ping, Rita
Mr. Yeung Siu Cheong

Non-executive Directors:

Mr. Sugiyama Takashi
Mr. Tomitani Takeshi
Mr. Someya Norifumi

Independent Non-executive Directors:

Mr. Loo Kwok Wing
Mr. Lee Kwok Ming
Mr. Yeung Yiu Keung

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

8th Floor of D2 Place ONE
No. 9 Cheung Yee Street
Cheung Sha Wan
Kowloon
Hong Kong

15 November 2023

To the Shareholders

Dear Sir or Madam,

**CONNECTED TRANSACTION
GRANT OF AWARDED SHARES
PURSUANT TO SHARE AWARD SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

References are made to the announcements of the Company dated 12 October 2023 and 16 October 2023 in relation to, among other things, the Proposed Grant.

The purpose of this circular is to provide you with, among others, (i) further information in relation to the Proposed Grant; (ii) a letter of recommendation from the Independent Board Committee in relation to the Proposed Grant; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM.

LETTER FROM THE BOARD

GRANT OF AWARDED SHARES PURSUANT TO THE SHARE AWARD SCHEME

In order to (i) recognize the Grantees' contribution to the business performance and development of the Group; and (ii) serve as a part of the Group's talent retention program and a general incentive to motivate the Grantees to strive for greater contributions to the Group in the future, on 12 October 2023, the Board resolved to grant 5,657,000 Awarded Shares under the Share Award Scheme at nil consideration to 85 Grantees who are Senior Executives and Mid-level Employees. Amongst the 5,657,000 Awarded Shares, a total of 2,513,000 Awarded Shares will be granted to 11 Connected Grantees, and a total of 3,144,000 Awarded Shares will be granted to 74 Non-connected Grantees. The Proposed Grant is subject to the acceptance by the Grantees and approval by the Independent Shareholders at the EGM. The Awarded Shares will be satisfied by the issue of 5,340,200 new Shares under the General Mandate and the reallocation of the Lapsed Shares for the Proposed Grant.

Details of the Proposed Grant are as follows:

Date of grant

12 October 2023 (the "Date of Grant")

Number of Awarded Shares

The 5,657,000 Awarded Shares represent a market value of approximately HK\$7,184,390 based on the closing price of HK\$1.270 per Share on the Date of Grant as stated in the daily quotation sheet issued by the Stock Exchange. The average closing price of the Shares for the five consecutive trading days immediately preceding the Date of Grant as quoted on the Stock Exchange is approximately HK\$1.314 per Share.

Vesting schedule and performance targets

All of the Awarded Shares shall be vested according to the following schedule:

- (a) 30% of the Awarded Shares shall be vested on the first anniversary of the Date of Grant;
- (b) 30% of the Awarded Shares shall be vested on the second anniversary of the Date of Grant; and
- (c) the remaining 40% of the Awarded Shares shall be vested on the third anniversary of the Date of Grant.

In addition, in respect of Grantees who are Senior Executives (including Class A Employees and Class B Employees), as they are key and senior executives who are critical to the Group's development, the vesting of part of their Awarded Shares shall be subject to the performance targets as set out below.

LETTER FROM THE BOARD

In particular, for Class A Employees, their functions include giving directions and making decisions on the Group's strategies, policies and business plans. Whereas for Class B Employees, they play core roles in the day-to-day management of the business of the Group with delegated responsibilities from Class A Employees. Therefore, the contributions of the Senior Executives are fundamental to the Group's business performance. As such, in order to incentivize and motivate the Senior Executives and better align their interests with that of the Group, while taking into account their respective overall contributions to the Group, the proportion of the Awarded Shares which shall be subject to performance targets will be higher for Class A Employees as compared to Class B Employees. Specifically, (i) for Class A Employees, including amongst others as at the Date of Grant and the Latest Practicable Date, Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong, all being executive Directors, vesting of two-thirds of their Awarded Shares; and (ii) for Class B Employees, vesting of half of their Awarded Shares, will be subject to the performance targets as set out below.

In respect of Grantees who are Mid-level Employees (i.e. other than the Senior Executives), the Company considers that their morale and loyalty are the key to the success of the Group. Therefore, to attract, retain and maintain the relationships with the Mid-level Employees, none of their Awarded Shares will be subject to performance targets. The Remuneration Committee is of the view that the grant of Awarded Shares to the Mid-level Employees without performance target will better align with the purpose of the Share Award Scheme and the Group's talent retention program.

The Company has established an appraisal mechanism for the purpose of calculating and assessing the fulfilment of performance targets by each of the relevant Grantees who are Senior Executives in relation to vesting of the relevant Awarded Shares granted to them. The appraisal mechanism is a scoring system which comprises a mixture of key performance indicator components including targeted sales, profits after tax and increment in the number of stores as may be determined by the Board at its sole and absolute discretion from time to time for each relevant year and pursuant to which, such Grantees will receive 70%, 85% or 100% of the relevant Awarded Shares according to the vesting schedule subject to achievement of the weighted scores in each of the key performance indicator components stated above.

Clawback mechanism

Unvested Awarded Shares shall lapse and all the unvested Awarded Shares and the related income shall not be vested in the relevant Grantee upon the occurrence of any of the following events:

- (i) a Grantee ceases to be an employee, whether by voluntary resignation or dismissal or otherwise or a notice of termination of employment of such Grantee has been served (but other than in the event of death, normal retirement or early retirement by agreement of the employee);
- (ii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company; or

LETTER FROM THE BOARD

(iii) the subsidiary of the Company by which a Grantee is employed or engaged ceases to be a subsidiary of the Company.

Number of Grantees

85, among which,

- (i) 11 are the Connected Grantees and 74 are the Non-connected Grantees; and
- (ii) 31 are Senior Executives (with 6 being Class A Employees and 25 being Class B Employees) and 54 are Mid-level Employees.

Details of Grantees

Category and name of Grantees	Class of employees	Relationship with the Group	Number of Awarded Shares	Approximate percentage of the total issued Shares ^(Note)
1. Connected Grantees				
Mr. Lau Tat Man	Class A Employee	Executive Director and director of the Company's subsidiary	591,000	0.044%
Ms. Chan Ping, Rita	Class A Employee	Executive Director and director of the Company's subsidiary	342,000	0.026%
Mr. Yeung Siu Cheong	Class A Employee	Executive Director and director of the Company's subsidiary	245,000	0.018%
Mr. Lee Yuk Hung	Class B Employee	Former Director and employee of the Company's subsidiary	64,000	0.005%
Mr. Wu Kwan Chung	Class A Employee	Director of the Company's subsidiary	309,000	0.023%
Mr. Lau Chi Kwan	Class A Employee	Director of the Company's subsidiary	248,000	0.018%
Mr. Chow Wing Hung	Class B Employee	Director of the Company's subsidiary	138,000	0.010%
Mr. Charoa-Ungsuthorn Charoa	Class B Employee	Director of the Company's subsidiary	134,000	0.010%
Ms. Lau Wai Yee	Class B Employee	Director of the Company's subsidiary	112,000	0.008%
Ms. Wong See Mei	Class A Employee	Director of the Company's subsidiary	222,000	0.017%
Mr. Parmod Kumar Verma	Class B Employee	Director of the Company's subsidiary	108,000	0.008%
<i>Sub-total</i>			<u>2,513,000</u>	<u>0.187%</u>
2. Non-connected Grantees				
Other employees of the Group			3,144,000	0.234%
Total			<u>5,657,000</u>	<u>0.422%</u>

Note: Based on the number of total issued Shares as at the Latest Practicable Date of 1,341,195,890.

LETTER FROM THE BOARD

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, other than the Connected Grantees, each of the Grantees is a third party independent of the Company and its connected persons.

The 2,513,000 Awarded Shares proposed to be granted to the Connected Grantees and 3,144,000 Awarded Shares proposed to be granted to the Non-connected Grantees represent approximately 0.19% and 0.23%, respectively, of the total issued Shares as at the Latest Practicable Date, and approximately 0.19% and 0.23%, respectively, of the total issued Shares as enlarged by the allotment and issuance of new Shares in connection with the Proposed Grant (assuming no further Shares will be issued or repurchased).

The Company confirms that the Proposed Grant would not result in the Shares issued and to be issued in respect of all options and awards granted to any of the Grantees in the 12-month period from the Date of Grant in aggregate exceeding 1% of the relevant class of Shares in issue.

Basis of selection of the Grantees and determination of the number of Awarded Shares

When selecting the Grantees and determining the number of Awarded Shares to be granted to each Grantee, the Remuneration Committee and the Board have given due consideration to the following factors: (i) positions and responsibilities of the Grantees; (ii) contribution level of the Grantees to the development and growth of the Group; (iii) individual performance of the Grantees; and (iv) the skill, knowledge, experience, expertise and other personal qualities of the Grantees. The determination of the number of Awarded Shares granted to each of the Grantees has also taken into account factors including but not limited to the remuneration package of the relevant Grantee and the market value of the Awarded Shares.

Connected Grantees who are executive Directors and a former executive Director

In respect of the three executive Directors and the one former executive Director, their brief biographical details are set out as follows:

Mr. Lau Tat Man, the chairman and chief executive officer of the Company, an executive Director and a director of all of the Company's subsidiaries, joined the Group in May 2018 and has been serving on the Board since October 2018. He is responsible for overseeing the business development and directions, planning and executing the overall strategies of the Group, including the expansion plan of the Group in the PRC and overseas and overseeing the Board.

Ms. Chan Ping, the chief financial officer of the Company, an executive Director and a director of the Company's subsidiaries, joined the Group in November 2018 and has been serving on the Board since April 2021. She is responsible for overseeing the financial, legal and company secretarial affairs of the Group.

LETTER FROM THE BOARD

Mr. Yeung Siu Cheong, an executive Director, managing director (network development) and a director of a subsidiary of the Company, joined the Group in January 2019 and has been serving on the Board since May 2023. He is responsible for devising leasing strategies for the Hong Kong, PRC and overseas operations of the Group.

Mr. Lee Yuk Hang, a former executive Director, joined the Group in July 2015 and acted as a Director from April 2021 to November 2022. He is an associate director of the procurement and supply chain department of the Group and is responsible for specifically overseeing the overseas and franchise procurement functions. His role involved supervising and managing these procurement processes to ensure their smooth operation and efficiency.

The Company considers each of the aforementioned Directors and former Director are capable of adding value to the Company's business by leveraging their expertise, experience and business network, and hence retention of whom is crucial to the Group's business performance and future development.

Other Connected Grantees

Set out in the table below is the position and responsibilities of each of the other seven Connected Grantees:

Name	Position and responsibilities
Mr. Wu Kwan Chung	Director of the Company's subsidiary and Chief People Officer, responsible for overseeing the human resources and administration departments and all aspects of human resources management and implementation of industrial related policies, practices and operations for the Group
Mr. Lau Chi Kwan	Director of the Company's subsidiary and managing director in Hong Kong market, responsible for overseeing the overall operations of restaurants under the SamGor and TamJai brands, including strategic planning of the Hong Kong operations, formulating policies and brand building of the SamGor and TamJai brands
Mr. Chow Wing Hung	Director of the Company's subsidiary and deputy managing director in Hong Kong market, responsible for overseeing the overall operations of restaurants under the TamJai brand, including strategic planning of the Hong Kong operations, formulating policies and brand building of the TamJai brand
Mr. Charoa-Ungsuthorn Charoa	Director of the Company's subsidiary and franchise operations director, responsible for overseeing the business development and the expansion plan of the Group overseas

LETTER FROM THE BOARD

Name	Position and responsibilities
Ms. Lau Wai Yee	Director of the Company's subsidiary and quality assurance director, responsible for overseeing the quality assurance department and work with cross-departmental leaders to deliver high-quality products of the Group
Ms. Wong See Mei	Director of the Company's subsidiary and group supply chain director, responsible for overseeing the procurement functions and supply chain management, including procurement, product development, research & development, production and logistic & warehouse departments, to develop and implement the supply chain strategy for the Group
Mr. Parmod Kumar Verma	Director of the Company's subsidiary and general manager in Singapore market, responsible for overseeing the overall operations of restaurants under the SamGor brand in Singapore, including strategic planning of the Singapore operations, formulating policies and brand building of the SamGor brand

The Board considered all of the other seven Connected Grantees have extensive experience in their respective fields and are critical to the Group's business performance and future development. The Connected Grantees are expected to continue contributing to the Group in the future.

In view of the above, the Directors are of the view that the Proposed Grant is able to retain and incentivise the Connected Grantees to serve the Group, enhance the competitiveness of the Group, is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions precedent

The Proposed Grant is subject to the following conditions:

- (i) the approval of the Proposed Grant by the Independent Shareholders at the EGM; and
- (ii) the approval from the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new Shares to be issued under the General Mandate.

LETTER FROM THE BOARD

ISSUANCE OF NEW SHARES UNDER GENERAL MANDATE

The Awarded Shares proposed to be granted to the Grantees will be partially satisfied by 5,340,200 new Shares to be allotted and issued at nominal value to Blessing Keen, a wholly-owned subsidiary of the Trustee, pursuant to the General Mandate; and partially satisfied by the reallocation of the 316,800 Lapsed Shares for the Proposed Grant.

Under the General Mandate, the Directors are authorized to allot, issue and/or deal with additional Shares not exceeding 268,197,458 Shares, representing 20% of the total number of issued Shares as at the date of the AGM on which the resolution for granting the General Mandate was passed. As at the Latest Practicable Date, no Share has been issued under the General Mandate and the unutilized General Mandate is sufficient for the proposed issue of 5,340,200 new Shares to Blessing Keen. The 5,340,200 new Shares proposed to be allotted and issued under the General Mandate represent approximately 0.40% of the issued share capital of the Company as at the Latest Practicable Date, and approximately 0.40% of the issued share capital of the Company as enlarged by such allotment and issuance (assuming no further Shares will be issued or repurchased).

Pursuant to the rules of the Share Award Scheme, the maximum number of Shares which may be granted to the eligible participants under the Share Award Scheme is such number of Shares representing no more than 10% of the issued share capital of the Company immediately upon completion of the Global Offering (as defined in the Prospectus), i.e. 134,003,200 Shares. The maximum number of Shares which may be allotted and issued by the Company for the purpose of the grant of the Shares under the Share Award Scheme in any financial year is such number of Shares representing no more than 3% of the issued share capital of the Company immediately upon completion of the Global Offering (as defined in the Prospectus), i.e. 40,200,960 Shares.

Prior to the Proposed Grant, a total of 5,024,000 awarded Shares have been granted to certain selected employees of the Group prior to the Listing, among which 316,800 awarded Shares have lapsed as at the Latest Practicable Date (i.e. the Lapsed Shares). Pursuant to the Proposed Grant, a total of 5,657,000 Awarded Shares will be granted to the Grantees. Accordingly, after the Proposed Grant and taking into account the Lapsed Shares, the number of Shares available for future grant will be 123,639,000, among which a maximum of 34,543,960 Shares will be available for grant during the year ending 31 March 2024.

No new funds will be raised as a result of the aforesaid allotment and issuance. The Company has not engaged in any fund-raising activities by any issue of Shares in the 12 months immediately preceding the Latest Practicable Date. The new Shares, when issued and fully paid, will rank *pari passu* among themselves and with the other Shares in issue.

Blessing Keen will hold the Awarded Shares on trust for the Grantees and such Awarded Shares shall be transferred to the Grantees upon satisfaction of their respective vesting conditions, and Blessing Keen shall not exercise the voting rights in respect of such Shares held by it under trust.

LETTER FROM THE BOARD

Application has been made by the Company to the Listing Committee of the Stock Exchange for the grant of approval for the listing of, and permission to deal in, the 5,340,200 new Shares to be allotted and issued.

REASONS FOR AND BENEFIT OF THE PROPOSED GRANT

The purpose of the Share Award Scheme is to provide eligible participants with an opportunity to have a personal stake in the Company with a view to achieving the following objectives: (i) motivate the eligible participants to optimize their performance efficiency for the benefit of the Group; and (ii) attract and retain or otherwise maintain relationships with the eligible participants whose contributions are or will be beneficial to the long term growth of the Group.

The purpose of the Proposed Grant is to (i) recognize the Grantees' contribution to the business performance and development of the Group; and (ii) serve as a part of the Group's talent retention program and a general incentive to motivate the Grantees to strive for greater contributions to the Group in the future. In particular, in determining the Proposed Grant to the Directors and the terms thereof, the Board has considered the Directors' respective contribution to the Group. Also, the new Shares to be allotted and issued by the Company under the General Mandate for partially satisfying the Proposed Grant will not result in any actual cash outflow from the Group. As such, the Board and the Remuneration Committee hold the view that the Proposed Grant and its terms are consistent and align with the purpose of the Share Award Scheme.

Based on the above, the Directors (including the independent non-executive Directors after taking into consideration of the advice from the Independent Financial Adviser) are of the view that terms and conditions for the Proposed Grant (including the allotment and issuance of new Shares pursuant to the General Mandate) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

The Share Award Scheme was adopted before the effective date (being 1 January 2023) of the new Chapter 17 of the Listing Rules. The Company will comply with the new Chapter 17 in accordance with the transitional arrangement provided for the existing share schemes.

Among the Grantees, three are each an executive Director and a director of certain subsidiary(ies) of the Company, one is a former Director and seven are directors of certain subsidiaries of the Company (i.e. the Connected Grantees). Therefore, each of them is a connected person of the Company pursuant to Chapter 14A of the Listing Rules. As the Awarded Shares to be granted to the Connected Grantees will be partially satisfied by the issuance of new Shares, the proposed grant of Awarded Shares to each of the Connected Grantees constitutes connected transactions of the Company and is subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

For the purpose of the Proposed Grant, the Trustee (in its capacity as trustee of the Employee Trust) is an associate of connected persons of the Company under Rule 14A.12(1)(b) of the Listing Rules. As such, the allotment and issuance of new Shares to Blessing Keen, a wholly-owned subsidiary of the Trustee, will constitute a connected transaction of the Company under Rule 14A.24(6) of the Listing Rules and subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

BOARD APPROVAL

The grant of the Awarded Shares to each of the relevant Grantees who is a Director has been approved by the Board (including but not limited to the independent non-executive Directors), save that each of Mr. Lau Tat Man, Ms. Chan Ping, Rita, and Mr. Yeung Siu Cheong, all being executive Directors, had abstained from voting on the relevant resolution in respect of the grant of the Awarded Shares to himself/herself.

THE EGM

The Company will convene and hold the EGM at 11:00 a.m. on Monday, 4 December 2023, at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong to consider and, where appropriate, approve the Proposed Grant. A notice of the EGM is set out on pages EGM-1 to EGM-2 of this circular. The Company will publish an announcement of the poll results in the manner required under Rule 13.39(5) of the Listing Rules after the conclusion of the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the resolution to be proposed at the EGM will be voted on by poll.

As at the Latest Practicable Date, (i) Blessing Keen holds 316,800 Shares, representing approximately 0.024% of the total issued Shares; and (ii) the Grantees, together with their associates, hold 5,155,040 Shares in aggregate, representing approximately 0.384% of the total issued Shares, among which, Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong (each being an executive Director and a director of certain subsidiary(ies) of the Company), together with their associates, holds 2,435,600 Shares, 1,241,400 Shares, and 195,000 Shares, respectively, representing approximately 0.18% 0.09% and 0.01% of the total issued Shares. Accordingly, each of them shall abstain from voting at the EGM on the resolution in relation to the Proposed Grant. Save as disclosed, none of the other Shareholders has a material interest in the Proposed Grant and is required to abstain from voting on the relevant resolution in the EGM.

LETTER FROM THE BOARD

CLOSURE OF REGISTER

To ascertain the identity of the Shareholders who are entitled to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 29 November 2023 to Monday, 4 December 2023 (both days inclusive), during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the EGM, all duly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 28 November 2023.

If you intend to appoint a proxy to attend the EGM, you are required to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the meeting, or any adjourned meeting, should you so wish and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out in this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Proposed Grant; and (ii) the letter from the Independent Financial Adviser set out in this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Proposed Grant, as well as the principal factors and reasons taken into account by the Independent Financial Adviser in arriving at its advice. Having taken into account the advice of the Independent Financial Adviser, the Independent Board Committee considers that the Proposed Grant (including the allotment and issue of new Shares under the General Mandate) is incidental to the Group's development of its ordinary and usual course of business and on normal commercial terms, and the terms thereof are fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, the Independent Board Committee recommends the Independent Shareholders vote in favour of the ordinary resolution to be proposed at the EGM in respect of the Proposed Grant. The text of the letter from the Independent Board Committee is set out on page 16 of this circular.

LETTER FROM THE BOARD

The Directors (including the independent non-executive Directors, after considering the advice from the Independent Financial Adviser) are of the view that the Proposed Grant (including the allotment and issue of new Shares under the General Mandate) is incidental to the Group's development of its ordinary and usual course of business and on normal commercial terms, and the terms of the Proposed Grant are fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders vote in favour of the ordinary resolution to be proposed at the EGM in respect of the Proposed Grant.

By order of the Board

Tam Jai International Co. Limited

Lau Tat Man

Chairman of the Board and Chief Executive Officer



Tam Jai International Co. Limited
譚仔國際有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 2217)

15 November 2023

To the Independent Shareholders

Dear Sir/Madam,

CONNECTED TRANSACTION
GRANT OF AWARDED SHARES
PURSUANT TO SHARE AWARD SCHEME

We refer to the circular issued by the Company to the Shareholders dated 15 November 2023 (the “**Circular**”) which this letter forms a part of. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as the members of the Independent Board Committee to advise the Independent Shareholders on whether, in our opinion, the terms of the Proposed Grant are fair and reasonable, and in the interests of the Company and the Shareholders as a whole. Innovax Capital Limited has been appointed as the Independent Financial Adviser in this regard.

We wish to draw your attention to the “Letter from the Board” and the “Letter from the Independent Financial Adviser” as set out in the Circular. Having considered the principal factors and reasons considered by, and the advice of, the Independent Financial Adviser as set out in their letter of advice, we are of the view that the Proposed Grant (including the allotment and issue of the new Shares under the General Mandate) is incidental to the Group’s development of its ordinary and usual course of business and on normal commercial terms, and the terms of the Proposed Grant are fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend that the Independent Shareholders vote in favour of the ordinary resolution for approving the Proposed Grant at the EGM.

Yours faithfully,

For and on behalf of the Independent Board Committee of
Tam Jai International Co. Limited

Mr. Loo Kwok Wing
*Independent non-executive
Director*

Mr. Lee Kwok Ming
*Independent non-executive
Director*

Mr. Yeung Yiu Keung
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter from Innovax Capital Limited setting out its advice to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of inclusion in this circular.



*To: The Independent Board Committee and the Independent Shareholders of
Tam Jai International Co. Limited*

15 November 2023

Dear Sir or Madam,

CONNECTED TRANSACTION GRANT OF AWARDED SHARES PURSUANT TO SHARE AWARD SCHEME

I. INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the grant of Awarded Shares under the Share Award Scheme to the Connected Grantees, details of which are set out in the Letter from the Board contained in this circular of the Company dated 15 November 2023 (the “Circular”), of which this letter forms part. Unless the context indicates otherwise, terms used in this letter shall have the same meaning as those defined in the Circular.

As stated in the Letter from the Board, on 12 October 2023, the Board resolved to grant 5,657,000 Award Shares, comprising 5,340,200 Awarded Shares to be issued under the General Mandate and 316,800 Lapsed Shares, at nil consideration under the Share Award Scheme to 85 Grantees, including a total of 2,513,000 Awarded Shares to be granted to 11 Connected Grantees who are executive Directors and a former Director. As further stated in the Letter from the Board, each of the Connected Grantees is a connected person of the Company pursuant to Chapter 14A of the Listing Rules and the Trustee (in its capacity as trustee of the Employee Trust) is an associate of connected persons of the Company pursuant to Rule 14A.12(1)(b) of the Listing Rules for the purpose of the Proposed Grant, hence, the allotment and issuance of new Shares to Blessing Keen, a wholly-owned subsidiary of the Trustee, will constitute a connected transaction of the Company under Rule 14A.24(6) of the Listing Rules and subject to the reporting, announcement, circular (including independent financial advice) and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules and the approval from the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in such new Shares.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Lee Kwok Ming, Mr. Loo Kwok Wing and Mr. Yeung Yiu Keung, has been established to advise the Independent Shareholders as to whether the terms of the Proposed Grant are fair and reasonable in so far as the Company and the Independent Shareholders are concerned, are in the interests of the Company and the Independent Shareholders as a whole and how to vote on the relevant resolution in the EGM. In our capacity as the Independent Financial Adviser, our role is to provide the Independent Board Committee and the Independent Shareholders with an independent opinion and recommendation in this regard.

As stated in the Letter from the Board, the EGM will be convened on 4 December 2023. Pursuant to Rule 14A.36 of the Listing Rules, any Shareholder with a material interest in the relevant connected transaction is required to abstain from voting on the relevant resolution at the EGM. Accordingly, in order to avoid any conflict of interest, each of the Connected Grantees and their respective associates are required to abstain from voting on the relevant resolution at the EGM.

As at the Latest Practicable Date, we did not have any relationships or interests with the Group that could reasonably be regarded as relevant to the independence of Innovax Capital. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no arrangements exist whereby we had received any fees or benefits from the Company or its core connected persons or close associates. Accordingly, we are not aware of any circumstances as set out in Rule 13.84 of the Listing Rules or any other matters which may cause us to have a conflict of interest and therefore, we are independent from the Company pursuant to Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser.

II. BASIS OF OUR OPINION

In formulating our opinion, we have relied on the accuracy of the statements, information, opinions and representations contained in the Circular and/or provided to us by the Company, the Directors and the management of the Company. We have assumed that all statements, information, opinions and representations contained in the Circular and/or provided to us were true, accurate and complete in all material respects at the time they were made and continue to be true, accurate and complete in all material respects as at the date of the Circular. We have also relied on our discussion with management of the Company regarding the Group and the respective terms of the grant of Awarded Shares, including the information and representations contained in the Circular. Furthermore, we have assumed that all statements of belief, opinions and intention made by the Directors and the Company in the Circular were reasonably made after due enquiry.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We consider that we have reviewed sufficient information to reach an informed view, to justify our reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our advice. We have no reason to suspect that any material facts have been omitted or withheld from the information contained or opinions expressed in the Circular nor to doubt the truth, accuracy and completeness of the information and representations provided to us by the Company, the Directors and the management of the Company. We have not, however, conducted an independent in-depth investigation into the business and affairs of the Group nor have we carried out any independent verification of the information supplied.

The Directors collectively and individually accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the information contained in the 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 in the Circular misleading. The Company will notify the Shareholders of any material changes as soon as possible subsequent to the Latest Practicable Date and up to the date of the EGM. If we shall become aware of any such material change, we will notify the Independent Shareholders of the potential impact, if any, on our opinion and/or recommendation set out in this letter as soon as possible.

This letter is issued for the information of the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the granting of Awarded Shares to the Connected Grantees, and, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

III. PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendations, we have taken the following principal factors and reasons into our consideration:

A. Principal business of the Group

As set out in the announcement of the Company dated 12 October 2023 (the “Announcement”), the Group is a restaurant chain operator of the TamJai and SamGor branded fast casual restaurant chain in Hong Kong with operations also in Mainland China, Singapore and Japan, specialising in mixian (a type of rice noodle).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following table summarises the audited financial information of the Group for the years ended 31 March 2022 and 2023, respectively, as extracted from the published annual report of the Company for the year ended 31 March 2023 dated 12 May 2023 (the “Annual Report 2022/23”):

	For the year ended		Year-on-year Change
	31 March 2023	2022	
	HK\$'000	HK\$'000	HK\$'000
Revenue	2,594,613	2,275,298	319,315
Cost of food and beverages consumed	620,318	518,267	102,051
Staff costs	828,579	722,808	105,771
Profit for the year	140,953	202,960	(62,007)

As set out in the management discussion and analysis in the Annual Report 2022/23, the management of the Company considered that FY2023 continued to be a challenging year for the global economy and the F&B industry. Throughout FY2023, external factors have put notable pressure on goods and services. As a combination of pandemic-induced supply chain disruptions and tension in Ukraine, the inflation among major items including energy, commodity, and food surged to very high levels. Nevertheless, the Group was still able to attain an increase in revenue, mainly driven by restaurant network expansion, with the cost of food and beverages consumed to revenue ratio only increased mildly from approximately 22.8% to approximately 23.9% on a year-on-year basis as stated in the Annual Report 2022/23.

It was also highlighted in the Annual Report 2022/23 that, during FY2023, despite (i) the effect from the increase in restaurant headcount due to the expansion of restaurant network; and (ii) the effect from the increase in headquarters and offices headcount coping with the expansion in Mainland China, Singapore and Japan markets, the Group still managed to maintain a stable staff cost to revenue ratio, i.e. approximately 31.9% in FY2023 as compared with approximately 31.8% in FY2022.

B. Reasons for and benefit of the Share Award Scheme and the Proposed Grant

As set out in the Company’s prospectus for the listing of its Shares on the Stock Exchange dated 23 September 2021 (the “Prospectus”) and the Letter from the Board, the purpose of the Share Award Scheme is to provide eligible participants with an opportunity to have a personal stake in the Company with a view to achieving the following objectives: (i) motivate the eligible participants to optimise their performance efficiency for the benefit of the Group; and (ii) attract and retain or otherwise maintain relationships with the eligible participants whose contributions are or will be beneficial to the long term growth of the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As further stated in the Letter from the Board, the purpose of the Proposed Grant is to (i) recognise the Grantees' contribution to the business performance and development of the Group; and (ii) serve as a part of the Group's talent retention program and a general incentive to motivate the Grantees to strive for greater contributions to the Group in the future. In particular, in determining the Proposed Grant to the Directors and the terms thereof, the Board has considered the Directors' respective contribution to the Group. Also, it is stated in the Letter of the Board that, the new Shares to be allotted and issued by the Company under the General Mandate for partially satisfying the Proposed Grant will not result in any actual cash outflow from the Group. As such, the Board and the Remuneration Committee hold the view that the Proposed Grant and its terms are consistent and align with the purpose of the Share Award Scheme.

It is stated in the Letter from the Board that, based on the above, the Directors (including the independent non-executive Directors after taking into consideration of our advice) are of the view that the terms of the Proposed Grant (including the allotment and issuance of new Shares pursuant to the General Mandate) are fair and reasonable in so far as the Company and the Independent Shareholders are concerned and in the interests of the Company and Shareholders as a whole.

Based on our discussion with the management of the Company, we understood that the Company considers the Proposed Grant to be the most appropriate option as opposed to other alternatives, including lump sum cash bonuses and remuneration increment, because (i) the Proposed Grant will increase the proportion of the Grantees' variable remuneration correlated closely to the Group's stock price, which in turn enables the Company to align the interests of the Grantees with the development and growth of the Company; and (ii) the Proposed Grant and issuance of new Shares under the General Mandate will not exert pressure on the Group's cash positions and allow the Group to allocate its financial resources in the expansion of the Group's restaurant network in geographic locations including but not limited to Hong Kong, Mainland China, Singapore and Japan, being the primary growth driver to the Group's revenue as mentioned in the Annual Report 2022/23. Having considered the above, we concur with the Directors' view that the Proposed Grant (including the allotment and issuance of new Shares pursuant to the General Mandate) is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

C. Principal terms of the Share Award Scheme

We noted that the Awarded Shares are granted to both Connected Grantees and Non-connected Grantees at essentially the same terms, indicating that both Connected Grantees and Non-connected Grantees are treated fairly by the Company. As stated in the Letter from the Board, the Awarded Shares will be granted according to the following principal terms pursuant to the Share Award Scheme:

Date of Grant	:	12 October 2023
Number of Awarded Shares	:	5,657,000 Shares, comprising 5,340,200 new Shares to be allotted and issued pursuant to the General Mandate and 316,800 Lapsed Shares
Purchase price of Awarded Shares	:	Nil
Market price of the Shares	:	The closing price of the Shares on the Date of Grant was HK\$1.270 per Share. The average closing price of the Shares for the five consecutive trading days immediately preceding the Date of Grant was approximately HK\$1.314 per Share.
Vesting schedule and performance targets	:	All of the Awarded Shares shall be vested according to the following schedule: <ul style="list-style-type: none">(a) 30% of the Awarded Shares shall be vested on the first anniversary of the Date of Grant;(b) 30% of the Awarded Shares shall be vested on the second anniversary of the Date of Grant; and(c) the remaining 40% of the Awarded Shares shall be vested on the third anniversary of the Date of Grant.

In addition, in respect of Grantees who are Senior Executives (including Class A Employees and Class B Employees), as they are key and senior executives which are critical to the Group's development, the vesting of part of their Awarded Shares shall be subject to the performance targets as set out below.

In particular, for Class A Employees, their functions include giving directions and making decisions on the Group's strategies, policies and business plans. Whereas for Class B Employees, they play core roles in the day-to-day management of the business of the Group with delegated responsibilities from Class A Employees. Therefore, the contributions of the Senior Executives are fundamental to the Group's business performance. As such, in order to incentivise and motivate the Senior Executives and better align their interests with that of the Group, while taking into account their respective overall contributions to the Group, the proportion of the Awarded Shares which shall be subject to performance targets will be higher for Class A Employees as compared to Class B Employees. Specifically, (i) for Class A Employees, including amongst others as at the date of Grant and the Latest Practicable Date, Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong, all being executive Directors of the Company, vesting of two-thirds of their Awarded Shares; and (ii) for Class B Employees, vesting of half of their Awarded Shares, will be subject to the performance targets as set out below.

In respect of Grantees who are Mid-level Employees (i.e. other than the Senior Executives), the Company considers that their morale and loyalty are the key to the success of the Group. Therefore, to attract, retain and maintain the relationships with the Mid-level Employees, none of their Awarded Shares will be subject to performance targets. The Remuneration Committee is of the view that the grant of Awarded Shares to the Mid-level Employees without performance target will better align with the purpose of the Share Award Scheme and the Group's talent retention program.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Company has established an appraisal mechanism for the purpose of calculating and assessing the fulfilment of performance targets by each of the relevant Grantees who are Senior Executives in relation to vesting of the relevant Awarded Shares granted to them. The appraisal mechanism is a scoring system which comprises a mixture of key performance indicator components including targeted sales, profits after tax and increment in the number of stores as may be determined by the Board at its sole and absolute discretion from time to time for each relevant year and pursuant to which, such Grantees will receive 70%, 85% or 100% of the relevant Awarded Shares according to the vesting schedule subject to achievement of the weighted scores in each of the key performance indicator components stated above.

Clawback mechanism : Unvested Awarded Shares shall lapse and all the unvested Awarded Shares and the related income shall not be vested in the relevant Grantee upon the occurrence of any of the following events:

- (i) a Grantee ceases to be an employee, whether by voluntary resignation or dismissal or otherwise or a notice of termination of employment of such Grantee has been served (but other than in the event of death, normal retirement or early retirement by agreement of the employee);
- (ii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company; or
- (iii) the subsidiary of the Company by which a Grantee is employed or engaged ceases to be a subsidiary of the Company.

Conditions precedent : The Proposed Grant is subject to the following conditions:

- (i) the approval of the Proposed Grant by the Independent Shareholders at the EGM; and

- (ii) the approval from the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the new Shares to be issued under the General Mandate.

Based on the closing price of HK\$1.270 per Share as quoted on the Stock Exchange as at the Date of Grant, the implied market value of the Awarded Shares granted to the Connected Grantees and the Non-connected Grantees amounted to approximately HK\$3.2 million and HK\$4.0 million, respectively.

D. List of Grantees and background of the Connected Grantees

As stated in the Letter from the Board, a total of 5,657,000 Awarded Shares will be granted to 85 Grantees under the Share Award Scheme, including a total of 2,513,000 Awarded Shares to be granted to 11 Connected Grantees and a total of 3,144,000 Awarded Shares to be granted to 74 Non-connected Grantees, subject to the acceptance by the Grantees and approval by the Independent Shareholders at the EGM.

As advised by the management of the Company and set out in the Letter from the Board, we understand that the Remuneration Committee and the Board have given due consideration to the following factors: (i) positions and responsibilities of the Grantees; (ii) contribution level of the Grantees to the development and growth of the Group; (iii) individual performance of the Grantees; and (iv) the skill, knowledge, experience, expertise and other personal qualities of the Grantees, when selecting the Grantees and determining the number of Awarded Shares to be granted to each Grantee. The Letter from the Board further stated that the determination of the number of Awarded Shares granted to each of the Grantees has also taken into account factors including but not limited to the remuneration package of the relevant Grantee and the market value of the Awarded Shares.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

According to the Letter from the Board, details of the Grantees and their respective number of Awarded Shares to be granted are set out in the table below:

Name	Position	Number of Awarded Shares to be granted	Approximate % of Awarded Shares	Approximate % of total issued shares of the Company as at the Latest Practicable Date ^{Note 1}
<i>11 Connected Grantees</i>				
Mr. Lau Tat Man	Executive Director and director of the Company's subsidiary	591,000	10.45%	0.044%
Ms. Chan Ping, Rita	Executive Director and director of the Company's subsidiary	342,000	6.05%	0.026%
Mr. Yeung Siu Cheong	Executive Director and director of the Company's subsidiary	245,000	4.33%	0.018%
Mr. Lee Yuk Hang	Former Director and employee of the Company's subsidiary	64,000	1.13%	0.005%
7 directors of certain subsidiaries of the Company	Directors of certain subsidiaries of the Company	1,271,000	22.47%	0.095%
<i>Subtotal</i>		2,513,000	44.43%	0.187%
<i>74 Non-connected Grantees</i>		3,144,000	55.57%	0.234%
Total		5,657,000	100.00%	0.422%

Note 1: The total issued shares of the Company as at the Latest Practicable Date is 1,341,195,890.

Among the Connected Grantees, there are (i) three executive Directors; (ii) a former executive Director; and (iii) seven directors of certain subsidiaries of the Company. We understand from the management of the Company that all Connected Grantees have extensive experience in the industry and are instrumental to the Group's operation and they could contribute to the development of the Group in the best interests of the Company and the Shareholders.

Connected Grantees who are executive Directors and a former executive Director

We have reviewed the background information of the executive Directors and the former executive Director who are Connected Grantees as set out in (i) the Prospectus, (ii) the announcement in relation to change of Directors dated 1 November 2022, (iii) the Annual Report 2022/23 and (iv) the announcement in relation to change of executive Directors dated 31 May 2023. Details of their positions and responsibilities, contribution level to the development and growth of the Group and their skill, knowledge, experience and expertise are set out as follows:

Mr. Lau Tat Man (“Mr. Lau”)

Mr. Lau, being the chairman and chief executive officer of the Company, an executive Director and a director of all of the Company’s subsidiaries, joined the Group in May 2018 and has been serving in the Board since October 2018. Mr. Lau has over 33 years of experience in the food and beverage industry in Hong Kong and the Asia Pacific region. Mr. Lau is responsible for overseeing the business development and directions, planning and executing the overall strategies of the Group, including the expansion plan of the Group in the PRC and overseas and overseeing the Board. Mr. Lau is a Class A Employee. Mr. Lau holds a master’s degree in business administration from The Chinese University of Hong Kong in Hong Kong and was placed on the dean’s list in 2010 to 2011.

Ms. Chan Ping, Rita (“Ms. Chan”)

Ms. Chan, being the chief financial officer of the Company, an executive Director and a director of the Company’s subsidiaries, joined the Group in November 2018 and has been serving on the Board since April 2021. Ms. Chan has over 22 years of finance and accounting experience in the food and beverage industry of both Hong Kong and the Mainland China market. Ms. Chan is responsible for overseeing the financial, legal and company secretarial affairs of the Group. Ms. Chan is a Class A Employee. Ms. Chan holds a bachelor’s degree in commerce accounting and a master’s degree in finance from the Curtin University of Technology (now known as Curtin University) in Australia. Ms. Chan is a fellow member of the Association of International Accountants and a member of the Hong Kong Institute of Certified Public Accountants.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Mr. Yeung Siu Cheong (“Mr. Yeung”)

Mr. Yeung, being an executive Director, managing director (Network Development) and a director of a subsidiary of the Company, joined the Group in January 2019 and has been serving in the Board since May 2023. Mr. Yeung has over 27 years of business development experience in food and beverage industry. Mr. Yeung is responsible for devising leasing strategies for the Hong Kong, PRC and overseas operations of the Group. Mr. Yeung is a Class A Employee. Mr. Yeung holds a bachelor’s degree in Chinese from Lingnan College (now known as Lingnan University) in Hong Kong and a bachelor’s degree in laws from the Peking University in Mainland China. Mr. Yeung is a member of the Hong Kong Institute of Housing and a professional housing manager in Hong Kong registered with the Housing Managers Registration Board. He is also a chartered member of the Chartered Institute of Housing and a professional member of The Royal Institution of Chartered Surveyors.

Mr. Lee Yuk Hang (“Mr. Lee”)

Mr. Lee joined the Group in July 2015. Mr. Lee was an executive Director from April 2021 to November 2022 and is an associate director of the procurement and supply chain department of the Group. Mr. Lee has over 23 years of procurement experience in the food and beverage industry. Mr. Lee is responsible for specifically overseeing the overseas and franchise procurement functions. His role involved supervising and managing these procurement process to ensure their smooth operation and efficiency. Mr. Lee is a Class B Employee. Mr. Lee obtained a bachelor’s degree in business administration (purchasing and supply management stream) from Lingnan College (now known as Lingnan University) in Hong Kong in November 1998. He also completed a diploma programme in food and nutritional sciences from the Chinese University of Hong Kong in Hong Kong in March 2006.

In respect of each of the aforementioned three executive Directors and the former executive Director, based on our review of their respective background information and contribution level to the development and growth of the Group set out above, we concur with the view of the management of the Company that they are capable of adding value to the Company’s business by leveraging their expertise, experience and business network, and hence retention of whom is crucial to the Group’s business performance and future development.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Other Connected Grantees

In respect of the other seven Connected Grantees, based on the information the management of the Company made available to us, we set out in the table below the class of employees and the position and responsibilities of each of the other seven Connected Grantees, their respective years of service, their respective number of Awarded Shares and the approximate percentage of their respective Awarded Shares to the total issued shares of the Company at the Latest Practicable Date:

Name	Class of employees	Position and responsibilities	Years of service	Number of Awarded Shares to be granted	Approximate % of total issued shares of the Company as at the Latest Practicable Date ^{Note 1}
Mr. Wu Kwan Chung	Class A Employee	Director of the Company's subsidiary and Chief People Officer, responsible for overseeing the human resources and administration departments and all aspects of human resources management and implementation of industrial related policies, practices and operations for the Group	less than 1 year	309,000	0.023%
Mr. Lau Chi Kwan	Class A Employee	Director of the Company's subsidiary and managing director in Hong Kong market, responsible for overseeing the overall operations of restaurants under the SamGor and TamJai brands, including strategic planning of the Hong Kong operations, formulating policies and brand building of the SamGor and TamJai brands	more than 4 years	248,000	0.018%
Mr. Chow Wing Hung	Class B Employee	Director of the Company's subsidiary and deputy managing director in Hong Kong market, responsible for overseeing the overall operations of restaurants under the TamJai brand, including strategic planning of the Hong Kong operations, formulating policies and brand building of the TamJai brand	more than 3 years	138,000	0.010%

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Name	Class of employees	Position and responsibilities	Years of service	Number of Awarded Shares to be granted	Approximate % of total issued shares of the Company as at the Latest Practicable Date ^{Note 1}
Mr. Charoa-Ungsuthorn Charoa	Class B Employee	Director of the Company's subsidiary and franchise operations director, responsible for overseeing the business development and the expansion plan of the Group overseas	more than 4 years	134,000	0.010%
Ms. Lau Wai Yee	Class B Employee	Director of the Company's subsidiary and quality assurance director, responsible for overseeing the quality assurance department and work with cross-departmental leaders to deliver high-quality products of the Group	more than 3 years	112,000	0.008%
Ms. Wong See Mei	Class A Employee	Director of the Company's subsidiary and group supply chain director, responsible for overseeing the procurement functions and supply chain management, including procurement, product development, research & development, production and logistic & warehouse departments, to develop and implement the supply chain strategy for the Group	less than 1 year	222,000	0.017%
Mr. Parmod Kumar Verma	Class B Employee	Director of the Company's subsidiary and general manager in Singapore market, responsible for overseeing the overall operations of restaurants under the SamGor brand in Singapore, including strategic planning of the Singapore operations, formulating policies and brand building of the SamGor brand	more than 2 years	108,000	0.008%
Total				1,271,000	0.095%

Note 1: The total issued shares of the Company as at the Latest Practicable Date is 1,341,195,890.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

After reviewing of the background information and contribution level to the development and growth of the Group in respect of each of the seven other Connected Grantees as set out above, we concur with the Board's view that all the other seven Connected Grantees have extensive experience in their respective fields, are critical to the Group's business performance and future development and are expected to continue contributing to the Group in the future.

Besides, based on the information made available to us by the management of the Company in respect of the personal particulars, staff grades, remuneration package and market value of the Awarded Shares of all Grantees (including both the Connected Grantees and the Non-connected Grantees) pursuant to the Proposed Grant, we noted that the Remuneration Committee and the Board have consistently taken into account, for all Grantees, factors including but not limited to the remuneration package of the relevant Grantee and the market value of the Awarded Shares in determining the number of Awarded Shares granted to each Grantee.

In light of the above, we concur with the Directors' view that the grant of Awarded Shares under the Share Award Scheme to the Connected Grantees is able to retain and incentivise the Connected Grantees to serve the Group, enhance the competitiveness of the Group, is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

E. Assessment of fairness and reasonableness of the principal terms

In formulating our view on the fairness and reasonableness of the principal terms of the Proposed Grant, we have, to our best effect and knowledge, identified 19 precedent awards in relation to the grant of award shares by companies listed on the Main Board of the Stock Exchange under various share award schemes to grantees including their connected persons with disclosure of vesting periods in relevant announcements (the "Precedent Grants") from 1 August 2023 up to the Date of Grant (the "Review Period") and they are exhaustive. We consider the Precedent Grants to be fair and representative as they reflect the general recent trend of the grant of award shares to connected grantees in the open market. Shareholders should note that the businesses, operations and prospects of the Company are not the same as the subject companies of the Precedent Grants and we have not conducted any in-depth investigation into such respect.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Date of the grant announcement	Stock code	Name	Vesting period	Performance related vesting condition	Dilution effect of the granted shares ^{Note 2}	Discount of the subscription/purchase price to the closing price of the date of grant
12 Oct 2023	1783	Golden Ponder Holdings Limited	1 year	Having overall performance and personal performance related vesting condition, including but not limited to, (i) increment in the group's revenue, (ii) improvement of the group's gross margin, (iii) improvement of the group's net profits and (iv) securing of business project(s) with certain aggregate value	6.93%	100%
10 Oct 2023	1373	International Housewares Retail Company Limited	2 years	Not specified	0%	100%
26 Sep 2023	2423	KE Holdings Inc.	Up to 1 year	Not applicable	0.002%	100%
20 Sep 2023	631	SANY Heavy Equipment International Holdings Company Limited	Up to 5.5 years	Having personal performance related vesting condition based on the job nature and job positions of each eligible participant and the projected market and business conditions each year	0.76%	100%
15 Sep 2023	1283	ACCEL Group Holdings Limited	10 years	Not applicable	1.35%	100%
15 Sep 2023	9899	Cloud Music Inc.	3 years	Having personal performance related vesting condition depending on the grantee's meeting of specified threshold in their performance appraisals during the one-year period prior to the vesting date	0%	100%
13 Sep 2023	2038	FIH Mobile Limited	1 year	Not specified	0%	100%
7 Sep 2023	3306	JNBY Design Limited	Approximately 4 years	Not applicable	0%	61.4%
5 Sep 2023	1112	Health and Happiness (H&H) International Holdings Limited	Approximately 1.5 years	Not applicable	0%	100%
31 Aug 2023	6998	Genor Biopharma Holdings Limited	4 years	Having personal performance related vesting condition based on whether the relevant grantee (i) has passed the group's probation review from time to time; and (ii) has fulfilled the performance evaluation conducted by the group's employee performance evaluation system	0.94%	100%

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Date of the grant announcement	Stock code	Name	Vesting period	Performance related vesting condition	Dilution effect of the granted shares ^{Note 2}	Discount of the subscription/purchase price to the closing price of the date of grant
31 Aug 2023	1066	Shandong Weigao Group Medical Polymer Company Limited	5 years	Having overall performance related vesting condition determined based on the company's annual strategic planning and personal performance related vesting condition assessed in areas, including but not limited to, (i) fulfilment of department-specific goals, (ii) ability to cooperate with team members and (iii) supervisors' satisfaction towards the work performance	2.16%	33.5%
31 Aug 2023	1346	Lever Style Corporation	4 years	Not applicable	0.87%	100%
31 Aug 2023	656	Fosun International Limited	3 years	Having overall performance and personal performance related vesting condition classified into three broad categories: (i) individual performance; (ii) the group's performance; and (iii) performance of business segments, business lines and/or functional departments managed by the grantees	0.02%	100%
30 Aug 2023	354	Chinasoft International Limited	Up to 8 years	Having overall performance and personal performance related vesting condition in relation to: (i) financial parameters of the group (such as the revenue, profits, and general financial condition of the group); (ii) non-financial parameters of the group (such as the group's strategic objectives, operational targets and future development plan); and/or (iii) individual performance indicators relevant to the grantee's roles and responsibilities	4.98%	100%
24 Aug 2023	2269	Wuxi Biologics (Cayman) Inc.	5 years	Having overall performance related vesting condition based on the overall business and financial performance of the group as a whole and the market capitalisation of the company	0.39%	100%
23 Aug 2023	6969	Smoore International Holdings Limited	4 years	Having personal performance related vesting condition based on the grantee's performance evaluation results according to the group's performance evaluation mechanism in place	0.41%	100%
23 Aug 2023	2137	Brii Biosciences Limited	4 years	Not applicable	0.30%	100%
21 Aug 2023	5	HSBC Holdings plc	Up to 7 years	Not applicable	0.004%	100%

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Date of the grant announcement	Stock code	Name	Vesting period	Performance related vesting condition	Dilution effect of the granted shares ^{Note 2}	Discount of the subscription/purchase price to the closing price of the date of grant
10 Aug 2023	1929	Chow Tai Fook Jewellery Group Limited	Approximately 3 years	Having overall performance and personal performance related vesting condition in relation to: (i) financial parameters of the group (such as the revenue, profits, and general financial condition of the group); (ii) non-financial parameters of the group (such as the group's strategic objectives, operational targets, and future development plan); and/or (iii) individual performance indicators relevant to the grantee's roles and responsibilities	0.02%	100%
				Minimum	0%	33.5%
				Maximum	6.93%	100%
				Average	1.01%	94.5%
				Median	0.3%	100%

Note 2: The dilution effect of the granted shares represents the percentage of shares to the awardees granted to the total issued shares of the relevant company as at the grant date

(i) Purchase price of Awarded Shares

We noted that majority of the Precedent Grants, i.e. 17 out of 19 Precedent Grants, did not require the relevant grantees to pay purchase/subscription price for their awarded shares. Hence, we believe the Company's granting of Awarded Shares under the Share Award Scheme at nil consideration, as set out in the section headed "C. Principal terms of the Share Award Scheme" above, is in line with the market practice in relation to the purchase/subscription price for awarded shares under similar share award schemes. In view of this, we concur with the Board's view that the purchase price of the Awarded Shares granted to the Connected Grantees is fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole.

(ii) Vesting period and vesting condition of Awarded Shares

Vesting mechanism of a share award scheme is designed to effectively align the interests of the grantees with that of the shareholders of the relevant company. Besides, it can foster the development of the company as the realisable value of the share award is dependent on the future stock price performance of the company's shares, which also benefits the Group and Independent Shareholders as a whole.

While the vesting period of the Precedent Grants ranges from less than one year to ten years as set out in the table above, the Awarded Shares under the Share Award Scheme shall be fully vested in three years from the Date of Grant as set out in the section headed “C. Principal terms of the Share Award Scheme” above. We noted that the vesting period of the Awarded Shares falls within the range of the share award schemes of the Precedent Grants.

Furthermore, as set out in the section headed “C. Principal terms of the Share Award Scheme” above, it is noted that part of the Awarded Shares granted to Senior Executives will be subject to overall performance targets in relation to financial and non-financial key performance indicators including: (i) targeted sales; (ii) profits after tax; and (iii) increment in the number of stores and the Grantees will be able to receive 70%, 85% or 100% of the relevant Awarded Shares, which are subject to level of achievement of the imposed performance targets, according to the vesting schedule. Based on our review of the Precedent Grants set out in the table above, we note that it is not uncommon for Precedent Grants to have overall performance related vesting condition and, in fact, six Precedent Grants bear similar overall performance related vesting condition and such overall performance related vesting condition are generally in relation to: (i) the relevant group’s financial parameters such as revenue, profits and general financial condition; and (ii) the relevant group’s non-financial parameters such as the group’s strategic objectives, operational targets and future development plan. Hence, we concur with the Board’s view that having part of the Awarded Shares subject to additional vesting condition related to overall performance targets is not uncommon and in line with the market practice, fair and reasonable and in the interest of the Company and the Independent Shareholders as a whole.

Having considered that (i) the vesting period of the Awarded Shares falls within the range of the shares award schemes of the Precedent Grants; and (ii) the vesting condition of the Scheme is compatible with the market practice for shares that are offered under similar share award schemes of the Precedent Grants which bear overall performance related vesting condition, we are of the view that the vesting period and vesting condition of the Awarded Shares are fair and reasonable so far as the Independent Shareholders are concerned.

F. Financial impacts of the Proposed Grant and issuance of new Shares under the General Mandate

(i) Assets

There should be no material effect on the assets of the Group by the Proposed Grant and issuance of new Shares under the General Mandate.

(ii) Liabilities

There should be no material effect on the liabilities of the Group by the Proposed Grant and issuance of new Shares under the General Mandate.

(iii) Earnings

The Company estimated that the relevant costs or expenses of the Proposed Grant would amount to approximately HK\$7.2 million, which is calculated based on the closing price of the Shares as at the date of the Announcement (i.e. HK\$1.270 per Share). Such estimated costs of the Proposed Grant would be recognised as staff costs on the consolidated financial statements of the Company and will in turn lead to a decrease in the earnings of the Company in the corresponding periods.

Assuming that all of the Awarded Shares granted are vested over the vesting period without any lapse and the performance targets imposed on the Awarded Shares granted to Senior Executives are fully fulfilled, the estimated expenses to be charged on the Company's consolidated financial statements in the financial years ending 31 March 2024, 2025, 2026 and 2027 are approximately HK\$2.0 million, HK\$3.2 million, HK\$1.5 and HK\$0.5 million, respectively, as compared with the Company's total staff costs of approximately HK\$722.8 million and HK\$828.6 million for the years ended 31 March 2022 and 2023, respectively. Furthermore, we noted that such estimated expenses in relation to the Awarded Shares granted only represent up to approximately 1.57% and approximately 2.26% of the Group's profit for the years ended 31 March 2022 and 2023 (i.e. HK\$203.0 million and HK\$141.0 million), respectively.

Having considered the abovementioned financial impacts on the Group's assets, liabilities and earnings, we are of the view that the Proposed Grant is in the interest of the Company and the Independent Shareholders as a whole.

G. Potential dilution effect of the shareholding interests of the existing shareholders

As at the Latest Practicable Date, the Company has 1,341,195,890 ordinary Shares in issue. Assuming there will be no change in the share capital of the Company, the 5,657,000 Awarded Shares to the Grantees, comprising 5,340,200 new Shares to be allotted and issued pursuant to the General Mandate and 316,800 Lapsed Shares, represents approximately 0.42% of the number of the Company's ordinary Shares. Taking into account of the 5,340,200 new Shares to be allotted and issued pursuant to the General Mandate, the shareholding of the existing shareholders in the Company will only be slightly diluted by approximately 0.40%.

We have considered the dilution effect of the Precedent Grants. The dilution effect of the granted shares of the Precedent Grants ranges from nil to approximately 6.93%, with an average of approximately 1.01%. The dilution effect of the Proposed Grant to the shareholding interests of the existing shareholders in the Company of approximately 0.40% falls within the range of and is lower than the average of the dilution effect of the Precedent Grants. As such, we are of the view that the Proposed Grant has a limited dilution effect and is in line with, if not better than, the market norm.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Given that the dilution effect on the shareholding interests of the Independent Shareholders is far from substantial and having considered the reasons as detailed in the paragraphs above in this Letter, we are of the view that the shareholding dilution to the Independent Shareholders is acceptable so far as the Independent Shareholders are concerned.

IV. RECOMMENDATION

Having considered the above principal factors and reasons, we concur with the Directors' view that, while the Proposed Grant and issuance of new Shares under the General Mandate are not in the ordinary and usual course of business of the Group, the grant of Awarded Shares to the Connected Grantees is fair and reasonable so far as the Independent Shareholders are concerned, is on normal commercial terms and is in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders to, and recommend the Independent Shareholders to, vote in favour of the special resolution in relation to the grant of the Awarded Shares to the Connected Grantees and the transactions contemplated thereunder at the EGM.

Yours faithfully,
For and on behalf of
Innovax Capital Limited

Ip Mun Lam
Executive Director

Mr. Ip Mun Lam is a licensed person registered with the SFC and is a responsible officer of Innovax Capital Limited to carry out type 6 (advising on corporate finance) regulated activity under the SFO. Mr. Ip Mun Lam has over 12 years of experience in securities and investment banking industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executives of the Company in the Shares, underlying Shares and debentures of the Company's associated corporation (within the meaning of Part XV of SFO), which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

(a) Interests in the shares and underlying shares of the Company

Name	Nature of interests	Number of Shares interested (L) ⁽¹⁾	Approximate percentage of shareholding in the Company
Mr. Lau Tat Man	Beneficial owner	2,435,600 <u>639,400⁽²⁾</u>	
Total:		3,075,000	0.23%
Ms. Chan Ping, Rita	Beneficial owner	1,241,400 <u>403,600⁽²⁾</u>	
Total:		1,645,000	0.12%
Mr. Yeung Siu Cheong	Beneficial owner	180,000 254,000 ⁽²⁾	
	Interest of spouse	<u>15,000</u>	
Total:		449,000	0.03%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) These Shares are in the form of share options of the Company granted pursuant to the pre-IPO share option scheme and the post-IPO share option scheme both adopted by the Company on 25 March 2021.

(b) Interests in associated corporation

Name of associated corporation: Toridoll Holdings Corporation

Name	Nature of interests	Number of Shares interested	Approximate percentage of shareholding in associated corporation
Mr. Sugiyama Takashi	Beneficial owner	13,693	0.00%
Mr. Tomitani Takeshi	Beneficial owner	300	0.00%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had interests or short positions in the shares, underlying shares and debentures of the Company's associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), entered in the register kept by the Company pursuant to section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(c) Substantial Shareholders

So far as is known to the Directors, as at the Latest Practicable Date, the persons (other than Directors and chief executives of the Company) or corporations who had an interest or short position in the shares and/or underlying shares of the Company which has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO were as follows:

Name	Nature of interest	Number of Shares interested (L) ⁽¹⁾	Approximate percentage of shareholding in the Company
Toridoll Holdings Limited	Beneficial owner ⁽²⁾	1,000,000,000	74.56%
Toridoll Holdings Corporation	Interest in controlled corporation ⁽²⁾⁽³⁾	1,000,000,000	74.56%
Mr. Awata Takaya	Interest in controlled corporation ⁽²⁾⁽³⁾	1,000,000,000	74.56%
Mrs. Awata Toshimi	Interest of spouse ⁽³⁾	1,000,000,000	74.56%

Notes:

(1) The letter "L" denotes the person's long position in the Shares.

- (2) Toridoll Holding Limited is wholly-owned by Toridoll Holdings Corporation, which was in turn owned as to approximately 31.63% by Mr. Awata Takaya as at the Latest Practicable Date. By virtue of the SFO, each of Toridoll Holdings Corporation and Mr. Awata Takaya is deemed to be interested in the Shares held by Toridoll Holding Limited.
- (3) Mrs. Awata Toshimi is the spouse of Mr. Awata Takaya. By virtue of the SFO, Mrs. Awata Toshimi is deemed to be interested in the Shares in which Mr. Awata Takaya is interested.
- (4) Mr. Sugiyama, a non-executive Director, is currently an executive vice president and chief operating officer of Toridoll Holdings Corporation. He is also a director of certain subsidiaries of Toridoll Holdings Corporation, including Toridoll Holdings Limited.
- (5) Mr. Tomitani Takeshi, a non-executive Director, is currently the deputy division director of the international business division and the general manager of the global strategy department of Toridoll Holdings Corporation.
- (6) Mr. Someya Norifumi, a non-executive Director, currently serves as the head of legal department of Toridoll Holdings Corporation.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any persons (other than Directors and chief executives of the Company) who had an interest or short position in the Shares or underlying Shares which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein. Save as disclosed above, none of the Directors is a director or employee of a company which has an interest in the Shares and underlying Shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. COMPETING BUSINESS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors nor their respective close associates had any direct or indirect interests in any business that constitutes or may constitute a competing business of the Company.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, no Director had entered into any service contract or letter of appointment with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

5. DIRECTORS' INTEREST IN ASSETS/CONTRACTS AND OTHER INTERESTS

As at the Latest Practicable Date:

- (a) none of the Directors had any direct or indirect interest in any assets which have been, since 31 March 2023 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired, disposed of by, or leased to any member of the Group, or are proposed to be acquired, disposed of by, or leased to any member of the Group; and

- (b) none of the Directors was materially interested, directly or indirectly, in any contract or arrangement subsisting as at the Latest Practicable Date which is significant in relation to the business of the Group.

6. QUALIFICATION OF EXPERT AND CONSENT

The qualification of the expert who has given an opinion or advice in this circular is as follow:

Name	Qualification
Innovax Capital Limited	a licensed corporation under the SFO permitted to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities (as defined under the SFO)

As at the Latest Practicable Date, the expert mentioned above (i) has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter or opinion and the references to its names included herein in the form and context in which it is respectively included; (ii) has no direct or indirect shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for shares in any member of the Group; and (iii) has no direct or indirect interests in any assets which have been, since 31 March 2023 (being the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or which are proposed to be acquired or disposed of by or leased to any member of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors have confirmed that there is no material adverse change in the financial or trading position of the Company since 31 March 2023, being the date to which the latest published audited consolidated financial statements of the Group were made up.

8. DOCUMENTS ON DISPLAY

A copy of the Share Award Scheme will be available on display online on the Stock Exchange's website and on the Company's website from the date of this circular up to and including the date of the EGM (being a period of not less than 14 days).



Tam Jai International Co. Limited
譚仔國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2217)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Tam Jai International Co. Limited (the “**Company**”) will be convened and held at 24/F, Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Monday, 4 December 2023 at 11:00 a.m. (the “**EGM**”) for the purposes of considering and, if thought fit, passing the following resolution:

ORDINARY RESOLUTION

1. “**THAT** the grant of 5,657,000 awarded shares pursuant to the share award scheme adopted by the Company on 25 March 2021 and as amended on 9 August 2021 (the “**Proposed Grant**”) and the transactions contemplated thereunder (including the allotment and issuance of 5,340,200 new ordinary shares of the Company pursuant to the general mandate granted to the directors of the Company (the “**Director(s)**”) by the shareholders of the Company at the annual general meeting of the Company convened and held on 9 August 2023) be and is hereby approved, confirmed and ratified, and the Directors be and are hereby authorized to do all such acts, deeds and things and to sign, execute and deliver all such documents as they may, in their absolute discretion, consider necessary, desirable or expedient to give effect, determine, revise, supplement or complete any matters relating to or in connection with the Proposed Grant and the transactions contemplated thereunder.”

By order of the Board
Tam Jai International Co. Limited
Lau Tat Man

Chairman of the Board and Chief Executive Officer

Hong Kong, 15 November 2023

Notes:

1. The above resolution to be proposed at the EGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).
2. Any shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him/her.

NOTICE OF EXTRAORDINARY GENERAL MEETING

3. In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed or a copy thereof, must be deposited at the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the EGM or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the eligibility to attend and vote at the EGM or any adjournment thereof, the register of members of the Company will be closed from Wednesday, 29 November 2023 to Monday, 4 December 2023, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the EGM, all transfer forms duly accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 28 November 2023.
5. In the event that a typhoon signal no. 8 or above is hoisted, "extreme conditions" caused by super typhoons or a black rainstorm warning signal is in force on the day of the EGM (or any adjournment thereof), shareholders are suggested to visit the Company's website at www.tamjai-intl.com.hk for arrangements of the EGM (or any adjournment thereof).
6. The Chinese translation of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

As at the date of this notice, the executive Directors are Mr. Lau Tat Man, Ms. Chan Ping, Rita and Mr. Yeung Siu Cheong, the non-executive Directors are Mr. Sugiyama Takashi, Mr. Tomitani Takeshi and Mr. Someya Norifumi and the independent non-executive Directors are Mr. Lee Kwok Ming, Mr. Loo Kwok Wing and Mr. Yeung Yiu Keung.