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

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

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aeso

AESO HOLDING LIMITED

艾碩控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8341)

**PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES,
ADOPTION OF SHARE OPTION SCHEME AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM of Aeso Holding Limited to be held at Portion 2, 12/F, The Center, 99 Queen's Road Central, Hong Kong on Monday, 30 September 2019, at 4:00 p.m. is set out on pages 28 to 33 of this circular. Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

29 August 2019

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Portion 2, 12/F, The Center, 99 Queen’s Road Central, Hong Kong on Monday, 30 September 2019, at 4:00 p.m., notice of which is set out on pages 28 to 33 of this circular;
“Articles”	the articles of association of the Company, as amended from time to time;
“Board”	the board of Directors;
“Business Day”	means a day on which the Stock Exchange is open for the business of dealing in securities;
“close associate(s)”	has the same meaning as defined in the GEM Listing Rules;
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time;
“Company”	Aeso Holding Limited, a company incorporated in the Cayman Islands as an exempted company with limited liability and the Shares of which are listed on the GEM (stock code: 8341);
“core connected person(s)”	has the same meaning as defined in the GEM Listing Rules;
“Director(s)”	the director(s) of the Company;
“Eligible Participant(s)”	including: <ul style="list-style-type: none">(a) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of any member of the Group or any Invested Entity;(b) any non-executive directors (including independent non-executive directors) of any member of the Group or any Invested Entity;

DEFINITIONS

- (c) any supplier of goods or services to any member of the Group or any Invested Entity;
- (d) any customer of any member of the Group or any Invested Entity;
- (e) any person or entity that provides research, development or other technical support to any member of the Group or any Invested Entity;
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be by any member of the Group or any Invested Entity; and
- (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity.

“GEM”	the GEM of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Invested Entity”	any entity in which any member of the Group holds an equity interest;
“Issue Mandate”	the general and unconditional mandate to allot, issue and deal with Shares (and securities convertible into Shares) representing up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution;
“Latest Practicable Date”	23 August 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;

DEFINITIONS

“Option(s)”	the option(s) to subscribe for Shares on terms determined by the Directors pursuant to the Share Option Scheme or any other share option scheme of the Company;
“PRC”	the People’s Republic of China, excluding Hong Kong for the purposes of this circular;
“Repurchase Mandate”	the general and unconditional mandate to repurchase Shares up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolution;
“Scheme Mandate Limit”	the maximum number of Options that may be granted by the Company pursuant to the Share Option Scheme;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company;
“Share Option Scheme”	the share option scheme proposed to be conditionally adopted by the Company at the AGM, a summary of the principal terms of which is set out in Appendix III to this circular;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the meaning ascribed thereto under the GEM Listing Rules;
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission;
“US\$”	United States dollars, the lawful currency of the United States; and
“%”	per cent.

LETTER FROM THE BOARD



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AESO HOLDING LIMITED

艾碩控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8341)

Executive Directors:

Mr. Chan Siu Chung (*Chairman*)

Mr. Au Siu Kwong

Mr. Zhang Hai Wei

Independent Non-Executive Directors:

Mr. Yeung Chun Yue, David

Ms. Lai Wing Sze

Ms. Yu Wan Ki

Registered office:

4th Floor, Harbour Place

103 South Church Street

P.O. Box 10240

Grand Cayman, KY1-1002

Cayman Islands

*Principal place of business
in Hong Kong:*

18/F., The Pemberton

22-26 Bonham Strand

Sheung Wan

Hong Kong

29 August 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS,
GENERAL MANDATES
TO ISSUE NEW SHARES AND TO REPURCHASE SHARES,
ADOPTION OF SHARE OPTION SCHEME AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you information regarding the resolutions to be proposed at the AGM including ordinary resolutions for, inter alia, (i) the re-election of the retiring Directors; (ii) granting to the Directors the Issue Mandate and the Repurchase Mandate; and (iii) adoption of the Share Option Scheme.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

Pursuant to the Articles, (i) Mr. Au Siu Kwong and Mr. Zhang Hai Wei will retire at the AGM and, being eligible, offer themselves for re-election as executive Directors; and (ii) Mr. Yeung Chun Yue, David, Ms. Lai Wing Sze and Ms. Yu Wan Ki will retire at the AGM and, being eligible, offer themselves for re-election as independent non-executive Directors. Biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix I of this circular.

ISSUE MANDATE AND REPURCHASE MANDATE

At the AGM, separate ordinary resolutions will be proposed to seek the approval of the Shareholders to grant to the Directors general and unconditional mandates to:

- (a) allot, issue and otherwise deal with additional Shares (and securities convertible into Shares) representing up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution and authorising the addition to the mandate to allot, issue and deal with further Shares to include the aggregate nominal amount of such Shares (if any) repurchased by the Company pursuant to the Repurchase Mandate referred to in paragraph (b) below; and
- (b) repurchase Shares up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution.

The Issue Mandate and the Repurchase Mandate will end on the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles to be held; or
- (iii) the revocation or variation of the relevant resolution by an ordinary resolution of the Shareholders in general meeting.

As at the Latest Practicable Date, the issued share capital of the Company comprised 200,000,000 Shares. On the basis that no further Shares will be issued or repurchased following the Latest Practicable Date and prior to the date of the AGM, the Company will be allowed to issue a maximum of 40,000,000 Shares under the Issue Mandate and to repurchase a maximum of 20,000,000 Shares under the Repurchase Mandate, representing not more than 20% and 10% of the issued share capital of the Company respectively as at the date of passing of such resolutions.

LETTER FROM THE BOARD

An explanatory statement in relation to the Repurchase Mandate is set out in Appendix II to this circular containing the particulars required by the GEM Listing Rules to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the Repurchase Mandate.

ADOPTION OF SHARE OPTION SCHEME

An ordinary resolution will be proposed to the Shareholders to adopt the Share Option Scheme at the AGM. The purpose of the Share Option Scheme is to enable the Company to grant Options to selected Eligible Participants as incentives or rewards for their contribution to the Company and/or the subsidiaries and/or to enable the Group to recruit and retain high calibre employees and attract human resources that are valuable to the Group. A summary of the principal terms of the Share Option Scheme is set out in Appendix III to this circular. The Share Option Scheme will take effect on the date of its adoption at the AGM and is conditional upon:

- (a) the passing of the ordinary resolution by the Shareholders to approve and adopt the Share Option Scheme and to authorise the Board to grant Options under the Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Options; and
- (b) the Stock Exchange granting approval of the listing of, and permission to deal in, any Shares which may fall to be allotted and issued pursuant to the exercise of any Options.

The Share Option Scheme does not stipulate either a minimum period for which an Option must be held or any performance targets a grantee is required to achieve before an Option may be exercised. However, under the Share Option Scheme, the Board may at its discretion specify any conditions which must be satisfied before the Option may be exercised in the offer document whereby the Option is offered. The Board believes that this will provide the Board with more flexibility in setting the terms and conditions of the Options under particular circumstances of each grant and facilitate the Board's aim to offer meaningful incentives or rewards to recruit and retain high calibre employees and attract human resources that are valuable to the Group.

LETTER FROM THE BOARD

The Options do not carry any right to vote in general meeting of the Company, or any right, dividend, transfer or any other right, including those arising on the liquidation of the Company. The aggregate number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any new share option scheme of the Company which may be adopted hereinafter must not, in aggregate, exceed 10% of the total number of Shares in issue at the date of adoption of the Share Option Scheme or any new share option scheme (as the case may be). The maximum aggregate number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company, must not, in aggregate, exceed 30% of the total number of Shares in issue from time to time. At the Latest Practicable Date, the issued share capital is 200,000,000 Shares. Assuming that no further Shares are issued and repurchased after the Latest Practicable Date and up to the date of the AGM, the total number of Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme would be 20,000,000 Shares.

The Board considers that it is not appropriate or helpful to Shareholders to state the value of the Options that can be granted under the Share Option Scheme as if they had been granted at the Latest Practicable Date given that the variables which are crucial for the calculation of the value of such Option cannot be determined. The variables which are critical for the determination of the value of such Options include the subscription price payable for the Shares upon the exercise of the Options, whether or not Options will be granted under the Share Option Scheme, and if so, the number of Options to be granted and the timing of granting such Options, the period during which the Options may be exercised, the discretion of the Board to impose any performance targets that have to be achieved before the Options can be exercised and any other terms and conditions that the Board may impose with respect to the Options and whether or not such Options, if granted, will be exercised by the holders of the Options. Accordingly, the Board believes that any calculation of the value of the Options based on a great number of speculative assumptions will not be meaningful and may be misleading to Shareholders in the circumstances. None of the Directors is a trustee of the Share Option Scheme or has a direct or indirect interest in the trustees of the Share Option Scheme, if any. Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be allotted and issued pursuant to the exercise of any Options that may be granted under the Share Option Scheme. The Company will comply with the applicable requirements under Chapter 23 of the GEM Listing Rules in respect of the operation of the Share Option Scheme. A summary of the principal terms of the Share Option Scheme is set out in Appendix III to this circular. A copy of the Share Option Scheme will be available for inspection at 18/F, The Pemberton, 22-26 Bonham Strand, Sheung Wan, Hong Kong during normal business hours from the date hereof up to and including the date of the AGM and will be available for inspection at the AGM.

LETTER FROM THE BOARD

The Board believe that attracting and motivating high quality personnel is a key in the success and growth of the Group. The Board believe that the Share Option Scheme could provide Eligible Participants with the opportunity of participating in the growth of the Company by acquiring shares in the Company and could, in turn, assist in the attraction and retention of Eligible Participants who would make contribution to the success of the Company. The purpose of the Share Option Scheme is to provide incentives to Eligible Participants to contribute further to the Company. In this connection, the Board believes that the inclusion of the persons other than the employees and directors of the Group is appropriate and in the interest of the Company and the Shareholders as a whole given that the success of the Group requires the co-operation and contribution not only from the employees, but also from persons who play a role in the business of Group, such as advisor, consultant, customer, supplier of goods or services.

In relation to the selection criteria when determining the eligibility of the Eligible Participants, the rules of the Share Option Scheme provide that the Board is empowered with the authority to determine the eligibility of any of the Eligible Participants based on our Directors' opinion as to his contribution to the development and growth of our Company. In addition, the Share Option Scheme does not specify a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised. However, the Board may, on a case by case basis and at its discretion, determine such term(s) and impose such other restrictions on the grant of an option. The Board believes that the authority given to the Board under the Share Option Scheme to specify any minimum holding period and/or performance targets as conditions in any option granted and the requirement for a minimum subscription price as well as the selection criteria prescribed by the rules of the Share Option Scheme will serve to protect the value of the Company as well as to achieve the purpose of the Share Option Scheme. The Share Option Scheme also sets out the basis of determining the exercise price of an option.

As at the Latest Practicable Date, the Company currently does not contemplate to grant Options under the Share Option Scheme in the near future and has no immediate plan to grant Options under the Share Option Scheme upon it comes into effect.

AGM

The notice convening the AGM is set out on pages 28 to 33 of this circular. A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and deposit it with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM 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 in person at the AGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, each of the resolutions set out in the notice of the AGM will be put to the vote by way of a poll.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

GENERAL

The English text of this circular shall prevail over the Chinese text.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 contained herein or this circular misleading.

RECOMMENDATION

The Directors consider that the re-election of the retiring Directors, the granting of the Issue Mandate and the Repurchase Mandate, and the adoption of the Share Option Scheme, are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of each of the resolutions set out in the notice of the AGM.

By Order of the Board
Aeso Holding Limited
Chan Siu Chung
Executive Director and Chairman

APPENDIX I BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS

The following are the biographical details on the retiring Directors who have offered themselves for re-election at the AGM.

Mr. Au Siu Kwong

Mr. Au Siu Kwong, aged 56, joined the Group in May 2013 and currently serves as the chief project manager of the Group and is primarily responsible for the overall operation of the Group's construction management business and management of relevant site work. Mr. Au has over 20 years of senior managerial experience in the building and construction industry of which 7 years working as chief project manager in the Group, 5 years working as project manager and 8 years working as a site supervisor of several sizeable companies which mainly carries on construction and engineering business. Mr. Au is member of Hong Kong Professional Building Inspection and has obtained several construction related qualifications including but not limited to, ISO 9000 quality systems internal auditing course for in-service construction personnel, qualified site supervisors as technically competent persons, site safety supervisors, environment protection for construction supervisors.

Mr. Au is appointed for an initial term of three years commencing on the date of the letter of appointment and will continue thereafter unless terminated by either party giving at least three months' notice in writing. His remuneration is fixed at HK\$120,000 per annum, which commensurate with his duties and responsibilities as executive Director.

Save as disclosed above, Mr. Au has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Au does not have any interests in shares of the Company within the meaning of Part XV of the SFO. He does not have any relationships with any directors, senior management or substantial or controlling shareholder of the Company for the purpose of the GEM Listing Rules.

APPENDIX I BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS

Mr. Zhang Hai Wei

Mr. Zhang Hai Wei, aged 36, obtained a Bachelor Degree of Engineering in Automation from Guangdong University of Technology. Mr. Zhang has over 10 years of experience in business development and management and had held senior management positions in several enterprises. Prior to joining the Group, Mr. Zhang was a chief operating officer of a sizable company in the PRC and he was mainly responsible for the company's building management and interior design projects involving application of automation technologies.

Mr. Zhang is appointed for an initial term of three years commencing on the date of the letter of appointment and will continue thereafter unless terminated by either party giving at least three months' notice in writing. His remuneration is fixed at HK\$156,000 per annum, which commensurate with his duties and responsibilities as executive Director.

Save as disclosed above, Mr. Zhang has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Zhang does not have any interests in shares of the Company within the meaning of Part XV of the SFO. He does not have any relationships with any directors, senior management or substantial or controlling shareholder of the Company for the purpose of the GEM Listing Rules.

Mr. Yeung Chun Yue, David

Mr. Yeung Chun Yue, David, aged 37, obtained a bachelor degree of business administration (Honors) in Accountancy from the City University of Hong Kong. Mr. Yeung is a practicing member of the Hong Kong Institute of Certified Public Accountants. He has over 14 years' experience in the accounting, auditing and taxation field and he is currently the director of a sizeable CPA firm. He is currently the committee member of the Panyu Committee of Chinese People's Political Consultative Conference.

Mr. Yeung is appointed for an initial term of three years commencing on the date of the letter of appointment and will continue thereafter unless terminated by either party giving at least three months' notice in writing. His remuneration is fixed at HK\$120,000 per annum, which commensurate with his duties and responsibilities as independent non-executive Director.

APPENDIX I BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS

Mr. Yeung was an independent non-executive director and the chairman of the audit committee of Mega Expo Holdings Limited (stock code: 1360), a company whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited, and resigned from such position with effect from 9 March 2017. Save as disclosed above, Mr. Yeung has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Yeung does not have any interests in shares of the Company within the meaning of Part XV of the SFO. He does not have any relationships with any directors, senior management or substantial or controlling shareholder of the Company for the purpose of the GEM Listing Rules.

Ms. Lai Wing Sze

Ms. Lai Wing Sze, aged 30, obtained a bachelor degree of arts from the University of Derby. Ms. Lai has extensive working experience in Hong Kong and overseas. Prior to joining the Company, Ms. Lai had held various managerial and supervisory positions in certain multinational corporations.

Ms. Lai is appointed for an initial term of three years commencing on the date of the letter of appointment and will continue thereafter unless terminated by either party giving at least three months' notice in writing. Her remuneration is fixed at HK\$120,000 per annum, which commensurate with her duties and responsibilities as independent non-executive Director.

Save as disclosed above, Ms. Lai has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Ms. Lai does not have any interests in shares of the Company within the meaning of Part XV of the SFO. She does not have any relationships with any directors, senior management or substantial or controlling shareholder of the Company for the purpose of the GEM Listing Rules.

APPENDIX I BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS

Ms. Yu Wan Ki

Ms. Yu Wan Ki, aged 31, obtained a Bachelor Degree of Mass Communication in Journalism and Public Relations from Curtin University of Technology, Western Australia. Ms. Yu has more than 10 years of working experience in different industries including IT Consulting and international export. She is currently a managing director of a company engaging in IT consulting.

Ms. Yu is appointed for an initial term of three years commencing on the date of the letter of appointment and will continue thereafter unless terminated by either party giving at least three months' notice in writing. Her remuneration is fixed at HK\$120,000 per annum, which commensurate with her duties and responsibilities as independent non-executive Director.

Save as disclosed above, Ms. Lai has not held any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Ms. Lai does not have any interests in shares of the Company within the meaning of Part XV of the SFO. She does not have any relationships with any directors, senior management or substantial or controlling shareholder of the Company for the purpose of the GEM Listing Rules.

Saved as disclosed herein, in relation to the re-election of the above-mentioned retiring Directors, the Board is not aware of any information that ought to be disclosed pursuant to the requirements under Rule 17.50(2)(h) to (v) of the GEM Listing Rules, nor are there any other matters that ought to be brought to the attention of the Shareholders.

This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide information to you with regard to the Repurchase Mandate.

1. GEM LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES

The GEM Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities (which shall include, where the context permits, shares of all classes and securities which carry a right to subscribe or purchase shares) on the Stock Exchange subject to certain restrictions amongst which the GEM Listing Rules provide that the shares proposed to be repurchased by a company must be fully paid-up and all repurchases of shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders either by way of general mandate to the directors to make such repurchases or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 200,000,000 Shares. Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no Shares are allotted and issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 20,000,000 Shares, representing 10% of the issued share capital of the Company as at the date of passing the proposed resolution on the Repurchase Mandate.

3. REASONS FOR THE REPURCHASE

The Directors believe that the ability to repurchase Shares is in the best interests of the Company and the Shareholders as a whole. Repurchases may, depending on the market conditions and funding arrangements of the Company at the time, result in an increase in net asset value and/or earnings per Share. The Directors are seeking a general mandate to repurchase Shares so as to give the Company flexibility to do so if and when appropriate. The number(s) of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.

Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might think it appropriate to repurchase Shares, a repurchase would be effected where the resulting reduction in the issued capital of the Company was considered beneficial. The Directors believe that an ability to repurchase Shares gives the Company additional flexibility that would be beneficial. Shareholders can be assured that the Directors would only make such repurchases in circumstances where they consider them to be in the interest of the Company because they consider the Shares can be purchased on favourable terms.

4. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles, the Companies Law and other applicable laws of the Cayman Islands. A listed company may not repurchase its own securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Companies Law, repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital.

Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles and subject to the provisions of the Companies Law, out of capital.

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 March 2019, being the date of its latest published audited financial statements. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

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

Month	Highest HK\$	Lowest HK\$
2018		
August	N/A*	N/A*
September	N/A*	N/A*
October	N/A*	N/A*
November	N/A*	N/A*
December	N/A*	N/A*
2019		
January	N/A*	N/A*
February	N/A*	N/A*
March	N/A*	N/A*
April	N/A*	N/A*
May	N/A*	N/A*
June	N/A*	N/A*
July	2.20	1.88
August (up to the Latest Practicable Date)	2.14	1.02

Source: The Stock Exchange of Hong Kong Limited

* *Trading in the Shares had been suspended since 12 June 2017 and had been resumed on 31 July 2019.*

6. DIRECTORS' INTERESTS

To the best of the knowledge of the Directors having made all reasonable enquiries, there are no Directors or close associates of the Directors who have a present intention, in the event that the Repurchase Mandate is granted by the Shareholders, to sell any of the Shares to the Company.

7. TAKEOVERS CODE AND THE PUBLIC FLOAT REQUIREMENT

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

APPENDIX II EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

As at the Latest Practicable Date, according to the register of members kept by the Company pursuant to section 336 of the SFO and so far as was known to, or could be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 10% or more of the number of the issued shares that carry a right to vote in all circumstances at general meetings of the Company:

Name	Number of issued Shares held/interested	Approximate percentage of shareholding	Approximate percentage of shareholding if the Repurchase Mandate is exercise in full
W & Q Investment Limited (<i>Note</i>)	58,500,000	29.25%	32.50%
Mr. Liu Chang Kien (<i>Note</i>)	58,500,000	29.25%	32.50%

Note: Mr. Liu Chang Kien is deemed to have interest in the Shares held by W & Q Investment Limited as W & Q Investment Limited is wholly-owned by Mr. Liu Chang Kien.

On the basis that the issued share capital of the Company remains unchanged up to date of the AGM, in the event that the Repurchase Mandate is exercised in full, the attributable shareholding of W & Q Investment Limited would be increased to approximately 32.50% of the issued share capital of the Company. Such increase would not give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of any of the above Shareholder(s) or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

The Directors are not aware of any consequences which could arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate in full.

8. CORE CONNECTED PERSONS

No core connected persons of the Company have notified the Company that they have a present intention to sell any of the Shares to the Company and no such persons have undertaken not to sell any of the Shares held by them to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

9. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases of the Shares pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the applicable laws of Cayman Islands and the regulations set out in the memorandum of association and Articles of the Company.

10. SECURITIES REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company had not repurchased any of the Company's listed securities (whether on the Stock Exchange or otherwise).

The following is a summary of the principal terms of the Share Option Scheme but does not form part of, nor was it intended to be, part of the Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the Share Option Scheme:

The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

(I) PURPOSES OF THE SCHEME

The purpose of the Share Option Scheme is to enable the Group to grant Options to selected participants as incentives or rewards for their contribution to the Group. The Directors consider the Share Option Scheme, with its broadened basis of participation, will enable the Group to reward the employees, the Directors and other selected participants for their contributions to the Group. Given that the Directors are entitled to determine the minimum period that an Option must be held before an Option can be exercised on a case by case basis, and that the exercise price of an Option cannot in any event fall below the price stipulated in the GEM Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an Option will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the Options granted.

(II) WHO MAY JOIN

The Directors may, at its absolute discretion, invite any person belonging to any of the following classes of participants, to take up Options to subscribe for Shares:

- (aa) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) (the “**Eligible Employee**”) of any member of the Group or any entity (“**Invested Entity**”) in which any member of the Group holds an equity interest;
- (bb) any non-executive directors (including independent non-executive directors) of any member of the Group or any Invested Entity;
- (cc) any supplier of goods or services to any member of the Group or any Invested Entity;
- (dd) any customer of any member of the Group or any Invested Entity;
- (ee) any person or entity that provides research, development or other technical support to any member of the Group or any Invested Entity;

- (ff) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be by any member of the Group or any Invested Entity; and
- (gg) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity.

For avoidance of doubt, the grant of any Options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of participants shall not, by itself, unless the Directors otherwise determine, be construed as a grant of Option under the Share Option Scheme.

The eligibility of any of the above class of participants to an offer for the grant of any Options shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his contribution to the development and growth of the Group, provided that no grant shall be made except to such number of participants and in such circumstances that the Company will not be required under the applicable securities laws and regulations to issue a prospectus or other offer document in respect thereof, and will not result in any breach by the Company or its directors of any applicable securities laws and regulations or in any filing or other requirements arising.

(III) MAXIMUM NUMBER OF THE SHARES

- (aa) The total number of the Shares which may be allotted and issued upon the exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of the Share Option Scheme and any other share Option scheme of the Group) to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the Shares in issue on the date of adoption of the Share Option Scheme.
- (bb) Subject to (aa) above but without prejudice to (cc) below, the Company may seek approval of its Shareholders in general meeting to refresh the Scheme Mandate Limit provided that the total number of Shares which may be allotted and issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option scheme of the Group must not exceed 10% of the Shares in issue at the date of approval of the limit and, for the purpose of calculating the limit, Options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme of the Group) previously granted under the Share Option Scheme and any other share option scheme of the Group will not be counted. The circular sent by the Board of the Company to the Shareholders shall contain, among other information, the information required under Rule 23.02(2)(d) of the GEM Listing Rules and the disclaimer required under Rule 23.02(4) of the GEM Listing Rules.

- (cc) Subject to (aa) above and without prejudice to (bb) above, the Company may seek separate Shareholders' approval in general meeting to grant Options beyond the Scheme Mandate Limit or, if applicable, the extended limit referred to in (bb) above to participants specifically identified by the Board of the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of the specified participants, the number and terms of Options to be granted, the purpose of granting Options to the specified participants with an explanation as to how the terms of the Options serve such purpose and such other information required under Rule 23.02(2)(d) of the GEM Listing Rules and the disclaimer required under Rule 23.02(4) of the GEM Listing Rules.
- (dd) Any increase in the Scheme Mandate Limit pursuant to (bb) or (cc) above shall in no event result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company or any of the subsidiaries exceed 30% of the Shares in issue from time to time.

(IV) MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

Subject to (iii) above, the total number of Shares issued and which may fall to be issued upon the exercise of the Options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding Options) to each grantee in any 12-month period up to the date on which such Option is offered to each grantee shall not exceed 1% of the Company's issued share capital for the time being ("**Individual Limit**"). Any further grant of Options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the Shareholders in general meeting with such grantee and his associates abstaining from voting.

**(V) GRANT OF OPTIONS TO THE DIRECTORS, CHIEF EXECUTIVE OR
SUBSTANTIAL SHAREHOLDERS OF THE COMPANY OR ITS RESPECTIVE
ASSOCIATES**

- (aa) Any grant of Options under the Share Option Scheme to a Director, chief executive or substantial shareholder of the Company or any of its respective associates must be approved by independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed grantee of the Options).
- (bb) Where any grant of Options to a substantial shareholder or an independent non-executive Director or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the Shares at the date of each offer for the grant, in excess of HK\$5 million;

such further grant of Options must be approved by Shareholders in general meeting. The Company must send a circular to the Shareholders. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting (except that the grantee, his associates and any core connected person may vote against the proposed grant provided that his intention to do so has been stated in the relevant circular to the Shareholders). Any vote taken at the meeting to approve the grant of such Options must be taken on a poll. Any change in the terms of Options granted to a substantial shareholder or an independent non-executive Director or any of its respective associates must be approved by the Shareholders in general meeting.

(VI) TIME OF ACCEPTANCE AND EXERCISE OF OPTION

An Option may be accepted by a participant within 28 days from the date of the offer of grant of the Option.

An Option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence from the date on which the offer for the grant of Options is made, but shall end in any event not later than 10 years from the date of grant of the Option subject to the provisions for early termination thereof. Unless otherwise determined by the Directors and stated in the offer for the grant of Options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an Option before it can be exercised.

(VII) PERFORMANCE TARGETS

A grantee is not required to achieve any performance targets before any Options granted under the Share Option Scheme can be exercised.

(VIII) SUBSCRIPTION PRICE FOR THE SHARES AND CONSIDERATION FOR THE OPTION

The subscription price for the Shares under the Share Option Scheme shall be a price determined by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer for the grant, which must be a Business Day; (ii) the average closing price of Shares as stated in the Stock Exchange's daily quotations sheet for the five Business Days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a Share.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an Option.

(IX) RANKING OF THE SHARES

(aa) The Shares allotted and issued upon the exercise of an Option will be subject to all the provisions of the Articles of Association for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment of the Shares (the "**Allotment Date**"), including in respect of those rights arising on a liquidation of the Company, and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Allotment Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Allotment Date. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the grantee has been entered on the register of members of the Company as the holder thereof.

(bb) Unless the context otherwise requires, references to "**Shares**" in this paragraph include references to shares in the ordinary equity share capital of such nominal amount as shall result from a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company from time to time.

(X) RESTRICTIONS ON THE TIME OF THE OFFER FOR THE GRANT OF OPTIONS

No offer for grant of Options shall be made after inside information has come to its knowledge or inside information has been the subject of a decision until such inside information has been announced pursuant to the requirements of the GEM Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (aa) the date of the Board meeting for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the GEM Listing Rules), and (bb) the deadline for the Company to publish an announcement of its results for any year or half-year under the GEM Listing Rules, or quarterly or any other interim period (whether or not required under the GEM Listing Rules) and ending on the date of the results announcement, no offer for the grant of Options may be made.

The Directors should not make any offer for the grant of Option to a participant who is a Director during the periods or times in which Directors are prohibited from dealing in shares pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules.

(XI) PERIOD OF THE SHARE OPTION SCHEME

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme becomes effective.

(XII) RIGHTS ON CEASING EMPLOYMENT

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than death, ill-health or retirement in accordance with his contract of employment or the termination of his employment on one or more of the grounds referred to in sub-paragraph (xiv) below before exercising his Option in full, the Option (to the extent not already exercised) will lapse on the date of cessation or termination and shall not be exercisable unless the Directors otherwise determine in which event the grantee may exercise the Option (to the extent not already exercised) in whole or in part within such period as the Directors may determine following the date of such cessation or termination, which will be taken to be the last day on which the grantee was at work with the Group or the Invested Entity whether salary is paid in lieu of notice or not.

(XIII) RIGHTS ON DEATH, ILL-HEALTH OR RETIREMENT

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the Option in full, his personal representative(s), or, as appropriate, the grantee may exercise the Option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation which date shall be the last day on which the grantee was at work with the Group or the Invested Entity whether salary is paid in lieu of notice or not or such longer period as the Directors may determine.

(XIV) RIGHTS ON DISMISSAL

If the grantee of an Option is an Eligible Employee and ceases to be an Eligible Employee by reason of a termination of his employment on the grounds that he has been guilty of persistent or serious misconduct, or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the grantee or the Group or the Invested Entity into disrepute), his Option (to the extent not already exercised) will lapse automatically on the date of cessation to be an Eligible Employee.

(XV) RIGHTS ON BREACH OF CONTRACT

If the Directors shall at their absolute discretion determine that the grantee of any Option (other than an Eligible Employee) or his associate has committed any breach of any contract entered into between the grantee or his associate on the one part and the Group or any Invested Entity on the other part, his Option will lapse automatically on the date on which the Directors have so determined.

(XVI) RIGHTS ON A GENERAL OR PARTIAL OFFER, TAKEOVER, SHARE REPURCHASE OR SCHEME OF ARRANGEMENT

If a general or partial offer, whether by way of takeover offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the Shareholders, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, with appropriate changes, and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, a grantee shall be entitled to exercise his Option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to the Company in exercise of his Option at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under such scheme of arrangement, as the case may be.

(XVII) RIGHTS ON WINDING UP, COMPROMISE OR ARRANGEMENT

In the event of a resolution being proposed for the voluntary winding-up of the Company or a compromise or arrangement between the Company and its members or creditors being proposed for the reconstruction or amalgamation, during the option period, the grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than four Business Days before the date on which such resolution is to be considered and/or passed, exercise his Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the Share Option Scheme and the Company shall allot and issue to the grantee the Shares in respect of which such grantee has exercised his Option not less than one Business Day before the date on which such resolutions are to be considered and/or passed whereupon he shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner.

(XVIII) ADJUSTMENTS TO THE SUBSCRIPTION PRICE

In the event of a capitalization of profits or reserves, rights issue, subdivision or consolidation of Shares or reduction of capital of the Company whilst an Option remains exercisable or the Share Option Scheme remains in effect, such corresponding alterations (if any) certified by the auditors for the time being or an independent financial adviser to the Company as fair and reasonable will be made to the number or nominal amount of Shares to which the Share Option Scheme relates and/ or the subscription price of the Option concerned and/or the number of Shares comprised in an Option granted under the Share Option Scheme provided that (i) any adjustments shall give a grantee the same proportion of the issued share capital to which he was entitled prior to such adjustment; and (ii) no adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. In addition, in respect of any such adjustments, other than any adjustment made on a capitalization issue, such auditors or independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the GEM Listing Rules and the supplementary guidance set out in the letter issued by the Stock Exchange dated 5 September 2005.

(XIX) CANCELLATION OF OPTIONS

Any cancellation of Options granted but not exercised must be subject to the prior written consent of the relevant grantee and the approval of the Directors. Where any Option granted to a grantee is cancelled before it has been exercised and new Option is granted to the same grantee, the issue of such new Options may only be made with available unissued Options (excluding any cancelled Option) within the Scheme Mandate Limit or the limits approved by the Shareholders.

(XX) TERMINATION OF THE SHARE OPTION SCHEME

The Company may by resolution in general meeting at any time terminate the Share Option Scheme and in such event no further Options shall be offered but in all other respects the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(XXI) RIGHTS ARE PERSONAL TO THE GRANTEE

An Option is personal to the grantee and shall not be transferable or assignable.

(XXII) LAPSE OF OPTION

An Option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (aa) the expiry of the period referred to in paragraph (vi) above; and
- (bb) the expiry of the periods or dates referred to in paragraph (xii), (xiii), (xiv), (xv), (xvi) and (xvii) above.

(XXIII) MISCELLANEOUS

- (aa) The terms and conditions of the Share Option Scheme relating to the matters set out in Rule 23.03 of the GEM Listing Rules shall not be altered to the advantage of grantees of the Options except with the approval of the Shareholders in general meeting.
- (bb) Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.
- (cc) The amended terms of the Share Option Scheme or the Options shall comply with the relevant requirements of Chapter 23 of the GEM Listing Rules.
- (dd) Any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by the Shareholders in general meeting.

NOTICE OF ANNUAL GENERAL MEETING



aeso

AESO HOLDING LIMITED

艾碩控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8341)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Aeso Holding Limited (the “**Company**”) will be held on Monday, 30 September 2019 at 4:00 p.m. at Portion 2, 12/F, the Center, 99 Queen’s Road Central, Hong Kong for the following purposes:

1. (A) To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31 March 2017 and the Reports of the Directors and the Auditors thereon;
- (B) To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31 March 2018 and the Reports of the Directors and the Auditors thereon; and
- (C) To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31 March 2019 and the Reports of the Directors and the Auditors thereon.
2. To re-appoint HLB Hodgson Impey Cheng Limited as auditor of the Company and to authorise the board of directors (the “**Board**” or “**Directors**”) of the Company to fix their remuneration.
3. To re-elect Mr. Au Siu Kwong as an executive Director.
4. To re-elect Mr. Zhang Hai Wei as an executive Director.
5. To re-elect Mr. Yeung Chun Yue, David as an independent non-executive Director.
6. To re-elect Ms. Lai Wing Sze as an independent non-executive Director.
7. To re-elect Ms. Yu Wan Ki as an independent non-executive Director.
8. To authorise the Board to fix the Directors’ remuneration.

NOTICE OF ANNUAL GENERAL MEETING

As special business, to consider and, if thought fit, pass with or without modifications, the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

9(A). **“THAT:**

- (i) subject to paragraph (iii), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional ordinary shares of US\$0.01 each in the capital of the Company (“**Shares**”) and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of Shares allotted or agreed conditionally or unconditionally to be allotted, whether pursuant to an option or otherwise, by the Directors pursuant to the approval in paragraph (i), otherwise than pursuant to:
 - (a) a Rights Issue (as hereinafter defined); or
 - (b) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares; or
 - (c) an issue of Shares upon the exercise of subscription rights under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees and/or business associates of the Company or any subsidiaries and/or any other persons of Shares or rights to acquire Shares.

shall not exceed 20% of the aggregate nominal amount of the existing share capital of the Company in issue as at the date hereof and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by law or the Company’s Articles to be held; or
- (c) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to holders of ordinary shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares, subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in any relevant jurisdiction.”

9(B). “**THAT:**

- (i) the exercise by the Directors during the Relevant Period of all powers of the Company to repurchase its Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws and requirements of the Stock Exchange as amended from time to time be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of securities of the Company repurchased by the Company pursuant to paragraph (i) during the Relevant Period, shall be no more than 10% of the aggregate nominal amount of existing issued share capital of the Company as at the date of passing of this resolution and the authority pursuant to paragraph (i) shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(iii) for the purpose of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earlier of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by law or the Company’s Articles to be held; or
- (c) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

9(C). “**THAT** conditional upon the resolutions set out in paragraphs 9(A) and 9(B) contained in the notice convening the meeting of which this resolution forms part (the “**Notice**”) being passed, the aggregate nominal amount of Shares repurchased by the Company after the date of passing this resolution (up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution) shall be added to the aggregate nominal amount of the share capital that may be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the resolution set out in paragraph 9(A) contained in the Notice.”

10. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval for the listing of, and the permission to deal in, the ordinary shares of the Company (the “**Shares**”) to be issued pursuant to the exercise of the share options which may be granted under the share option scheme (the “**Share Option Scheme**”), a copy of which is tabled at the meeting and marked “A” and initialled by the chairman of the meeting for identification purpose, the Share Option Scheme be and is hereby approved and adopted; and the Directors be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Share Option Scheme, including without limitation to:

- (a) to administer the Share Option Scheme under which share options will be granted to the Eligible Participant (as defined in the Share Option Scheme) eligible under the Share Option Scheme to subscribe for Shares, including but not limited to determining and granting the share options in accordance with the terms of the Share Option Scheme;

NOTICE OF ANNUAL GENERAL MEETING

- (b) to modify and/or amend the Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the terms of the Share Option Scheme relating to the modification and/or amendment and subject to Chapter 23 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”);
- (c) to allot and issue from time to time such number of Shares in the share capital of the Company as may be required to be allotted and issued pursuant to the exercise of the share options under the Share Option Scheme and subject to the GEM Listing Rules;
- (d) to make application at appropriate time or times to the Stock Exchange, and any other stock exchanges on which the issued Shares may for the time being be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the share options under the Share Option Scheme; and
- (e) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Share Option Scheme.”

By Order of the Board
Aeso Holding Limited
Chan Siu Chung
Executive Director and Chairman

Hong Kong, 29 August 2019

NOTICE OF ANNUAL GENERAL MEETING

Head Office and Principal Place of

Business in Hong Kong:

18/F, The Pemberton,
22-26 Bonham Strand,
Sheung Wan
Hong Kong

Notes:

1. At the date of this notice, the Board comprises three Executive Directors, namely Mr. Chan Siu Chung (Executive Director and Chairman), Mr. Au Siu Kwong and Mr. Zhang Hai Wei and three Independent Non-executive Directors, namely Mr. Yeung Chun Yue, David, Ms. Lai Wing Sze and Ms. Yu Wan Ki.
2. 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 notarially certified copy of that power or authority, must be deposited with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding of the Annual General Meeting or any adjournment meeting (as the case may be). A form of proxy for use at the Annual General Meeting is enclosed herewith.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. A member entitled to attend and vote at the Annual General Meeting (or at any adjournment thereof) is entitled to appoint one or more proxies to attend the meeting and vote in his stead. A proxy need not be a member of the Company.
5. Where there are joint registered holders of any share, any one of such persons may vote at the Annual General Meeting (or at any adjournment thereof), either personally or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
6. At the Annual General Meeting (or at any adjournment thereof), the chairman will put each of the above resolutions to the vote by way of a poll as required under the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited. The poll results will be published on the website of the Company at www.aeso.hk and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk on 30 September 2019.
7. A circular containing the information regarding, *inter alia*, the Directors proposed to be re-elected, the general mandates to issue shares and repurchase shares of the Company and the adoption of the Share Option Scheme, has been despatched to the shareholders of the Company.
8. The Chinese translation of this notice is for reference only. In case of any inconsistency, the English version shall prevail.