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

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

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INNOVAX HOLDINGS LIMITED

創陞控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2680)

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

A notice convening the AGM of Innovax Holdings Limited to be held at Unit A to C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong on Thursday, 1 August 2019 at 2:00 p.m. is set out on pages 7 to 10 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (on or after Thursday, 11 July 2019: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong), as soon as possible and in any event not less than 48 hours (excluding any part of a day that is a public holiday) before the time appointed for the holding of the AGM (i.e. not later than 2:00 p.m. on Tuesday, 30 July 2019) or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish.

28 June 2019

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DEFINITIONS

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

“AGM” or “Annual General Meeting”	annual general meeting of the Company to be held at Unit A to C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong on Thursday, 1 August 2019 at 2:00 p.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“BSI”	Billion Shine International Investment Limited, a company incorporated in British Virgin Islands with limited liability on 28 April 2017
“Buy-back Mandate”	the general and unconditional mandate proposed to be granted to the Directors to buy back Shares not exceeding 10% of the total number of Shares in issue as at the date of passing of the relevant resolution at the AGM
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Innovax Holdings Limited (創陞控股有限公司), a company incorporated in Cayman Islands with limited liability on 14 June 2016, the issued Shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“core connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the general and unconditional mandate proposed to be granted to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution at the AGM
“Group”	the Company and its subsidiaries
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	21 June 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

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

LETTER FROM THE BOARD



INNOVAX HOLDINGS LIMITED

創陞控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2680)

Executive Directors:

Mr. Chung Chi Man (*Chairman*)

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

Independent non-executive Directors:

Mr. Lo Wai Kwan

Dr. Wu Kwun Hing

Mr. Choi Wai Ping

Ms. Chan Ka Lai, Vanessa

Mr. Cheung Kwok Kwan *JP*

Registered office:

Cricket Square

Hutchison Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Headquarters and Principal place of
Business in Hong Kong*

Unit A to C, 20/F

Neich Tower

128 Gloucester Road

Wanchai

Hong Kong

28 June 2019

Dear Shareholders,

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

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

PROPOSED RE-ELECTION OF DIRECTORS

The Board currently consists of seven Directors, comprising Mr. Chung Chi Man, Mr. Poon Siu Kuen, Calvin, Mr. Lo Wai Kwan, Dr. Wu Kwun Hing, Mr. Choi Wai Ping, Ms. Chan Ka Lai, Vanessa and Mr. Cheung Kwok Kwan *JP*.

LETTER FROM THE BOARD

In accordance with Article 84(1) of the Articles of Association, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation at the AGM and shall be eligible for re-election.

In accordance with Article 83(3) of the Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the member after his/her appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the company and shall then be eligible for re-election.

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

- (a) evaluating the performance and contribution of the retiring Directors during the last financial year of the Company and the period thereafter up to the date of evaluation; and
- (b) assessing the independence of the independent non-executive Directors, being Mr. Lo Wai Kwan, Dr. Wu Kwun Hing, Mr. Choi Wai Ping, Ms. Chan Ka Lai, Vanessa and Mr. Cheung Kwok Kwan *JP*, and considered whether they remained independent and suitable to continue to act in such role.

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

- (a) the performance of the retiring Directors was satisfactory and contributed effectively to the operation of the Board; and
- (b) based on the information available to the Nomination Committee and the annual written independence confirmation received from the independent non-executive Directors, the Nomination Committee was satisfied that Mr. Lo Wai Kwan, Dr. Wu Kwun Hing, Mr. Choi Wai Ping, Ms. Chan Ka Lai, Vanessa and Mr. Cheung Kwok Kwan *JP*.
 - i. fulfills the requirements of an independent non-executive Director as stipulated under Rule 3.13 of the Listing Rules; and
 - ii. is the person of integrity and independent in character and judgement.

The re-election of Directors has been reviewed by the Nomination Committee which made recommendation to the Board that the re-election be proposed for Shareholders' approval at the AGM. The Nomination Committee has also reviewed and assessed the independence of each individual independent non-executive Director based on their respective annual confirmation of independence (against the independence guidelines as set out in Rule 3.13 of the Listing Rules) provided by the independent non-executive Directors. All the independent non-executive Directors

LETTER FROM THE BOARD

satisfy the independence guidelines set out in Rule 3.13 of the Listing Rules. The Nomination Committee has recommended all the seven retiring Directors to the Board for re-election at the AGM.

The remuneration of the Directors is determined with reference to their duties, responsibilities, experience and to the prevailing market conditions. Pursuant to the Article of Association, the fees payable to the Directors for their services will from time to time be determined by an ordinary resolution; any Director who holds any executive office or who serves on any committee, or who otherwise performs services which in the opinion of the Board are outside the scope of the ordinary duties of a Director, may be paid such additional remuneration by way of salary, commission or otherwise as the Board may determine. The amount of remuneration paid or payable for the year ended 28 February 2019 to each of the Directors are set out in the Company's 2018/2019 annual report.

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

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

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

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

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

AGM

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

The register of members of the Company will be closed from Monday, 29 July 2019 to Thursday, 1 August 2019 (both dates inclusive), for the purpose of determining the entitlements of the Shareholders to attend and vote at the AGM, during which period no transfer of Shares will be

LETTER FROM THE BOARD

registered. In order to qualify to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (on or after Thursday, 11 July 2019: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong) no later than 4:30 p.m. on Friday, 26 July 2019.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.innovax.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (on or after Thursday, 11 July 2019: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong), in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM (i.e. not later than 2:00 p.m. on Tuesday, 30 July 2019) or at any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting at the AGM in person should you so wish.

VOTING

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

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

GENERAL INFORMATION

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

By order of the Board
Innovax Holdings Limited
Chung Chi Man
Chairman and Executive Director

NOTICE OF ANNUAL GENERAL MEETING



INNOVAX HOLDINGS LIMITED

創陞控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2680)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Innovax Holdings Limited (the “**Company**”) will be held at Unit A to C, 20/F, Neich Tower, 128 Gloucester Road, Wanchai, Hong Kong on Thursday, 1 August 2019 at 2:00 p.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the Board and auditor for the year ended 28 February 2019.
- 2(i)(a). To re-elect Mr. Chung Chi Man as an executive Director.
- 2(i)(b). To re-elect Mr. Poon Siu Kuen, Calvin as an executive Director.
- 2(i)(c). To re-elect Mr. Lo Wai Kwan as an independent non-executive Director.
- 2(i)(d). To re-elect Dr. Wu Kwun Hing as an independent non-executive Director.
- 2(i)(e). To re-elect Mr. Choi Wai Ping as an independent non-executive Director.
- 2(i)(f). To re-elect Ms. Chan Ka Lai, Vanessa as an independent non-executive Director.
- 2(i)(g). To re-elect Mr. Cheung Kwok Kwan JP as an independent non-executive Director.
- 2(ii). To authorize the Board of Directors to fix the remuneration of the Directors.
3. To re-appoint Deloitte Touche Tohmatsu as auditor of the Company and to authorise the Board of Directors to fix its remuneration.

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

4. “**THAT:**
 - (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional Shares or securities convertible into Shares or options, warrants or similar rights to subscribe for the Shares or such convertible securities and to make or grant offers, agreements or options which

NOTICE OF ANNUAL GENERAL MEETING

would or might require the exercise of such powers whether during or after the end of the Relevant Period (as defined below) be and is hereby generally and unconditionally approved;

- (b) the aggregate number of Shares allotted or agreed to be allotted by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution, other than pursuant to a (i) rights issue, (ii) any scrip dividend scheme or similar arrangement providing for the allotment of the Shares in lieu of the whole or part of a dividend on the Shares or (iii) a specific authority granted by the Shareholders in general meeting, shall not exceed the aggregate of:

- (A) 20% of the total number of Shares in issue as at the date of passing of this Resolution; and

- (B) (if the Directors of the Company are so authorised by a separate ordinary resolution of the Shareholders) the aggregate number of Shares bought back by the Company (if any) under the general mandate to buy back Shares referred to in Resolution numbered 5 below,

and the said approval shall be limited accordingly; and

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

5. **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to buy back the Shares on The Stock Exchange of Hong Kong Limited, or on any other stock exchange on which the Shares may be listed (and which is recognised by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited for this purpose), be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the maximum number of Shares to be bought back by the Company pursuant to the approval in paragraph (a) shall not exceed in aggregate 10% of the total number of the Shares in issue as at the date of passing of this Resolution and at such price or prices as may be determined by the Directors of the Company, provided the purchase price shall not be 5% or more than the average closing market price for the five preceding trading days on which the Shares were traded on the Stock Exchange, and otherwise in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, and the said approval shall be limited accordingly; and
 - (c) for the purpose of this resolution numbered 5, “Relevant Period” means the period from the passing of the resolution until the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the end of the period within which the Company is required by the Articles of Association or any applicable laws to hold its next annual general meeting; and
 - (iii) the date on which the mandate is varied or revoked by an ordinary resolution of the shareholders of the Company in a general meeting; and
 - (d) for the purpose of this resolution numbered 5, “Shares” mean ordinary shares of the Company and “Shareholders” mean holders of the Shares.”
6. “**THAT** conditional on the passing of Resolutions 4 and 5, the general mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue, grant or otherwise deal with additional Shares in the Company pursuant to Resolution 4 be and is hereby extended by the addition thereto of the total number of Shares bought back by the Company under the general mandate granted pursuant to Resolution 5, provided that such number of Shares shall not exceed 10% of the total number of Shares in issue as at the date of passing of Resolutions 4 and 5.”

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

Hong Kong, 28 June 2019

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. In order to determine the eligibility to attend and vote at the above meeting, the register of members of the Company will be closed from Monday, 29 July 2019 to Thursday, 1 August 2019 (both dates inclusive). To qualify to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (on or after Thursday, 11 July 2019: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong), no later than 4:30 p.m. on Friday, 26 July 2019.
2. Any member of the Company entitled to attend and vote at the above meeting (or any adjournment thereof) is entitled to appoint one or more persons as his proxy to attend and vote instead of him. A proxy need not be a member of the Company.
3. In the case of joint registered holders of any shares in the Company, any one of such persons may vote at the above meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders are present at the above meeting personally or by proxy, that one so present whose name stands first in the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
4. In order to be valid, the completed form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong (on or after Thursday, 11 July 2019: Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong) not less than 48 hours (i.e. Tuesday, 30 July 2019 at 2:00 p.m.) before the time appointed for holding the above meeting or adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM and any adjournment thereof if you so wish, and if such event, the form of proxy will be deemed to be revoked.
5. Shareholders are suggested to telephone the Company's hotline on (852) 2311 0322 for arrangements of the meeting in the event that a gale warning (tropical cyclone no. 8 or above) or black rainstorm warning is hoisted on the day of the meeting.

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

EXECUTIVE DIRECTORS

Mr. CHUNG Chi Man (鍾志文), aged 46, is the founder of the Group, the chairman and an executive Director of the Company. Mr. Chung was appointed as a Director on 14 June 2016 and was re-designated as an executive Director on 4 May 2018. He was appointed as chairman of the Company on 4 May 2018. He is also a director of Innovax Capital, Innovax Securities and Innovax Asset Management. He has acted as a responsible officer of Innovax Capital for Type 1 (dealing in securities) regulated activity since 25 February 2015. Mr. Chung is primarily responsible for overall strategic planning and overseeing the general management of the Group and overall supervision and management of the Group's placing and underwriting business.

Mr. Chung possesses over 20 years of experience in financial services, accounting and management as well as investment consultancy. Mr. Chung started his career as an assistant manager in the corporate banking department of Sanwa Bank Limited (now known as the Bank of Tokyo-Mitsubishi UFJ) during July 1995 to December 1999. From December 1999 to April 2003, he worked at Hang Seng Bank with his last position being a senior relationship officer. Mr. Chung served various senior managerial and financial advisory positions in (i) Power Guard Industrial Company Limited, a metal photo frame manufacturer, from June 2003 to December 2009 with his last position as chief executive officer; and (ii) Convoy Financial Services Limited ("Convoy") from January 2010 to February 2015 as chief wealth management advisor. As Innovax Capital was in the initial set-up stage with no substantial work commitment from its incorporation in June 2014 to February 2015, Mr. Chung was able to allocate sufficient time between his roles in Convoy and the Group during such period. In anticipation of the grant of conditional approval from the SFC to grant Innovax Capital the licenses to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities in February 2015, Mr. Chung ceased his employment with Convoy in February 2015.

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

Mr. Chung has entered into a service contract with the Company for a fixed term of three years commencing 14 September 2018. Mr. Chung is entitled to an annual salary of approximately HK\$1,200,000, exclusive of any sum receivable as allowances or other remuneration from the Group with discretionary bonus as determined by the Remuneration Committee in respect of each complete financial year of the Company with reference to the Group's operation result. Such emoluments are determined by reference to the prevailing market conditions.

As at the Latest Practicable Date, Mr. Chung, through his wholly-owned company, held 300,000,000 Shares, representing 75% of the entire issued share capital of the Company.

Mr. POON Siu Kuen, Calvin (潘兆權), aged 48, joined the Group and was appointed as a director and head of corporate finance department of Innovax Capital in February 2015. He was appointed as an executive Director and the chief executive officer of the Company on 4 May 2018. He has acted as a responsible officer of Innovax Capital for Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since December 2017 and February 2015, respectively. He is also one of the sponsor principals of Innovax Capital. Mr. Poon is primarily responsible for overall management of our Group and supervision and management of our corporate finance advisory business.

Mr. Poon has over 18 years of experience in corporate finance. Prior to joining the Group, Mr. Poon worked as an accountant at KPMG Hong Kong from December 1996 to February 2000. From July 2001 to December 2005, he was employed by Kingsway Capital Limited, a financial services company, as an associate director, where he handled various IPO projects, M&A transactions and fund raising exercises. He then joined China Everbright Capital Limited, a financial services company from December 2005 to February 2015 with his last position being the executive director of the corporate finance department.

Mr. Poon obtained a bachelor degree in civil engineering and a master degree in practising accounting from Monash University in Australia in October 1995 and November 2000, respectively. He has been an associate member of CPA Australia since September 1997, and advanced to full CPA status in April 2000.

Mr. Poon has entered into a service contract with the Company for a fixed term of three years commencing from 14 September 2018. Mr. Poon is entitled to an annual salary of approximately HK\$2,400,000 exclusive of any sum receivable as allowances or other remuneration from the Group with discretionary bonus as determined by the Remuneration Committee in respect of each complete financial year of the Company with reference to the Group's operation result. Such emoluments are determined by reference to the prevailing market conditions.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. LO Wai Kwan (羅惠均), aged 45, was appointed as an independent non-executive Director on 24 August 2018. He is mainly responsible for supervising and providing independent advice to the Board. He joined the Group as an independent non-executive director of Innovax Capital on 16 March 2015.

Mr. Lo is a senior finance executive with over 20 years of experience in the consumer goods industry. From September 2005 to December 2009, Mr. Lo worked as the Global Head of Marketing Finance Planning of British American Tobacco p.l.c., London, a tobacco company. He has served as the regional head of corporate finance for the Asia Pacific and Middle East region of British American Tobacco Asia Pacific Region Limited, a tobacco company, since January 2010. He is responsible for strategic planning, setting, monitoring and reporting of key performance targets.

Mr. Lo obtained a bachelor degree in business administration from the Chinese University of Hong Kong in December 1996. He further obtained a master degree of business administration from the University of Western Ontario in Canada in October 2004. He has been a member of the American Institute of Certified Public Accountants since August 1998.

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

Dr. WU Kwun Hing (胡觀興), aged 52, was appointed as an independent non-executive Director on 24 August 2018. He is mainly responsible for supervising and providing independent advice to the Board. He joined the Group as an independent non-executive director of Innovax Capital on 16 March 2015.

Dr. Wu has over 27 years of experience in engineering, including extensive experience on major infrastructure projects. Dr. Wu is currently chief tunnel ventilation and station air-conditioning engineer of Oriental Consultants Global Co. Ltd since May 2018. From September 1992 to November 2017, Dr. Wu worked at WSP (Asia) Limited (formerly known as Parsons Brinckerhoff (Asia) Limited), an engineering professional services firm, with his last position being a technical director. In December 2017, he founded SimEng Technologies Limited, an engineering consultancy company, and served as the director.

Dr. Wu obtained a bachelor degree in mechanical engineering from the Hong Kong Polytechnic University in 1992 and a PhD in mechanical engineering from the Hong Kong University of Science and Technology in 2008.

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

Mr. CHOI Wai Ping (蔡偉平), aged 45, was appointed as an independent non-executive Director on 24 August 2018. He is mainly responsible for supervising and providing independent advice to the Board. He joined the Group as an independent non-executive director of Innovax Capital on 22 March 2016.

Mr. Choi is a chartered engineer with 20 years of experience specialising in information and communication technology, electronics engineering, software engineering and health informatics. From December 1998 to February 2000, Mr. Choi worked at the Automation Systems Division of the Hong Kong Productivity Council, with his last position being an associate consultant. He was then employed as a software engineer and senior engineer of Gemalto Technologies (Asia) Limited, an electrical and electronic products distributor, between March 2000 to and June 2007, responsible

for the development of Smart Card Operating System of EMV Banking Card and Mobile Sim Card. He joined MaCaPS International Limited, a security and information protection system company, in November 2007 and is currently a general manager of such company.

Mr. Choi obtained a bachelor degree in computer engineering from the City University of Hong Kong in November 1995. He obtained his master degree of philosophy in electronics engineering and a master degree of arts in arbitration and dispute resolution from the City University of Hong Kong in November 2001 and November 2007, respectively.

Mr. Choi was registered as a chartered engineer with the Engineering Council in the United Kingdom since 2004. Mr. Choi is currently a member of the Institution of Engineering and Technology in the United Kingdom.

He is also a member of the Chartered Institution of Arbitrators of the United Kingdom and an accredited construction mediator of the Hong Kong Construction Arbitration Centre.

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

Ms. CHAN Ka Lai, Vanessa (陳嘉麗), aged 45, was appointed as an independent non-executive Director on 24 August 2018. She is mainly responsible for supervising and providing independent advice to the Board.

Ms. Chan is a professional accountant with over 20 years of experience in auditing, accounting and financial management. Currently, Ms. Chan is the operating director of WA C&E Limited which specialising in providing business advisory services. She worked in China Agri-Industries Holdings Limited, a stated-owned enterprise listed on the Main Board of the Stock Exchange (stock code: 606) from November 2009 to December 2018 with the last position as financial controller. Prior to joining China Agri-Industries Holdings Limited, she worked as an accounting manager of The Kowloon Motor Bus Co. (1933) Ltd. from August 2005 to February 2008 and worked in KPMG Hong Kong from July 1995 to August 2005 with the last position as senior manager.

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

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

Mr. CHEUNG Kwok Kwan JP (張國鈞), aged 44, was appointed as an independent non-executive Director on 24 August 2018. He is mainly responsible for supervising and providing independent advice to the Board.

Mr. Cheung is a practising solicitor of the High Court of Hong Kong with 20 years of experience in the legal profession. Mr. Cheung started his career as a trainee solicitor at Wilkinson & Grist from August 1998 to July 2000. He then worked as an assistant solicitor at various law firms, including: (i) Tsang, Chan & Wong from October 2000 to August 2001; (ii) Haldanes from October 2001 to December 2002; and (iii) Christine M. Koo & Ip, Solicitors & Notaries LLP from December 2002 to November 2003. From November 2003 to April 2004, Mr. Cheung was a consultant of Leung & Lau (formerly known as Jonathan Lau & Co). He joined Cheung & Liu, Solicitors (formerly known as Clarence Wong, Cheung & Liu) as a consultant from April 2004 to June 2012. He is a partner of Cheung & Yeung, Solicitors since June 2012 and is also an arbitrator of the South China International Economic and Trade Arbitration Commission, a civil celebrant of marriage and China-appointed attesting officer in Hong Kong.

Mr. Cheung serves as the member of the Executive Council, Legislative Council and the Central and Western District Council of Hong Kong. In addition, he is a director of the Hong Kong Mortgage Corporation Limited, a member of the Housing Authority, the Appeal Tribunal Member under the Buildings Ordinance (Chapter 123 of the Laws of Hong Kong) and the Appeal Committee Member of the Appeal Committee of the Hong Kong Football Association Limited. He was also the Chairman of the Practice and Examination Committee of the Estate Agents Authority.

Mr. Cheung is currently an independent non-executive director of Hang Yick Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1894) since 19 September 2018.

Mr. Cheung obtained a bachelor degree in laws and postgraduate certificate in laws from the City University of Hong Kong in November 1997 and August 1998, respectively. He was admitted as a solicitor of the High Court of Hong Kong in September 2000.

Mr. Cheung has entered into letter of appointment with the Company for a fixed term of three years commencing 14 September 2018. Under the terms of service contract, Mr. Cheung is entitled to an annual director's fee of HK\$500,000. Such emoluments are determined by reference to the prevailing market conditions.

Save as disclosed above:

- (i) all of the Directors did not held any directorships in the last 3 years in public companies the securities of which are listed on any securities market in Hong Kong or overseas;
- (ii) all of the Directors do not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Listing Rules;

- (iii) as at the Latest Practicable Date, all of the Directors are not interested in Shares in the Company within the meaning of Part XV of the SFO; and
- (iv) there is no information which is disclosable nor are the Directors involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning any of the Directors that need to be brought to the attention of the Shareholders.

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

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

1 SHARE CAPITAL

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

2 REASONS FOR BUY-BACKS

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

3 FUNDING OF BUY-BACKS

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

There could be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited accounts for the year ended 28 February 2019) if the Buy-back Mandate were to be carried out in full at any time during the share buy- back period. However, the Directors will not propose to exercise the Buy-back Mandate if, in the opinion of the Directors, this would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing position of the Company.

4 SHARE BUY-BACKS MADE BY THE COMPANY

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

5 SHARE PRICES

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

Month	Price per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
September 2018	1.27	0.75
October 2018	0.81	0.52
November 2018	0.98	0.57
December 2018	1.04	0.54
January 2019	0.99	0.72
February 2019	0.94	0.77
March 2019	1.55	0.87
April 2019	1.70	1.27
May 2019	1.67	1.43
June 2019 (up to the Latest Practicable Date)	1.53	1.20

6 GENERAL

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

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

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

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

7 TAKEOVERS CODE

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

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

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

Notes:

- (1) Mr. Chung and Billion Shine International Investment Limited ("BSI") are the Controlling Shareholders. Mr. Chung owns the entire issued share capital of BSI. By virtue of the SFO, Mr. Chung is deemed to be interested in such Shares held by BSI.
- (2) Ms. Lee Yin Har is the spouse of Mr. Chung. She is deemed, or taken to be, interested in all Shares in which Mr. Chung is interested in for the purpose of the SFO.

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

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