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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 **Echo International Holdings Group Limited** (the “Company”), you should at once hand this circular and the accompanying 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.



Echo International Holdings Group Limited

毅高(國際)控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8218)

**MAJOR TRANSACTION
IN RELATION TO
TENANCY AGREEMENT IN RESPECT OF A FACTORY
AND
NOTICE OF EGM**

A letter from the Board is set out on pages 3 to 8 of this circular.

A notice convening the EGM of the Company to be held at 11:00 a.m. on Wednesday, 17 March 2021 at Room 3207A, 32/F, Cable TV Tower, 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong is set out on pages 17 to 19 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete the form of proxy and return the same 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 in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the EGM (or any adjourned meeting). Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM (or any adjourned meeting) if you so wish.

PRECAUTIONARY MEASURES FOR THE EGM

The Company will implement the following precautionary measures at the EGM against the coronavirus disease to protect the Shareholders or proxies from the risk of infection, including but not limited to: compulsory body temperature check, mandatory use of surgical face masks; and no distribution of gifts and no refreshments will be served. Any attendee who does not comply with the precautionary measures or is subject to quarantine, with any flu-like symptoms, who has had close contact with any person under quarantine, or has travelled overseas within 14 days immediately before the EGM shall not be permitted to enter the venue. The Company strongly recommends Shareholders to exercise their voting rights by appointing the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

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, the following expressions have the following meanings unless the context requires otherwise:

“Board”	the board of Directors of the Company from time to time
“Company”	Echo International Holdings Group Limited, a limited company incorporated in the Cayman Islands whose shares are listed on the GEM of the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held for the purpose of considering and, if thought fit, approving, among other things, the Tenancy Agreement and the transactions contemplated thereunder
“Existing Premises”	the premises in Guanlan, Longhua District, Shenzhen, PRC at which the Lessee is operating the existing factory
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the group of companies consisting of the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRS”	Hong Kong Financial Reporting Standards
“Hong Kong” or “HK”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, are third parties independent of and not connected with the Company and its connected person(s)
“Latest Practicable Date”	24 February 2021, the latest practicable date for the identification of certain information in this circular prior to the despatch of this circular
“Lessee”	毅高達電子(深圳)有限公司 (Yi Gao Tech Electronics (Shenzhen) Co., Ltd*), a company established in PRC
“Lessor”	Jiang Cong

DEFINITIONS

“New Premises”	the new premises located at the place set out in section headed “Tenancy Agreement — Premises” in the Letter from the Board of this circular to which the Lessee plans to relocate its existing factory
“Parties”	the Lessee and the Lessor, which are parties to the Tenancy Agreement
“PRC”	the People’s Republic of China, which shall, for the purpose of this circular, exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.05 each in the capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdistrict Office”	an agency of the people’s government of a district under Shenzhen Municipality in the PRC and is under the leadership of the district people’s government, and exercises the functions and powers authorized by the district people’s government
“Tenancy Agreement”	the conditional tenancy agreement dated 20 January 2021 entered into between the Lessee and the Lessor in respect of the tenancy of the New Premises
“%”	per cent

* *For identification purpose only*



Echo International Holdings Group Limited

毅高(國際)控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8218)

Executive Directors:

Mr. Lo Yan Yee (*Chairman*)

Ms. Cheng Yeuk Hung

Mr. Tansri Saridju Benui

Ms. Chan Wan Shan Sandra

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent non-executive Directors:

Mr. Leung Yu Tung Stanley

Mr. Lee Kwok Po

Mr. Chow Yun Cheung

Principal place of business in Hong Kong:

Room 3207A, 32/F

Cable TV Tower

9 Hoi Shing Road

Tsuen Wan

New Territories

Hong Kong

26 February 2021

To the Shareholders

Dear Sir or Madam,

**MAJOR TRANSACTION
IN RELATION TO
TENANCY AGREEMENT IN RESPECT OF A FACTORY
AND
NOTICE OF EGM**

INTRODUCTION

Reference is made to the announcement of the Company dated 20 January 2021 in relation to the Tenancy Agreement.

The purpose of this circular is to provide you with, among others, (i) further information on the Tenancy Agreement and the transactions contemplated thereunder; (ii) the notice convening the EGM; and (iii) other information as required to be disclosed, in accordance with the requirements under the GEM Listing Rules.

LETTER FROM THE BOARD

BACKGROUND

The Lessee, which is a wholly owned subsidiary of the Company, is operating a factory at the Existing Premises for manufacturing of electronic products. Pursuant to the recent notice from the Subdistrict Office in the region of the Existing Premises, the local government will resume the building of the Existing Premises for land planning and the Lessee is required to relocate its factory as soon as possible. The Lessee has identified the New Premises for relocation of its factory and entered into the Tenancy Agreement with the Lessor.

TENANCY AGREEMENT

The principal terms of the Tenancy Agreement are set out below:

Date: 20 January 2021

Parties: (a) Yi Gao Tech Electronics (Shenzhen) Co., Ltd
 (“**Lessee**”) (as lessee)

(b) Jiang Cong (“**Lessor**”) (as lessor)

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Lessor is an Independent Third Party.

Premises: The New Premises comprises the third Floor and half portion of the second floor of the 11th factory, Jiayi Industrial Area, Guanlan, Longhua District, Shenzhen, PRC (“**Factory**”) with gross floor area around 4,800 square metre and dormitory of 21 rooms (“**Dormitory**”).

Condition precedent: The Tenancy Agreement is subject to the obtaining of the approval of Shareholders of the Tenancy Agreement at EGM. It is expected that such approval will be obtained on or before 1 March 2021.

Term: The term of the Tenancy Agreement will commence from 1 March 2021 and end on 31 December 2025. If the shareholders’ approval mentioned in the above section headed “Condition Precedent” is obtained after the expected commencement date of 1 March 2021, the Parties shall negotiate and extend the commencement date of the term of the Tenancy Agreement accordingly. The Landlord has granted the Tenant an option to renew for a further term of one year from the expiry of the Term at the new rent which shall be the RMB182,250 (“**Option**”). No consideration is payable for the grant of the Option and no penalty will be borne by the Tenant in the event that the Option is not exercised by the Tenant.

LETTER FROM THE BOARD

- Monthly rental payment:
- (1) 1 March 2021 to 31 December 2022: RMB150,750 (including RMB124,800 for the Factory, RMB25,200 for the Dormitory and RMB750 as elevator fee)
 - (2) 1 January 2023 to 31 December 2024: RMB165,750 (representing 10% increase in rental of the Factory and the Dormitory with elevator fee remaining unchanged)
 - (3) 1 January 2025 to 31 December 2026: RMB182,250 (representing 10% increase in rental of Factory and the Dormitory with elevation fee remaining unchanged)

The rental payment will be satisfied by internal resources of the Group.

The rental payment (estimated at around RMB26 per square metre) is determined after arm's length negotiations between the Parties, after taking into consideration the prevailing market price for comparable premises in the vicinity of the New Premises.

Payment term: Payable in advance on 11th day of each month.

Deposit: RMB452,250 (representing 3-month rental payment).

THE RIGHT-OF-USE ASSET

The value of the right-of-use asset recognised by the Tenant under the Tenancy Agreement amounts to approximately RMB7.94 million (equivalent to about HK\$9.43 million translated at the exchange rate of RMB1.0 = HK\$1.187634), which is the present value of aggregated lease payments less incentives (if any), plus initial direct costs and estimated reinstatement cost with the lease in accordance with HKFRS 16. Discount rate of 6.848% is applied to compute the present value of aggregate lease payments less incentives (if any) under the Tenancy Agreement.

EFFECT OF THE TENANCY AGREEMENT ON THE EARNINGS AND ASSETS AND LIABILITIES OF THE GROUP

In accordance with HKFRS 16 Leases, the value of the right-of-use asset recognised by the Group under the Tenancy Agreement amounted to approximately HK\$9.43 million which is calculated with reference to the present value of the aggregated lease payments to be made. The Group will depreciate the right-of-use assets over the estimated useful life of 58 months on a straight line-basis and a monthly depreciation amounting to approximately HK\$0.26 million will be charged to the consolidated statement of profit or loss. Lease liabilities amounting to approximately HK\$9.43 million is recognised by the Group in the consolidated statement of financial position and will decrease upon the settlement of lease payments to the landlord accordingly. There would be no change in net assets on the consolidated statement of financial position of the Group immediately after the entering into the Tenancy Agreement.

LETTER FROM THE BOARD

REASONS AND BENEFITS OF THE TENANCY AGREEMENT

The Group is principally engaged in the manufacture and trading of electronic products and accessories and provision of catering business.

The Lessor is engaged in shoe manufacturing industry in the PRC.

The Directors consider it is beneficial to enter into the Tenancy Agreement and relocate the factory of the Lessee to the New Premises in view of the resumption notice from the Subdistrict Office, which will facilitate the continuous operation of the manufacturing of electronic products of the Group.

The terms of the Tenancy Agreement (including the rental payment) were determined after arm's length negotiations between the Parties and with reference to the open market rent of comparable properties in the vicinity of the New Premises. Under the Tenancy Agreement, the initial monthly rental payment of the Factory of the New Premises under the Tenancy Agreement is around RMB26 per square metre (based on the gross floor area). The Lessee has recently enquired about the rental prices for the factories in the vicinity of the New Premises in the rental market and obtained three quotations, taking into account of the factors such as (i) the vicinity of the Existing Premises, i.e. Guanlan, Longhua District, Shenzhen, PRC; (ii) the size of the premises, in terms of gross floor area, being within the range of 4,000 to 5,000 square metre; and (iii) whether the premises has obtained the fire certificate and will be able to apply for the environmental certificate from the relevant authority. The details of the three quotations are set out as follows:

Factors	Quotation 1	Quotation 2	Quotation 3
Location	Dahe Industrial Area, Guanlan, Longhua District, Shenzhen, PRC	Yi Feng Hua Innovation Industrial Park, Guanlan, Longhua District, Shenzhen, PRC	Liguang Industrial Area, Guanlan, Longhua District, Shenzhen, PRC
Rental per square metre	RMB28	RMB35	RMB33
Gross floor area	4,154 square metre	4,732 square metre	3,692 square metre
Other terms	— Obtained the fire certificate	— Obtained the fire certificate	— Obtained the fire certificate
	— Will be able to apply for the environmental certificate	— Will be able to apply for the environmental certificate	— Will be able to apply for the environmental certificate
	— Increment: 10% increase after expiry of 2-year period	— Increment: 10% increase after expiry of 2-year period	— Increment: 10% increase after expiry of 2-year period

LETTER FROM THE BOARD

Under the Tenancy Agreement, there is also a 10% increase after expiry of 2-year period during the term of the tenancy, and this is determined with reference to the factors such as past inflation trends (in the range between approximately 1.5% to 2.9% p.a.), and as confirmed by the PRC property agent and as stated in the above quotations, such increment term is common for factory tenancy in Shenzhen, PRC. Given that the rental under the Tenancy Agreement is at around 18% discount to the average market price (around RMB32), it shows that the monthly rental under the Tenancy Agreement (together with 10% increase over 2-year period) is competitive and reasonable from the perspective of the tenant. The Board considers that the terms of the Tenancy Agreement are normal commercial terms and fair and reasonable and entering into the Tenancy Agreement are in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the applicable percentage ratios (as defined under Rule 19.04(9) of the GEM Listing Rules) in respect of the value of the right-of-use assets under the Tenancy Agreement according to HKFRS 16 (Leases) exceed 25% but are less than 100%, such transaction constitutes a major transaction of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

EGM

The EGM will be held at Room 3207A, 32/F, Cable TV Tower, 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong at 11:00 a.m. on Wednesday, 17 March 2021 for the purpose of considering and, if thought fit, approving the ordinary resolution in respect of the Tenancy Agreement, and the transactions contemplated thereunder.

The notice convening the EGM is set out on pages 17 to 19 of this circular. A form of proxy for use at the EGM is also enclosed in this circular. Whether or not you are able to attend the EGM and/or vote at the EGM in person, you are requested to complete and return the enclosed form of proxy to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 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 appointed for the holding of the EGM (or any adjourned meeting). Completion and delivery of the form of proxy will not preclude you from attending and voting at the EGM (or any adjourned meeting) if you so wish.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Tenancy Agreement and the transactions contemplated thereunder and accordingly no Shareholder is required to abstain from voting on the resolution(s) to be proposed at the EGM.

LETTER FROM THE BOARD

RECOMMENDATION

On the basis of the information set out in this circular, the Board considers that the terms of the Tenancy Agreement are fair and reasonable and entering into the Tenancy Agreement by the Lessee is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favor of the resolution as set out in the notice of EGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information contained in the appendices to this circular.

Yours faithfully,
By order of the Board
Echo International Holdings Group Limited
Cheng Yeuk Hung
Executive Director

1. FINANCIAL INFORMATION OF THE GROUP

Details of the published financial information of the Group for each of the three years ended 31 March 2018, 2019 and 2020 and third quarter ended 31 December 2020 were disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.echogroup.com.hk).

- Annual report of the Company for the year ended 31 March 2018 (pages 51 to 122) (<https://www1.hkexnews.hk/listedco/listconews/gem/2018/0626/gln20180626073.pdf>);
- Annual report of the Company for the year ended 31 March 2019 (pages 54 to 158) (<https://www1.hkexnews.hk/listedco/listconews/gem/2019/0624/gln20190624113.pdf>);
- Annual report of the Company for the year ended 31 March 2020 (pages 61 to 172) (<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0629/2020062902713.pdf>);
- Third quarterly report of the Company for the nine months ended 31 December 2020 (pages 3 to 14) (<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0211/2021021100412.pdf>);

2. STATEMENT OF INDEBTEDNESS

At the close of business on 31 December 2020, being the latest practicable date for the purpose of this indebtedness statement prior to the publication of this circular, the Group had outstanding (i) lease liabilities at carrying amount of approximately HK\$7,263,000; (ii) convertible bonds principal of approximately HK\$41,148,000; and (iii) bank and other borrowings at carrying amount of approximately HK\$1,089,000.

The bank loan of approximately HK\$289,000 was secured by motor vehicle which is fully depreciated and impaired.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal trade payable in the ordinary course of the business, the Group did not have debt securities issued and outstanding at the close of business on 31 December 2020, any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities.

3. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse changes in the financial or trading position or prospects of the Group since 31 March 2020, being the date to which the latest audited consolidated financial statements of the Group were made up.

4. WORKING CAPITAL

The Directors, after due and careful enquiries, are of the opinion that, after taking into account the effect of the transactions contemplated under the Tenancy Agreement, the Group's internal resources, cash flow from operations, facilities available to the Group, the Group has sufficient working capital to satisfy its requirements for at least the next 12 months following the date of this circular, in the absence of unforeseeable circumstances.

5. FINANCIAL AND TRADING PROSPECTS

The Group is principally engaged in the manufacture and trading of electronic products and accessories and provision of catering business.

Regarding the segment of the manufacturing and trading of electronic products and accessories, the Group has been affected by the impact of the fluctuation of raw material prices and the rise of the statutory minimum wages in the PRC. Our factory in PRC faced escalating manufacturing costs and keen competition both domestically and from overseas. As a result, the business of the Group has been adversely affected. As disclosed in the announcement of the Company dated 20 January 2021, our manufacturing company (Yi Gao Tech Electronics (Shenzhen) Co., Ltd) planned to relocate the existing factory in Shenzhen to nearby place as a result of the property resumption notice received from the Subdistrict Office. The tenancy agreement of the factory at the new location constituted a major transaction of the Company and is subject to approval of the Shareholders. Please refer to the Letter from the Board in this circular for details of the transaction.

Regarding the segment of food catering service, our Group has planned to open a new restaurant in Tang Lung Street, Causeway Bay. The relevant tenancy agreement and renovation contract of the new restaurant are major transactions which are subject to the approval of the Shareholders. Please refer to the announcement of the Company dated 21 January 2021 for details of the expansion of food catering service. In addition, the Company entered into the conditional placing agreement on 21 January 2021 for fund raising purpose and part of the net proceeds of the aforesaid placing of shares is intended to be used for opening of the new restaurant. The placing of shares is subject to the approval of the Shareholders. For details of the placing of the shares, please refer to the announcement of the Company dated 21 January 2021 on the placing of shares.

The Group will focus on the business of low risk and higher gross margin with relatively lower inventory level and investment in catering business. The Group expects that the business operation for the coming years will be more cost effective with reducing working capital requirement and more in-depth management concentration. Accordingly, the Group could better capture the opportunity of growth.

1. 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 Group. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executives' interests and short position in shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) were recorded in the register required to be kept under Section 352 of the SFO, or (iii) have to be notified to the Company and the Stock Exchange pursuant to the required standards of dealing by Directors as referred to in Rule 5.46 of the GEM Listing Rules are as follows:

(i) Long positions in the Shares

Name of Director	Company/associated corporation	Capacity	Number of Shares	Approximate percentage of interest
Ms. Cheng Yeuk Hung	Company	Personal interest	4,878,000	6.99%
Mr. Lo Yan Yee	Company	Interest of spouse	4,878,000	6.99%

Note: Mr. Lo Yan Yee is the executive Director and the spouse of Ms. Cheng Yeuk Hung, and is deemed under the SFO to be interested in those 4,878,000 shares in which Ms. Cheng Yeuk Hung is interested.

(ii) Long position in underlying shares of the Company

Name	Capacity	Description of equity derivatives	Number of underlying shares
Mr. Lo Yan Yee	Personal interest	Options	1,140,000
(<i>executive Director</i>)	Interest of spouse	Options	1,140,000
			2,280,000

Name	Capacity	Description of equity derivatives	Number of underlying shares
Ms. Cheng Yeuk Hung (<i>executive Director</i>)	Personal interest	Options	1,140,000
	Interest of spouse	Options	1,140,000
			2,280,000
Mr. Cheng Kwing Sang, Raymond (<i>chief executive officer</i>)	Personal interest	Options	1,120,000

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company has any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standard of dealings by Directors of the Company as referred to in Rule 5.46 of the GEM Listing Rules, or required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO.

(b) Substantial shareholders' and other persons' interests and short positions in shares and underlying shares of the Company

As at the Latest Practicable Date, so far as is known to the Directors, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO:

Name	Capacity and nature of interest	Number of Shares	Number of underlying Shares	Total	Percentage of the Company's issued share capital
Lissington Limited	Beneficial owner	9,867,486	3,549,647 (<i>Note 1</i>)	13,417,133	19.22%
Zheng Zeli	Interest of a controlled corporation	9,867,486 (<i>Note 3</i>)	3,549,647 (<i>Notes 1 & 3</i>)	13,417,133	19.22%
Yeung Tong Seng Terry	Beneficiary of a trust (other than discretionary interest)	5,060,000 (<i>Note 2</i>)	3,679,245 (<i>Notes 1 & 2</i>)		
	Beneficial owner	—	1,551,812 (<i>Note 1</i>)		
		5,060,000	5,231,057 (<i>Note 1</i>)	10,291,057	14.74%
Bluemount investment Fund SPC — Bluemount investment Fund SP	Trustee (other than a bare trustee)	5,060,000	3,679,245 (<i>Note 1</i>)	8,739,245 (<i>Note 2</i>)	12.52%

Name	Capacity and nature of interest	Number of Shares	Number of underlying Shares	Total	Percentage of the Company's issued share capital
Siu Yik Tung Jamie	Beneficial owner	3,665,948	6,263,559 <i>(Note 1)</i>	9,929,507	14.22%
Siu Wa Kei	Interest of a controlled corporation	1,297,800		1,297,800	
	Beneficial owner	<u>1,423,468</u>	<u>1,478,773</u>	<u>2,902,241</u>	
		2,721,268		4,200,041	6.02%
Yan Ka Him	Beneficial owner	1,559,580	1,147,311 <i>(Note 1)</i>	2,706,891	3.88%

Notes:

1. These underlying Shares are Shares to be issued to holders of the convertible bonds of the Company.
2. These Shares were held by Bluemount investment Fund SPC — Bluemount investment Fund SP as trustee of Mr. Yeung Tong Seng Terry.
3. The entire issued share capital of Lissington Limited is beneficially owned by Ms. Zheng Zeli.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any other persons who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept under section 336 of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service agreement with any members of the Group, excluding contracts expiring or determinable by the Group within one year without payment of any compensation, other than statutory compensation.

4. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OF SIGNIFICANCE

As at the Latest Practicable Date, none of the Directors or proposed Directors, directly or indirectly, had any interest in any assets which had since 31 March 2020 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

There was no contract or arrangement subsisting as at the date of this circular, in which any of the Directors were materially interested and which was significant to the business of the Group.

5. DIRECTORS' COMPETING BUSINESS

As at the Latest Practicable Date, the Directors are not aware of any business or interest of the Directors, the controlling shareholder(s) of the Company and their respective associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

6. LITIGATION

As at the Latest Practicable Date, the Group was not engaged in any other litigation or claims of material importance known to the Directors to be pending or threatened against the Group.

7. MATERIAL CONTRACTS

As at the Latest Practicable Date, the following contracts (not being contracts entered into in the ordinary course of business) have been entered into by members of the Group within the two years preceding the issue of this circular and are or may be material:

- (a) the placing agreement between the Company and Bluemount Securities Limited dated 21 January 2021 for the placement of shares up to 88,000,000 shares at placing price of HK\$0.27 each on behalf of the Company under the specific mandate;
- (b) the Tenancy Agreement;
- (c) the renovation contract dated 15 January 2021 between Yuk Cuisine (Hong Kong) Limited and ECGO International Limited in respect of the renovation work to be performed on the premises at 25th floor, Soundmill Plaza II-Midtown, 1 Tang Lung Street, Hong Kong;
- (d) the tenancy agreement dated 17 December 2020 between Yuk Cuisine (Hong Kong) Limited (as tenant) and Tang Lung Investment Properties Limited (the landlord) in respect of the tenancy of the premises at 25th floor, Soundmill Plaza II-Midtown, 1 Tang Lung Street, Hong Kong;
- (e) the placing agreement between the Company and Bluemount Securities Limited dated 6 November 2020 for the placement of convertible bonds with aggregate principal up to HK\$4,100,400 on behalf of the Company under the general mandate;
- (f) the placing agreement between the Company and Bluemount Securities Limited dated 5 November 2020 for the placement of convertible bonds with aggregate principal up to HK\$4,100,400 on behalf of the Company under the general mandate (such agreement was terminated on 6 November 2020);
- (g) the placing agreement between the Company and Bluemount Securities Limited dated 11 June 2020 for the placement of convertible bonds with aggregate principal up to HK\$4,640,000 on behalf of the Company under the general mandate;

- (h) the disposal agreement between Mr. Chan Wai Kin (as buyer) and Chiu Cuisine Group Limited (as seller) dated 19 August 2019 in relation to disposal of the entire issued share capital of Chiu Cuisine Limited at consideration of HK\$1;
- (i) the non-legal binding memorandum of understanding between the Company and COMSYS Technology Co., Limited dated 8 August 2019 in relation to the possible acquisition of COMSYS (Tianjin) International Leasing Co., Ltd; and
- (j) the placing agreement between the Company and Bluemount Securities Limited dated 22 July 2019 for the placement of convertible bonds with aggregate principal up to HK\$9,408,000 on behalf of the Company under the general mandate.

8. AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) and the current members of the Audit Committee are Mr. Leung Yu Tung, Stanley, Mr. Lee Kwok Po and Mr. Chow Yun Cheung. The major roles and functions of the Audit Committee are to review and supervise the financial reporting process, financial controls, internal control and risk management system of the Company and to provide recommendations and advice to the Board on the appointment, re-appointment and removal of external auditor as well as their terms of appointment. The biography of the members of the Audit Committee are set out below:

- (i) Mr. Leung Yu Tung, Stanley, aged 44, was appointed as an non-executive Director on 30 April 2019 and he is a currently the chairman of each of the Remuneration Committee, Nomination Committee and Audit Committee. He has over 20 years’ experience in the accounting and finance field. He has acted as an independent non-executive director and the chairman of audit committee of Vashion Group Limited, a company listed in the Singapore Stock Exchange (Stock Code VSHN), since October 2017. He is the financial controller of Wewenet Limited since July 2020. He had been the finance controller of Luen Hing Textile Company Limited, which Mr. Leung had served from September 2013 to November 2019. Prior to that, Mr. Leung worked in the Sweet Dynasty Group as finance manager from January 2012 to September 2013. Mr. Leung was admitted as a fellow member of The Hong Kong Institute of Certified Public Accountants and fellow member of Association of Chartered Certified Accountants since 2015 and 2010 respectively. He became a Certified Tax Adviser of The Taxation Institute of Hong Kong since 2010. Mr. Leung obtained his Master of Professional Accounting and Bachelor of Arts (Hons) Accountancy from the Hong Kong Polytechnic University in 2010 and 2003, respectively and his Higher Diploma in Accountancy from the City University of Hong Kong in 2000.
- (ii) Mr. Lee Kwok Po, aged 41, was appointed as an independent non-executive Director on 20 March 2020, and he is a member of the Remuneration Committee, Nomination Committee and Audit Committee. He has over 10 years of experience in the providing technical support to various entities. Mr. Lee has been the founding partner and the senior system engineer of Good Thinking Computer Services since April 2013.

- (iii) Mr. Chow Yun Cheung, aged 41, has over 19 years of experience in accounting, corporate finance and compliance of listed companies. He obtained a bachelor's degree in Business Administration from Chinese University of Hong Kong in November 2001, and has been a member of the Hong Kong Institute of Certified Public Accountants since February 2005. He is currently an independent non-executive director of Moody Technology Holdings Limited (stock code: 1400), the issued shares of which are listed on the Main Board of the Stock Exchange, and an independent non-executive director of Industronics Berhad, the issued shares of which are listed on main market of the Bursa Malaysia Securities Berhad.

9. GENERAL

- (a) The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (b) The principal place of business in Hong Kong of the Company is Room 3207A, 32/F, Cable TV Tower, 9 Hoi Shing Road, Tsuen Wan, Hong Kong.
- (c) The branch share registrar and transfer office in Hong Kong of the Company is Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The company secretary of the Company is Ms. Lui Wing Shan, a fellow member of the Hong Kong Institute of Certified Public Accountants.
- (e) The compliance officer of the Company is Mr. Tansri Saridju Benui who obtained his Bachelor of Science in USA in 1988 and his Diploma in Computer Programming and Systems in Canada in 1987.
- (f) The English text of this circular and the accompany form of proxy shall prevail over the Chinese text in case of any inconsistency.

10. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection during normal office hours at the registered office of the Company for the period of 14 days from the date of this circular:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for each of the two financial years ended 31 March 2019 and 2020;
- (c) the third quarter report of the Company for the nine months ended 31 December 2020; and
- (d) the material contracts referred to under the paragraph "Material Contracts" in this appendix.

NOTICE OF THE EGM



Echo International Holdings Group Limited

毅高(國際)控股集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8218)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Echo International Holdings Group Limited (the “**Company**”) will be held at 11:00 a.m. on Wednesday, 17 March 2021 at Room 3207A, 32/F, Cable TV Tower, 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT:**

- (a) the tenancy agreement entered into between Yi Gao Tech Electronics (Shenzhen) Co., Ltd (as lessee) (“**Lessee**”) and Jiang Cong (as lessor) (“**Lessor**”) dated 20 January 2021 in relation to the tenancy of the premises located at the third Floor and half portion of the second floor of the 11th factory, Jiayi Industrial Area, Guanlan, Longhua District, Shenzhen, PRC together with dormitory of 21 rooms (“**Premises**”) for a term from 1 March 2021 to 31 December 2025 and an option at the discretion of the Lessee to exercise to extend the aforesaid term for a further year (“**Tenancy Agreement**”, a copy of which has been produced to the Meeting and marked “A” and signed by the Chairman of the Meeting for the purpose of identification), and all the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified; and

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(b) any one of the directors of the Company (the “**Director(s)**”) be and is hereby authorised to do all such further acts and things and sign, agree, ratify and/or execute all such further documents or instrument under hand (or where required, under the common seal of the Company together with such other Director or person authorised by the board of Directors) and take all such steps as the Director in his/her discretion may consider necessary, appropriate, desirable or expedient to implement, give effect to or in connection with the Tenancy Agreement and any of the transactions contemplated thereunder.”

By order of the Board
Echo International Holdings Group Limited
Cheng Yeuk Hung
Executive Director

Hong Kong, 26 February 2021

Registered Office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:

Room 3207A, 32/F
Cable TV Tower
9 Hoi Shing Road
Tsuen Wan
New Territories
Hong Kong

Notes:

1. A form of proxy for use at the Meeting or any adjournment thereof is enclosed.
2. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxy to attend and, subject to the provisions of the Articles of Association, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
3. Whether or not you intend to attend the Meeting, you are requested to complete the form of proxy and return the same 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 in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the Meeting (or any adjourned meeting). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Meeting (or any adjourned meeting) if you so wish.

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4. In case of joint holders of any share, any one of such joint holders may vote at the Meeting, 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 at the Meeting personally or by proxy, then one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members of the Company in respect of the relevant joint holding.