
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

If you are in 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 Dynamic Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



**(1) PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE AND ISSUE SHARES**
(2) RE-ELECTION OF DIRECTORS
(3) ADOPTION OF NEW SHARE OPTION SCHEME
(4) AMENDMENTS TO BYE-LAWS
AND
(5) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Dynamic Holdings Limited to be held at Forum Boardroom, Basement 2, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Friday, 17 December 2021 at 3:00 p.m. (the “**Annual General Meeting**”) is set out on pages 31 to 47 of this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to its principal place of business at 17th Floor, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the Annual General Meeting or any adjourned meeting if you so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please refer to page 47 of this circular for measures being taken to minimise the risk of the spread of the Novel Coronavirus (COVID-19) at the Annual General Meeting, including but not limited to:

- compulsory body temperature check;
- scanning of the “LeaveHomeSafe” venue QR code or registering contact details in written forms;
- wearing of a surgical face mask throughout the Annual General Meeting; and
- no beverage or refreshment as appropriate.

The Company reminds Shareholders that they may appoint the chairman of the Annual General Meeting as their proxy to vote on the relevant resolution(s) at the Annual General Meeting as an alternative of attending the Annual General Meeting in person.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	4
Introduction	4
Proposed General Mandates to Repurchase and Issue Shares	5
Proposed Re-election of Directors	5
Proposed Adoption of 2021 Share Option Scheme	5
Proposed Amendments to the Bye-Laws	8
Annual General Meeting	8
Voting at the Annual General Meeting	9
Responsibility Statement	9
Recommendations	9
General Information	10
Appendix I – Explanatory Statement on the Repurchase Mandate	11
Appendix II – Details of Directors Proposed to be Re-elected	14
Appendix III – Summary of the Principal Terms of the 2021 Share Option Scheme	19
Appendix IV – Amendments to the Existing Bye-Laws	30
Notice of Annual General Meeting	31

DEFINITIONS

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

“2011 Share Option Scheme”	the share option scheme adopted on 9 December 2011
“2021 Share Option Scheme”	the share option scheme proposed to be adopted at the Annual General Meeting, the principal terms of which are set out in Appendix III of this circular
“Adoption Date”	the date on which the 2021 Share Option Scheme is conditionally adopted by resolution of the Shareholders in the Annual General Meeting
“Affiliate”	a company in which the Group holds an interest of 30% or more of the issued share capital or a subsidiary of such company
“Allotment Date”	the date on which Shares are allotted and issued to a Grantee pursuant to the exercise of the rights attaching to an Option granted and exercised thereunder
“Annual General Meeting”	the annual general meeting of the Company to be held at Forum Boardroom, Basement 2, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Friday, 17 December 2021 at 3:00 p.m.
“Associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Auditor”	the auditor for the time being of the Company
“Board”	the board of Directors or where applicable a duly authorised committee thereof
“Business Day”	has the meaning ascribed to it under the Listing Rules
“Bye-Laws”	the bye-laws of the Company
“Chief Executive”	has the meaning ascribed to it under the Listing Rules
“Close Associate(s)”	has the meaning ascribed to it under the Listing Rules
“Commencement Date”	in respect of any particular Option, the Business Day on which that Option is granted in accordance with the 2021 Share Option Scheme

DEFINITIONS

“Companies Act”	the Companies Act 1981 (as amended) of Bermuda, as amended, supplemented or otherwise modified from time to time
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Dynamic Holdings Limited (stock code: 29), a company incorporated under the laws of Bermuda with limited liability, whose Shares are listed on the main board of the Stock Exchange
“Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Core Connected Person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Eligible Participant(s)”	any person who satisfies the eligibility criteria in the 2021 Share Option Scheme
“Employee”	any employee (whether full-time or part-time) of the Group or the Company’s Affiliate or the Company’s holding company
“Grantee”	any Eligible Participant who accepts an offer in accordance with the terms of the 2021 Share Option Scheme, or (where the context so permits) the legal personal representative(s) entitled to any such Option in consequence of the death of the Eligible Participant (being an individual)
“Group”	the Company and all of its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	22 October 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Memorandum”	the Memorandum of Association of the Company
“Nomination Committee”	the nomination committee of the Board
“Option”	a right to subscribe for Shares granted pursuant to the 2021 Share Option Scheme
“Option Period”	in respect of any particular Option, the period to be notified by the Board to each Grantee as being the period during which an Option may be exercised as the Board determines at its discretion, save that such period shall not be more than 10 years from the Commencement Date
“PRC”	The People’s Republic of China
“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 a par value of HK\$1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option pursuant to the 2021 Share Option Scheme
“Subsidiary(ies)”	a subsidiary or subsidiaries (within the meaning of the Companies Ordinance or the Companies Act) for the time being and from time to time of the Company
“Substantial Shareholder(s)”	shall have the meaning ascribed to it under the Listing Rules
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers
“%” or “per cent”	percentage

LETTER FROM THE BOARD



DYNAMIC HOLDINGS LIMITED

達力集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 29)

Executive Directors:

Dr. TAN Lucio C. (*Chairman*)

Mr. CHIU Siu Hung, Allan (*Chief Executive Officer*)

Ms. TAN Carmen K.

Mr. PASCUAL Ramon Sy

Mr. CHUA Joseph Tan

Ms. TAN Vivienne Khao

Ms. TAN Irene Khao

Independent Non-executive Directors:

Mr. CHONG Kim Chan, Kenneth

Mr. GO Patrick Lim

Mr. NGU Angel

Mr. MA Chiu Tak, Anthony

Registered Office:

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

Principal Place of Business:

17th Floor

Eton Tower

8 Hysan Avenue

Causeway Bay

Hong Kong

28 October 2021

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSALS FOR GENERAL MANDATES
TO REPURCHASE AND ISSUE SHARES
(2) RE-ELECTION OF DIRECTORS
(3) ADOPTION OF NEW SHARE OPTION SCHEME
(4) AMENDMENTS TO BYE-LAWS
AND
(5) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the forthcoming Annual General Meeting relating to (a) the granting of general mandates to the Directors to repurchase and issue Shares; (b) the re-election of retiring Directors; (c) the adoption of 2021 Share Option Scheme; and (d) amendments to the existing Bye-Laws.

LETTER FROM THE BOARD

PROPOSED GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

At the Annual General Meeting, ordinary resolutions will be proposed to renew the general mandates previously granted to the Directors to (a) repurchase Shares on the Stock Exchange of up to 10% of the issued share capital of the Company at the date of passing of the resolutions; and (b) allot, issue and otherwise deal with Shares up to a limit of 20% of the issued share capital of the Company as at the date of passing of the resolutions plus the number of any Shares repurchased by the Company since the granting of the general mandate (up to a maximum number equivalent to 10% of the issued share capital of the Company as at the date of passing the resolution and authorised by a separate ordinary resolution as required by the Listing Rules).

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed general mandate to repurchase Shares is set out in Appendix I to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Bye-Law 99 of the Bye-Laws, at least one-third of the Directors shall retire from office by rotation at each annual general meeting. Furthermore, in accordance with Bye-Law 102(B) of the Bye-Laws, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the members in general meeting. Any Director so appointed shall hold office only until the next following annual general meeting of the Company (in the case of an addition to the Board) or until the next general meeting of the Company (in the case of filling a casual vacancy) and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

Under code provision A.4.2 set out in the corporate governance code contained in Appendix 14 to the Listing Rules, all directors appointed to fill casual vacancy should be subject to election by shareholders at the first general meeting after appointment, and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. Accordingly, the Directors who will retire by rotation at the Annual General Meeting are Ms. TAN Vivienne Khao, Mr. GO Patrick Lim, Mr. NGU Angel and Mr. MA Chiu Tak, Anthony, while Ms. TAN Irene Khao will hold office until the Annual General Meeting, and they, all being eligible, will offer themselves for re-election at the Annual General Meeting as recommended by Nomination Committee.

Details of the retiring Directors are set out in Appendix II to this circular.

PROPOSED ADOPTION OF 2021 SHARE OPTION SCHEME

The 2011 Share Option Scheme

The 2011 Share Option Scheme was adopted by the Company on 9 December 2011 and is valid for a period of 10 years ending on 8 December 2021. Other than the 2011 Share Option Scheme, the Company does not have any other option schemes. The Share Option Scheme is due to expire on 8 December 2021.

LETTER FROM THE BOARD

The Company had granted 1,000,000 options under the 2011 Share Option Scheme to Mr. GO Patrick Lim (“**Mr. GO**”), an independent non-executive Director of the Company, on 10 November 2015. Mr. GO has exercised all the options granted to him on 8 October 2019. Save for the aforementioned, no options have been granted under the 2011 Share Option Scheme. As at the Latest Practicable Date, there are no outstanding options granted under the 2011 Share Option Scheme.

Proposed adoption of the 2021 Share Option Scheme

In order to provide the Company with the flexibility of granting share options to the Eligible Participants as incentives or rewards for their contribution or potential contribution and/or efforts made to the Group, the Directors proposed to adopt the 2021 Share Option Scheme, the principal terms of which are set out in Appendix III to this circular.

Scope of Eligible Participants

The Board may at its discretion grant Options to any Director, proposed Director (whether executive or non-executive and whether independent or not), employee of the Group or an Affiliate or the holding company of the Company (if applicable) whom the Board in its sole discretion considers will contribute or has contributed to any member of the Group or an Affiliate or the holding company of the Company (if applicable).

The Board will assess the eligibility of Eligible Participants who are employees and directors of the Group/its Affiliate/its holding company based on the following factors:

- (a) his/her/their (i) individual performance, (ii) commitment (including without limitation the years of service and working hours), (iii) responsibilities and engagement conditions according to the prevailing market practice and industry standard, and (iv) potential and/or actual contribution to the business affairs of and benefits to the Group/its Affiliate/its holding company (in terms of, including without limitation, proactively promoting/catalyzing the continuing development and growth of the Group/its Affiliate/its holding company); and/or
- (b) whether he/she/they is/are regarded as a valuable human resource of the Group/its Affiliate/its holding company based on his/her/their working experience, professional qualifications, knowledge in the industry or other relevant factors (including without limitation skill, competence, technical know-how, and market competitiveness).

When the Company grants the Options to the Eligible Participants, the Board will make a holistic assessment on the overall contribution and performance by each such Eligible Participant and consider the potential benefits to be provided to the Group/its Affiliates/its holding company (including taking into account the Company’s interests in the relevant Affiliate(s) where appropriate).

LETTER FROM THE BOARD

The Board considers that the 2021 Share Option Scheme will motivate the Eligible Participants to make contributions to the Group/its Affiliates/its holding company, facilitate the retention and recruitment of high-calibre staff of the Group/its Affiliates/its holding company and that it is in the interest of the Group as a whole for the Eligible Participants to be given incentives to participate in the growth of, and make contribution to, the Group/its Affiliates/its holding company. In respect of Affiliates of the Group, the Group can benefit from the growth and development of its Affiliates with possible enhancement in the value in its investments in the Affiliates. As regard its holding company, the Group can benefit from the growth and development of its holding company which may provide additional investment, resources and funding to the Group for its development. In this connection, the Board believes that covering the directors and employees of its Affiliates and holding company as part of the Eligible Participants (so long as they meet the aforesaid criteria) is appropriate and in the interests of the Company and the Shareholders as a whole.

Furthermore, the Board considers that the Eligible Participants will share common interests and objectives with the Group upon their exercise of the Options, which is beneficial to the long-term development of the Group.

In addition, the adoption of the 2021 Share Option Scheme is in line with modern commercial practice that the Eligible Participants be given incentives to work towards enhancing the value and attaining the long-term objectives of the Company and for the benefit of the Group as a whole.

As such, the Board considers that the adoption of the 2021 Share Option Scheme is in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no intention to grant any Options to the Eligible Participants in the coming 12 months under the 2011 Share Option Scheme and/or the 2021 Share Option Scheme.

Conditions

The adoption of the 2021 Share Option Scheme is conditional upon (i) the passing of the necessary resolution to adopt the 2021 Share Option Scheme by the Shareholders in the Annual General Meeting; and (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of and permission to deal in the Shares or any part thereof to be issued and allotted pursuant to the exercise of the Options granted under the 2021 Share Option Scheme.

Application for listing of Shares

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which may be issued upon the exercise of the options under the 2021 Share Option Scheme. Based on 237,703,681 Shares in issue as at the Latest Practicable Date and assuming that there is no change in the issued share capital of the Company before the Annual General Meeting, the maximum number of Shares that may be issued upon the exercise of the share options that may be granted under the 2021 Share Option Scheme is 23,770,368 Shares, being 10% of the issued share capital of the Company as at the Adoption Date.

LETTER FROM THE BOARD

Value of the Options

The aggregate number of Shares which may be issued upon the exercise of all share options that may be granted under the 2021 Share Option Scheme and all outstanding share options granted and yet to be exercised under the other share option schemes of the Company has not exceeded 30% of the Shares in issue as at the Latest Practicable Date. As at the Latest Practicable Date, no share options under the 2021 Share Option Scheme have been granted and thus the Company considers that it would not be appropriate to disclose in this circular the value of the share options that may be granted under the 2021 Share Option Scheme as if they have been granted as at the Latest Practicable Date, as various determining factors for the calculation of such value cannot be reasonably ascertained at this stage. It would not be meaningful and may even be misleading to Shareholders if the value of the options is calculated based on a set of speculative assumptions.

Principal terms of the 2021 Share Option Scheme

A summary of the principal terms of the 2021 Share Option Scheme is set out in Appendix III to this circular. A copy of the rules of the 2021 Share Option Scheme is available for inspection from the date hereof up to the date of the Annual General Meeting (i) at the Company's principal place of business in Hong Kong Company at 17th Floor, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong during normal business hours and (ii) on the Company's website (www.dynamic.hk) and the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). A copy of the rules of the 2021 Share Option Scheme will also be made available for inspection at the Annual General Meeting.

PROPOSED AMENDMENTS TO THE BYE-LAWS

In addition, your attention is drawn to the special resolution to be proposed at the Annual General Meeting to approve certain amendments to the existing Bye-Laws. Reference is made to the announcement of the Company dated 29 September 2021.

The Directors propose to amend the Bye-Laws of the Company to, inter alia, provide flexibility to the Company in relation to the conduct of general meetings and bring the Bye-Laws in line with certain changes to the Listing Rules and make other consequential and housekeeping amendments.

Summary explanation of the proposed amendments to the existing Bye-Laws is set out in Appendix IV to this circular.

ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting is set out on pages 31 to 47 of this circular. At the Annual General Meeting, ordinary resolutions in respect of the re-election of the Directors, the granting of the general mandates to repurchase and issue shares and adoption of the 2021 Share Option Scheme as referred to above will be proposed and special resolution in respect of the amendments to the existing Bye-Laws as referred to above will be proposed.

LETTER FROM THE BOARD

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the principal place of business of the Company at 17th Floor, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong no later than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at a general meeting of the Company must be taken by poll, except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to procedural and administrative matters to be voted by a show of hands. Therefore the chairman of the Annual General Meeting will demand a poll on each of the resolutions put to vote at the meeting as stated in the notice convening the Annual General Meeting.

As at the Latest Practicable Date, no Shareholder had a material interest in the resolutions to be proposed at the Annual General Meeting (including the adoption of the 2021 Share Option Scheme). As such, no Shareholder is required to abstain from voting on the resolutions in relation thereto at the Annual General Meeting.

The results of the poll will be published by way of an announcement on the website of the Company and the Stock Exchange in accordance with the requirements of the Listing Rules.

RESPONSIBILITY STATEMENT

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

RECOMMENDATIONS

The Directors believe that (i) the proposed general mandates to repurchase and issue Shares; (ii) the proposed re-election of Directors; (iii) the proposed adoption of 2021 Share Option Scheme; and (iv) the proposed amendments to the existing Bye-Laws, are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend you to vote in favour of the resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

GENERAL INFORMATION

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

Yours faithfully,
By Order of the Board
Dynamic Holdings Limited
CHIU Siu Hung, Allan
Chief Executive Officer

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This appendix includes an explanatory statement required to be presented to Shareholders under the Listing Rules to provide Shareholders with all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting for granting the general mandate to repurchase Shares to the Directors.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to renew a general mandate previously granted to the Directors to repurchase Shares on the Stock Exchange of up to 10% of the issued share capital of the Company as at the date of passing of the resolution.

As at the Latest Practicable Date, the number of Shares in issue was 237,703,681. On the basis of such figure, assuming that no Shares will be issued or repurchased thereafter and prior to the Annual General Meeting, the Directors would be authorised to repurchase Shares up to a limit of 23,770,368 Shares.

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their Close Associates has any present intention, in the event that the proposed general mandate to repurchase Shares is approved by Shareholders, to sell Shares to the Company.

No Core Connected Person has notified the Company that he/she has any present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorised to make purchases of its own Shares.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed general mandate to repurchase Shares in accordance with the Listing Rules, all applicable laws of Bermuda and the Memorandum and Bye-Laws.

EFFECT OF TAKEOVER CODE

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Dr. TAN Lucio C. (“**Dr. TAN**”) was deemed to have interest in 89,321,279 Shares held through Dynamic Development Corporation, which was in turn a wholly-owned subsidiary of Zedra Asia Limited (“**Zedra Asia**”) which was the trustee of a private discretionary trust (the “**Discretionary Trust**”) of which Dr. TAN is the founder of the Discretionary Trust. Dr. TAN also held personal interest in 2,190,000 Shares (long position). In addition, Dr. TAN was deemed to have interests in 2,190,000 Shares (long position) held by Mrs. TAN Carmen K., an executive Director and spouse of Dr. TAN, as family interest. And his collective interests being long position in aggregate approximately 39.42% of the issued share capital of the Company. He was a Substantial Shareholder holding more than 5% of the issued share capital of the Company under Part XV of the SFO and the controlling shareholder as ascribed in the Listing Rules.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

In addition, Zedra Asia was taken to be interested in 89,321,279 Shares (representing 37.58% of the issued share capital of the Company) as trustee of a private discretionary trust. It was a Substantial Shareholder holding more than 5% of the issued share capital of the Company under Part XV of the SFO.

In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the resolution and if there is no other change in issued share capital of the Company, the shareholdings of Dr. TAN (together with his Associates) and Zedra Asia (together with its wholly-owned subsidiary) in the Company would be increased to approximately 43.80% and 41.75% respectively, which would give rise to an obligation to make a mandatory offer under Rule 26 of the Takeover Code. The Directors have no present intention to exercise the power to repurchase Shares to such extent as it would trigger the same.

The exercise in full of the power to repurchase Shares by the Directors would not reduce the public shareholding in the Company to below 25% of the issued share capital of the Company.

LISTING RULES FOR REPURCHASES OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions.

The Listing Rules provide that all on-market repurchase of share made by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by specific approval of a particular transaction or by a general mandate to the Directors of the Company to make such repurchase.

FUNDING FOR REPURCHASES

Repurchases must be funded out of funds legally available for the purpose in accordance with the laws of Bermuda, the Memorandum and the Bye-Laws. It is envisaged that the Company will derive the funds for repurchase of its Shares in accordance therewith.

The Company is empowered by its Memorandum and Bye-Laws to repurchase its own Shares. The laws of Bermuda provide that any amount repaid in connection with a repurchase of Share(s) may only be paid out of either the capital paid up on the relevant Shares, or the profits that would otherwise be available for distribution by way of dividend or the proceeds of a new issue of Shares made for such purpose. The amount of premium payable on the repurchases, if any, may only be paid out of either the profits that would otherwise be available for distribution or dividend or out of the share premium of the Company.

REASON FOR REPURCHASES

The Directors have no present intention to make any repurchase of the Company's own Shares but consider that the mandate will provide the Company the flexibility to make such repurchases when appropriate and beneficial to the Company and its Shareholders. Such repurchases may enhance the net asset value of the Company and/or earnings per share.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

Based on the financial position of the Company as at 30 June 2021 (being the date of its latest published audited accounts), the Directors do not expect any material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchases were to be carried out in full during the proposed repurchase period. No repurchases would be made in the circumstances that would have a material adverse impact on the working capital or gearing ratio of the Company.

GENERAL

During each of the six months preceding the date of this circular, the Company has not repurchased any of its Shares. During each of the previous twelve months from 1 October 2020 to the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	SHARES	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
October	15.08	12.82
November	15.08	14.30
December	14.80	13.52
2021		
January	14.80	13.38
February	14.18	13.20
March	14.10	12.84
April	14.64	13.14
May	14.46	13.50
June	14.08	13.54
July	13.94	11.30
August	13.26	11.58
September	13.90	11.32
October up to the Latest Practicable Date	13.16	12.06

In accordance with the Bye-Laws and as recommended by Nomination Committee, the following Directors, namely, Ms. TAN Vivienne Khao, Mr. GO Patrick Lim, Mr. NGU Angel and Mr. MA Chiu Tak, Anthony shall retire from office by rotation; and Ms. TAN Irene Khao shall hold office until the Annual General Meeting and they, all being eligible, will offer themselves for re-election.

TAN VIVIENNE KHAO

Aged 53, is an executive Director of the Company as appointed in 2019. She is in charge of business development, investment and management of the Group. Ms. TAN has not been appointed for a specific term but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws.

Ms. TAN has years of senior managerial experience specialising in real estate, banking, airline and education. She is the director of Eton Properties Philippines Inc. She sits on the board of the University of the East and the University of the East Ramon Magsaysay Memorial Medical Center. She has been awarded the “Ten Outstanding Young Men Award” for education/business entrepreneurship in the Philippines. Ms. TAN graduated from the University of San Francisco with a double degree in mathematics and computer science. She is related to other executive Directors being the daughter of Dr. TAN Lucio C. and Mrs. TAN Carmen K., the sister of Ms. TAN Irene Khao, the sister-in-law of Mr. PASCUAL Ramon Sy and Mr. CHUA Joseph Tan.

At present and in the past three years, Ms. TAN, apart from being a Director of the Company, holds and held directorships in several listed companies. She is and has been a director of LT Group, Inc., Philippine National Bank, MacroAsia Corporation and PAL Holdings, Inc., securities of which are all listed on The Philippines Stock Exchange, Inc.

Save as disclosed above and the directorship held in the Company, Ms. TAN does not hold any positions in the Company or any of its subsidiaries; and does not have any relationship with any Directors, senior management, Substantial Shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Ms. TAN has no interests in the Shares of the Company within the meaning of Part XV of the SFO.

A letter of appointment has been entered into between Ms. TAN and the Company. Under the terms of the appointment, Ms. TAN has been and shall be entitled to receive a director’s fee or emolument on the basis of HK\$40,000 per attendance by way of physical attendance of each meeting of the Board, meeting of any committee of the Board or general meeting of the Company which she has attended and attends. The fee or emolument payable to Ms. TAN is determined by the Board in accordance with the emolument policy as recommended by the Remuneration Committee and subject to endorsement by the Shareholders in general meeting. For the year ended 30 June 2021, the total director’s fee or emolument of HK\$252,000 (inclusive of contributions to retirement benefits scheme) were paid to Ms. TAN.

Save as disclosed above, there is no other information 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 in relation to the re-election of Ms. TAN that need to be brought to the attention of the Shareholders.

GO PATRICK LIM

Aged 63, is an independent non-executive Director of the Company as appointed in 2013. He is also members of Audit Committee and Remuneration Committee as well as the chairman and member of Nomination Committee. Mr. GO has been appointed for a further term of two years from 8 February 2021 but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws.

Mr. GO has years of senior managerial experience specialising in corporate finance and private/public equity having worked for Credit Suisse First Boston, Bank of America Asia Limited and Bankers Trust Company. Currently, he is the chief executive officer of Paramount Life & General Insurance Corporation and serves as an independent non-executive director of Allied Banking Corporation (Hong Kong) Limited. He is also a member of Singapore Institute of Directors. Mr. GO holds a bachelor degree in economics and a master degree in business administration. He was formerly a director of Del Monte Pacific Limited, which is listed on Singapore Exchange Limited.

At present and in the past three years, Mr. GO, apart from being a Director of the Company, has not held any directorships in any public companies, securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above and the directorship held in the Company, Mr. GO does not hold any positions in the Company or any of its subsidiaries; and does not have any relationship with any Directors, senior management, Substantial Shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, other than his personal interests in 300,000 Shares (long position), Mr. GO has no other interests in the Shares of the Company within the meaning of Part XV of the SFO.

A letter of appointment has been entered into between Mr. GO and the Company. Under the terms of the appointment, Mr. GO has been and shall be entitled to receive a director's fee or emolument on the basis of HK\$40,000 per attendance by way of physical attendance of each meeting of the Board, meeting of any committee of the Board or general meeting of the Company which he has attended and attends. The fee or emolument payable to Mr. GO is determined by the Board in accordance with the emolument policy as recommended by the Remuneration Committee and subject to endorsement by the Shareholders in general meeting. For the year ended 30 June 2021, the total director's fee or emolument of HK\$360,000 were paid to Mr. GO.

Mr. GO has confirmed that he meets the independence guidelines set out in Rule 3.13 of the Listing Rules. The Nomination Committee, after reviewed the independence of Mr. GO, his knowledge and experience and contributions made by him to the Group, has recommended his re-election as an independent non-executive Director of the Company.

Save as disclosed above, there is no other information 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 in relation to the re-election of Mr. GO that need to be brought to the attention of the Shareholders.

NGU ANGEL

Aged 73, is an independent non-executive Director of the Company as appointed in 2019. Mr. NGU has been appointed for a further term of two years from 10 May 2021 but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws.

Mr. NGU has years of senior managerial experience specialising in the business of aluminum products. He holds directorships in various companies and holds a number of senior positions in various organisations. He is the chairman and president of Angus Aluminum, Inc. and Roosevelt Aluminum Products Co. Inc. He is also honorary president of the Federation of Filipino-Chinese Chambers of Commerce and Industry, Inc. in the Philippines and Filipino-Chinese Quezon City Chamber of Commerce. In addition, he has been awarded as 2016 Outstanding Manilan for Community Service, City of Manila. He holds a bachelor degree in commerce from University of the East in the Philippines.

At present and in the past three years, Mr. NGU, apart from being a Director of the Company, has not held any directorships in any public companies, securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above and the directorship held in the Company, Mr. NGU does not hold any positions in the Company or any of its subsidiaries, and does not have any relationship with any Directors, senior management, Substantial Shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. NGU has no interests in the Shares of the Company within the meaning of Part XV of the SFO.

A letter of appointment has been entered into between Mr. NGU and the Company. Under the terms of the appointment, Mr. NGU has been and shall be entitled to receive a director's fee or emolument on the basis of HK\$40,000 per attendance by way of physical attendance of each meeting of the Board, meeting of any committee of the Board or general meeting of the Company which he has attended and attends. The fee or emolument payable to Mr. NGU is determined by the Board in accordance with the emolument policy as recommended by the Remuneration Committee and subject to endorsement by the Shareholders in general meeting. For the year ended 30 June 2021, the total director's fee or emolument of HK\$240,000 were paid to Mr. NGU.

Mr. NGU has confirmed that he meets the independence guidelines set out in Rule 3.13 of the Listing Rules. The Nomination Committee, after reviewed the independence of Mr. NGU, his knowledge and experience and contributions made by him to the Group, has recommended his re-election as an independent non-executive Director of the Company.

Save as disclosed above, there is no other information 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 in relation to the re-election of Mr. NGU that need to be brought to the attention of the Shareholders.

MA CHIU TAK, ANTHONY

Aged 66, is an independent non-executive Director of the Company as appointed in 2019. He is also members of Audit Committee, Remuneration Committee and Nomination Committee. Mr. MA has been appointed for a further term of two years from 11 September 2021 but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws.

Mr. MA has years of senior managerial experience specialising in the business of banking. He has held senior position in treasury and global markets in Bank of Shanghai (Hong Kong) Limited and Bank of America, N.A. Hong Kong Branch. He has been a member of the Treasury Markets Association and an alternate chief executive of Bank of America, N.A. Hong Kong Branch. He holds a Bachelor of Arts from York University in Canada.

At present and in the past three years, Mr. MA, apart from being a Director of the Company, has not held any directorships in any public companies, securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above and the directorship held in the Company, Mr. MA does not hold any positions in the Company or any of its subsidiaries, and does not have any relationship with any Directors, senior management, Substantial Shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. MA has no interests in the Shares of the Company within the meaning of Part XV of the SFO.

A letter of appointment has been entered into between Mr. MA and the Company. Under the terms of the appointment, Mr. MA has been and shall be entitled to receive a director's fee or emolument on the basis of HK\$40,000 per attendance by way of physical attendance of each meeting of the Board, meeting of any committee of the Board or general meeting of the Company which he has attended and attends. The fee or emolument payable to Mr. MA is determined by the Board in accordance with the emolument policy as recommended by the Remuneration Committee and subject to endorsement by the Shareholders in general meeting. For the year ended 30 June 2021, the total director's fee or emolument of HK\$280,000 were paid to Mr. MA.

Mr. MA has confirmed that he meets the independence guidelines set out in Rule 3.13 of the Listing Rules. The Nomination Committee, after reviewed the independence of Mr. MA, his knowledge and experience and contributions made by him to the Group, has recommended his re-election as an independent non-executive Director of the Company.

Save as disclosed above, there is no other information 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 in relation to the re-election of Mr. MA that need to be brought to the attention of the Shareholders.

TAN IRENE KHAO

Aged 56, is an executive Director of the Company as appointed with effect from 14 September 2021. She is in charge of business development, investment and management of the Group. Ms. TAN has not been appointed for a specific term but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. Meanwhile, Ms. TAN will hold office until the Annual General Meeting and is eligible for re-election at such general meeting of the Company in accordance with the Bye-Laws.

Ms. TAN has years of senior managerial experience specialising in banking hotel, securities and insurance industries. She is the director of Alliedbankers Insurance Corporation as well as the director and president of Pan Asia Securities Corporation. Ms. TAN graduated from the University of San Francisco with a degree in Science in Business Information Systems. Ms. TAN is related to other executive Directors of the Company, being the daughter of Dr. TAN Lucio C. and Mrs. TAN Carmen K.; the sister of Ms. TAN Vivienne Khao; and the sister-in-law of Mr. PASCUAL Ramon Sy and Mr. CHUA Joseph Tan.

At present and in the past three years, Ms. TAN, apart from being a Director of the Company, has not held any directorships in any public companies, securities of which are listed on any securities market in Hong Kong or overseas.

Save as disclosed above and the directorship held in the Company, Ms. TAN does not hold any positions in the Company or any of its subsidiaries; and does not have any relationship with any Directors, senior management, Substantial Shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Ms. TAN has no interests in the Shares of the Company within the meaning of Part XV of the SFO.

A letter of appointment has been entered into between Ms. TAN and the Company. Under the terms of the appointment, Ms. TAN has been and shall be entitled to receive a director's fee or emolument on the basis of HK\$40,000 per attendance by way of physical attendance of each meeting of the Board, meeting of any committee of the Board or general meeting of the Company which she has attended and attends. The fee or emolument payable to Ms. TAN is determined by the Board in accordance with the emolument policy as recommended by the Remuneration Committee and subject to endorsement by the Shareholders in general meeting.

Save as disclosed above, there is no other information 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 in relation to the re-election of Ms. TAN that need to be brought to the attention of the Shareholders.

The following is a summary of the principal terms of the 2021 Share Option Scheme:

(a) Purpose of the 2021 Share Option Scheme

- (i) The 2021 Share Option Scheme is a share incentive scheme and is established to provide incentive or reward, to recognise and acknowledge the contributions and/or efforts Eligible Participants had or may have made to the Group.
- (ii) The 2021 Share Option Scheme will provide Eligible Participants an opportunity to have a personal stake in the Company with the view to achieve the following objectives:
 - (1) motivate the Eligible Participants to optimise their performance and efficiency for the benefit and/or interest of the Group; and
 - (2) attract and retain or otherwise maintain on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of the Group.

(b) Who may join and basis for determining eligibility

- (i) The Board may at its discretion grant Options to any Director, proposed Director (whether executive or non-executive and whether independent or not), employee of the Group or an Affiliate or the holding company of the Company (if applicable) whom the Board in its sole discretion considers will contribute or has contributed to any member of the Group or an Affiliate or the holding company of the Company (if applicable).
- (ii) In order for a person to satisfy the Board that he is qualified to be (or, where applicable, continues to be qualified to be) an Eligible Participant, such person shall provide all such information as the Board may request for the purpose of assessing its eligibility (or continuing eligibility).
- (iii) Any person whom the Board has resolved that he is qualified to be an Eligible Participant must remain eligible during the period when any Option granted to him remains outstanding. In assessing the continuing eligibility of such Grantee under the 2021 Share Option Scheme, the requirements set out in sub-paragraph (i) above and sub-paragraph (ii) in the paragraph headed “(c) Grant of Options” below shall be given due and careful considerations by the Board.

- (iv) In the event that the Board has resolved that a Grantee fails or otherwise is unable to meet the continuing eligibility criteria under the 2021 Share Option Scheme, the Company is entitled to cancel any outstanding option or part thereof granted to such Grantee to the extent not already exercised (but, for the avoidance of doubt, if the Company does not exercise such right, the Grantee may exercise any outstanding Option or part thereof).

(c) Grant of Options

- (i) The Board shall not offer the grant of an Option to any Eligible Participant (i) after inside information has come to its knowledge until (and including) the trading day after it has announced the information; or (ii) during the period commencing one month immediately preceding the earlier of (A) 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 Listing Rules) and (B) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period respectively (whether or not required under the Listing Rules), and ending on the date on which such information has been announced pursuant to the relevant requirements of the Listing Rules.
- (ii) Any grant of Options to a Connected Person or their respective Associates must be approved by all of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is the proposed Grantee).
- (iii) Where any grant of Options to a Substantial Shareholder or an independent non-executive Director of the Company or their respective Associates will result in the total number of the Shares issued and to be issued upon exercise of the Options proposed to be granted and all other options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person under the 2021 Share Option Scheme and any other share option scheme(s) of the Company in the 12-month period up to and including the date of the grant of Options to such person:
 - (1) representing in aggregate over 0.1% of the Shares in issue at the date of such grant; and
 - (2) having an aggregate value, based on the closing price of the Shares as stated in the Stock Exchange's daily quotations sheets on each relevant date on which the grant of such Option is made to (and subject to the acceptance by) such person under the relevant scheme, in excess of HK\$5 million,

then such further grant of Options must be first approved by the Shareholders at general meeting at which meeting the grantee(s), any of their respective Associates and all the Core Connected Persons shall abstain from voting in favour at the general meeting. The Company shall send a circular to the Shareholders.

- (iv) The requirements for the granting of options to a Director or chief executive (as defined under the Listing Rules) of the Company set out in this section (c) shall not apply where the Eligible Participant is only a proposed Director or chief executive of the Company.
- (v) Subject to the provisions of the 2021 Share Option Scheme, the Listing Rules and other applicable rules and regulations, the Board may, on a case by case basis and at its discretion when offering the grant of an Option, impose any conditions, restrictions or limitations in relation thereto additional to those expressly set forth in the 2021 Share Option Scheme as it may think fit (which shall be stated in the letter containing the offer of the grant of the Option) including (without prejudice to the generality of the foregoing) conditions, restrictions or limitations relating to the minimum period for which the Options are to be held and/or the achievement of operating or financial targets, the satisfactory performance of certain obligations by the Grantee or the time or period when the right to exercise the Option in respect of all or some of the Shares the subject of the Option will vest.
- (vi) There is no performance target stipulated under the terms of the 2021 Share Option Scheme which a Grantee is required to achieve before any Option granted under the 2021 Share Option Scheme can be exercised. The terms of the 2021 Share Option Scheme, however, do provide that the Board has the discretion to require at the time of grant of an Option any particular Grantee to achieve such performance targets as the Board may then specify in the grant before any Option granted under the Scheme to such Grantee can be exercised.

(d) Acceptance of option offer

An offer of an Option shall remain open for acceptance by the Eligible Participant concerned for a period of 28 days from the date of the offer. The Eligible Participant is not required to pay any amount for acceptance of the Option offer.

(e) Price of Shares

The Subscription Price in respect of any particular Option shall, subject to any adjustments made pursuant to the terms of the 2021 Share Option Scheme, be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Option and notified to each Eligible Participant (in the letter containing the offer of the grant of the Option) and shall not be less than the highest of:

- (i) the closing price per Share of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant Option, which must be a Business Day; or
- (ii) an amount equivalent to the average closing price per Share of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 Business Days immediately preceding the date of grant of the relevant Option.

(f) Maximum number of Shares

- (i) The maximum number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the 2021 Share Option Scheme and any other schemes involving the issue or grant of options or similar rights over Shares or other securities by the Company, must not, in aggregate, exceed 30 per cent of the Shares in issue from time to time. Notwithstanding anything contrary to the terms of the 2021 Share Option Scheme, no Options may be granted under any scheme of the Company (including the 2021 Share Option Scheme) if this will result in the said 30 per cent limit being exceeded.
- (ii) The total number of Shares available for issue under Options which may be granted under the 2021 Share Option Scheme and any other share option schemes must not, in aggregate, exceed 10 per cent of the issued share capital of the Company as at the date of approval of the 2021 Share Option Scheme by the Shareholders (the "**Scheme Mandate Limit**") unless Shareholders' approval has been obtained pursuant to sub-paragraph (iv) below.

- (iii) The Scheme Mandate Limit may be refreshed by Shareholders in general meeting from time to time provided that the Scheme Mandate Limit so refreshed must not exceed 10 per cent of the issued share capital of the Company as on the date of the approval of such refreshment by the Shareholders. Upon any such refreshment, all Options granted under the 2021 Share Option Scheme and any other share option schemes of the Company (including those exercised, outstanding, cancelled, lapsed in accordance with the 2021 Share Option Scheme or any other share option scheme of the Company) prior to the approval of such refreshment shall not be counted for the purpose of calculating whether the refreshed Scheme Mandate Limit has been exceeded. A circular must also be sent to the Shareholders containing such information from time to time as required by the Stock Exchange.
- (iv) The Board may seek separate Shareholders' approval in general meeting to grant Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Participants specified by the Company before such approval is sought and the Company must issue a circular to the Shareholders containing such information from time to time required by the Stock Exchange in relation to any such proposed grant to such Eligible Participants.
- (v) No Option may be granted to any Eligible Participants which if exercised in full would result in the total number of Shares issued and to be issued upon exercise of the Options already granted or to be granted to such Eligible Participant under the 2021 Share Option Scheme (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such new grant exceeding 1 per cent of the issued share capital of the Company as at the date of such new grant. Any grant of further share options above this limit shall be subject to the following requirements: (1) approval of the Shareholders at general meeting, with such Eligible Participant and its Close Associates (or his Associates if the Eligible Participant is a connected person) abstaining from voting; (2) a circular in relation to the proposal for such further grant having been sent by the Company to its Shareholders with such information from time to time required by the Listing Rules; (3) the number and terms (including the exercise price) of the Options to be granted to such proposed Grantee shall be fixed before the Shareholders' approval mentioned in sub-paragraph (1) above; and (4) for the purpose of calculating the minimum subscription price for the Shares in respect of the further Options proposed to be so granted as described under the heading "Price of Shares" above, the date of the Board's meeting for proposing such grant of further Options shall be taken as the date of grant of the Options.

(g) Time of exercise of option

- (i) An Option may be exercised in accordance with the terms of the 2021 Share Option Scheme at any time during an Option Period to be notified by the Board to each Grantee and in a period within which the Shares must be taken up will be determined by the Board in its absolute discretion, save that no Option may be exercised more than 10 years from the date of grant.
- (ii) There is currently no general requirement on the minimum period for which an Option must be held or the performance targets which must be achieved before an Option can be exercised under the terms of the 2021 Share Option Scheme. At the time of granting any Option, the Board may, on a case by case basis and subject to the provisions of the Listing Rules, make such grant on such terms and conditions as the Board may determine in its absolute discretion, including the minimum period of the Options to be held and/or the performance targets to be achieved before such Options may be exercised. However, the Board is not currently able to determine such minimum period and/or performance targets.

(h) Rights are personal to Grantee

An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option. Any breach of the foregoing shall render any outstanding Option or part thereof granted to such Grantee, to the extent not already exercised, as lapsed.

(i) Rights on death/ceasing employment

- (i) In the event of the death of the Grantee (being an individual) before exercising the Option in full, his legal personal representatives may exercise the Option up to the Grantee's entitlement (to the extent not already exercised) within the period of 12 months from the date of his death or such longer period as the Board may determine failing which the Option will lapse.
- (ii) In the event of the Grantee who is an Employee ceasing to be an Employee for any reason other than his death or the termination of his employment on one or more of the grounds specified in sub-paragraph (v) of paragraph (o) below, the Option (to the extent not already exercised) shall lapse on the date of cessation of such employment and not be exercisable provided that the Board may within 1 month from the date of such cessation otherwise determine that the Option shall become exercisable within such period as the Board may determine following the date of such cessation. A Grantee shall not be regarded as ceasing to be an employee (including any executive director) or officer (including any non-executive director and independent non-executive director) of the Company or any subsidiary or the Company's Affiliate or the Company's holding company if he ceases to hold a position of employment or office with

the Company or any particular subsidiary or the Company's Affiliate or the Company's holding company but at the same time he takes up a different position of employment of the Company or another subsidiary or the Company's Affiliate or the Company's holding company, as the case may be.

(j) Effects of alterations to capital

In the event of any alteration in the capital structure of the Company while an Option remains exercisable, and such event arises from a capitalisation of profits or reserves or rights issue made by the Company to the Shareholders, consolidation, subdivision or reduction of capital of the Company, such corresponding alterations (if any) shall be made in:

- (i) the number of Shares subject to the Option so far as unexercised; and/or
- (ii) the Subscription Price; and/or
- (iii) the maximum number of Shares referred to in paragraph (f) above.

Any such alteration shall require the certification of the Auditor or the independent financial adviser as to its fairness and reasonableness, either generally or as regards any particular Grantee (except in the case of a capitalisation issue where no such certification shall be required), and shall satisfy the requirement that such alterations give the Grantee the same proportion of the equity capital as that to which that the Grantee was previously entitled, provided that:

- (i) any such alterations shall be made on the basis that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) it was before such event;
- (ii) no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; and
- (iii) no such alterations shall be made the effect of which would be to increase the proportion of the issued share capital of the Company for which any Grantee is entitled to subscribe pursuant to the Options held by him.

For the avoidance of doubt only, the issue of securities as consideration in a transaction shall not be regarded as a circumstance requiring any such alterations.

The costs of the Auditor or the independent financial adviser shall be borne by the Company.

(k) Rights on a takeover

If a general offer (whether by way of takeover offer, share repurchase 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 in concert with the offeror), the Company shall use its best endeavours to procure that such offer is extended to all Grantees (on the same terms, mutatis mutandis, and assuming that they shall become, by the exercise in full of the Options granted to them, Shareholders). If such offer, having been approved in accordance with applicable laws and regulatory requirements becomes, or is declared unconditional, the Grantee (or his/her/its legal personal representative(s)) shall be entitled to exercise his/her/its Options in full (to the extent not already exercised) at any time within 14 days after the date on which such general offer becomes or is declared unconditional.

(l) Rights on scheme of arrangement

In the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme of compromise or arrangement, and thereupon the Grantee (or his or her personal representative(s)) may, until the expiry of the period commencing on such date and ending on the earlier of the date 2 months thereafter and the date on which such compromise or arrangement is sanctioned by the court, exercise any of his or her Options (to the extent which it has become exercisable and has not already been exercised) whether in full or in part, but the exercise of an Option as aforesaid shall be conditional upon such compromise or arrangement being sanctioned by the court and becoming effective. Upon such compromise or arrangement becoming effective, all Options shall lapse unless previously exercised under the 2021 Share Option Scheme. The Company may require the Grantee (or his or her personal representative(s)) to transfer or otherwise deal with the Shares issued as a result of the exercise of Option in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement.

(m) Rights on a voluntary winding up

In the event a notice is given by the Company to its Shareholders to convene a Shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall, forthwith upon such notice of meeting being given, give notice thereof to the Grantee and the Grantee may by notice in writing to the Company (such notice to be received by the Company not later than 4 Business Days prior to the proposed Shareholders' meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice and the Company shall as soon as possible and in any event no later than the day immediately prior to the date of the proposed Shareholders' meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise.

(n) Rights attaching to shares upon exercise of an option

Shares issued and allotted upon the valid exercise of an Option will rank pari passu in all respects with the other Shares of the same class in issue at the date of allotment.

(o) Lapse of Options

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

- (i) the expiry of the Option Period;
- (ii) the expiry of the periods referred to in paragraph (i), (k), (l) or (m) respectively;
- (iii) the date of the commencement of the winding-up of the Company;
- (iv) subject to the proposed compromise or arrangement becoming effective, the expiry of the period referred to in paragraph (m);
- (v) the date on which the Grantee who is an Employee ceases to be an Employee by reason of the termination of his/her employment on the grounds that he/she has been guilty of serious misconduct, or appears either to be unable to pay or to have no reasonable prospect of being able to pay debts 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 involving his/her integrity or honesty. A resolution of the Board to the effect that the employment of a Grantee has or has not been terminated on one or more of the grounds specified in this sub-paragraph shall be conclusive;
- (vi) the happening of any of the following events, unless otherwise waived by the Board:
 - (1) any liquidator, provisional liquidator, receiver or any person carrying out any similar function has been appointed anywhere in the world in respect of the whole or any part of the assets or undertakings of the Grantee (being a corporation);
 - (2) the Grantee (being a corporation) has ceased or suspended payment of its debts, become unable to pay its debts or otherwise become insolvent;
 - (3) there is unsatisfied judgment, order or award outstanding against the Grantee;

- (4) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in sub-clauses (aa), (bb) and (cc) above;
- (5) a bankruptcy order has been made against any director of the Grantee (being a corporation) in any jurisdiction; or
- (6) a petition for bankruptcy has been presented against any director of the Grantee (being a corporation) in any jurisdiction;
- (vii) the date on which the Grantee commits a breach of any condition attached to the grant of his/her/its Option, if the Board shall exercise the Company's right to deem the Option as lapsed;
- (viii) the date on which the Board considers that the Grantee fails to meet the continuing eligibility criteria as set out the 2021 Share Option Scheme, if the Board shall exercise the Company's right to deem the Option as lapsed; or
- (ix) the date on which the Grantee of an Option sells, transfers, charges, mortgages, encumbers or creates any interest in favour of any third party over or in relation to any Option in breach of the rules of the 2021 Share Option Scheme.

(p) Cancellation of Options granted

The Board shall have the absolute discretion to cancel any Options granted. Cancelled Options may be re-issued after such cancellation has been approved, provided that re-issued Options shall only be granted in compliance with the terms of the 2021 Share Option Scheme. For the avoidance of doubt, new Options may be issued to an option holder in place of his cancelled Options only if there are available unissued options (excluding the cancelled Options) within the Scheme Mandate Limit.

(q) Period of the 2021 Share Option Scheme

Subject to earlier termination by the Company in general meeting, Options may be granted to Eligible Participants under the 2021 Share Option Scheme during the period of 10 years commencing on the adoption of the 2021 Share Option Scheme.

(r) Alteration to 2021 Share Option Scheme and termination

- (i) The 2021 Share Option Scheme may be altered in any respect by a resolution of the Board except that the provisions of the 2021 Share Option Scheme relating to matters contained in Rule 17.03 of the Listing Rules shall not be altered to extend the class persons eligible for the grant of Options or to the advantage of Grantees or prospective Grantees except with the prior approval of the Shareholders in general meeting.

- (ii) Any alteration to the terms and conditions of the 2021 Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the 2021 Share Option Scheme.
- (iii) The amended terms of the 2021 Share Option Scheme and all Options must continue to comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (iv) Any change to the authority of the Board in relation to any alterations to the terms of the 2021 Share Option Scheme must be approved by Shareholders in general meeting.
- (v) Subject to sub-paragraph (i) to (iv) above, the Board may at any time alter, amend or modify the terms and conditions of the 2021 Share Option Scheme such that the provisions of the 2021 Share Option Scheme would comply with all relevant legal and regulatory requirements in all relevant jurisdictions to the extent as considered necessary by the Board to implement the terms of this Scheme.
- (vi) The Company by resolution in general meeting or the Board may at any time terminate the operation of the 2021 Share Option Scheme and in such event no further Options will be offered but the provisions of the 2021 Share Option Scheme shall remain in force in all other respects to the extent necessary to give effect to the exercise of any Option granted prior thereto or otherwise as may be required in accordance with the provisions of the 2021 Share Option Scheme.

(s) Conditions of the 2021 Share Option Scheme

The 2021 Share Option Scheme is conditional on (a) the Listing Committee of the Stock Exchange granting approval of the listing of and permission to deal in any Shares or any part thereof to be issued and allotted pursuant to the exercise of Options granted under the 2021 Share Option Scheme and (b) the 2021 Share Option Scheme being approved by the Shareholders in general meeting.

(t) Administration of the 2021 Share Option Scheme

The 2021 Share Option Scheme shall be administered by the Board whose decision shall be final and binding on all parties.

This appendix sets out the summary explanation of the proposed amendments to the existing Bye-Laws. The Board proposed to amend the existing Bye-Laws to, inter alia, provide flexibility to the Company in relation to the conduct of general meetings, reflect certain amendments to the Listing Rules, and make other consequential and housekeeping amendments.

The major areas of amendments that will be incorporated in the new Bye-Laws are summarized below:

- (i) to replace the term “associate” with “close associate”;
- (ii) to update the provisions on the treatment of the Directors’ interests and those of his close associates;
- (iii) to allow a general meeting of the Company to be held as hybrid meeting where Shareholders may participate by electronic means in addition to physical meeting where the Shareholders attend in person;
- (iv) to set out the other related powers of the Board and the chairman of the meeting, including making arrangements for attendance at general meetings as well as ensuring the security and orderly conduct of meetings;
- (v) to specify that a resolution put to the vote at general meetings of the Company shall be decided by poll except in physical meeting where the chairman in good faith, decides to allow a resolution which related purely to a procedural or administrative matter to be voted on by a show of hands; and
- (vi) to make other miscellaneous amendments to update or clarify the provisions of the Bye-Laws where it is considered desirable or to better align the wordings with the Listing Rules.

The proposed amendments are set out in full in the Notice of Annual General Meeting.

NOTICE OF ANNUAL GENERAL MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.



NOTICE IS HEREBY GIVEN that the annual general meeting of DYNAMIC HOLDINGS LIMITED (the “**Company**”) will be held at Forum Boardroom, Basement 2, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Friday, 17 December 2021 at 3:00 p.m. (the “**Annual General Meeting**”) for the purpose of transacting the following business:

As ordinary business:

1. To receive and consider the audited consolidated financial statements and the reports of the directors (the “**Directors**”) of the Company and the independent auditor (the “**Auditor**”) for the year ended 30 June 2021.
2. To declare a final dividend for the year ended 30 June 2021.
3. To re-elect Directors and fix their remuneration.
4. To re-appoint Auditor and authorise the Directors to fix its remuneration.

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

ORDINARY RESOLUTIONS

5. “**THAT:**
 - a. subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own securities, subject to and 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 (the “**Stock Exchange**”) as amended from time to time, be and is hereby generally and unconditionally approved;
 - b. the aggregate nominal amount of shares of the Company (the “**Shares**”) which the Company is authorised to purchase pursuant to paragraph (a) above during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- c. for the purpose of this resolution, ‘Relevant Period’ means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Company’s Bye-Laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the members of the Company in general meeting.”
6. **“THAT:**
- a. subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or grant Shares or securities convertible into such shares, options, warrants or similar rights to subscribe for any Shares or such convertible securities, and to make or grant offers, agreements or options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
 - b. the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options which would or might require the exercise of such powers after the end of the Relevant Period;
 - c. the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given in paragraph (a) above, otherwise than pursuant to (i) the exercise of any options granted under any share option scheme adopted by the Company or (ii) a Rights Issue (as defined hereunder) or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Bye-Laws of the Company, shall not exceed 20 per cent of the aggregate nominal amount of the issued share capital of the Company at the date of passing this resolution, plus (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution) and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- d. for the purpose of this resolution, ‘Relevant Period’ means the period from the passing of this resolution until whichever is the earlier of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Company’s Bye-Laws to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the members of the Company in general meeting.

‘Rights Issue’ means an offer of Shares or issue of options, warrants, or other securities of the Company giving the right to subscribe for Shares, open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company (and, where appropriate, to holders of other securities entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other securities), (subject to all cases 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 recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

7. “**THAT** the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with any additional Shares pursuant to ordinary resolution 6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution 5 set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution.”
8. “**THAT** conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval of the listing of and permission to deal in the shares to be issued pursuant to the exercise of any options granted under the new share option scheme (the “**2021 Share Option Scheme**”) (a copy of which has been presented to this meeting marked “A” and initialled by the chairman of the meeting for identification purpose), the 2021 Share Option Scheme be and is hereby approved and adopted; and that the Directors of the Company be authorized to grant options and allot and issue shares of the Company pursuant to the 2021 Share Option Scheme; and that the Directors be and are hereby authorised to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give effect to the 2021 Share Option Scheme.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

“THAT the Bye-Laws of the Company be and are hereby amended in the following manner:

(A) Bye-Law 1

- By deleting the definition of “associates” in its entirety;
- By adding the following new definitions:

“clear days”	means in relation to the period of notice that period excluding the day when the notice is given or deemed to be given and the day for which it is given and the day for which it is given or on which it is to take effect;
“close associates”	means in relation to any Director, shall have the same meaning defined in the Listing Rules, except that for purposes of Bye-Law 98 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meanings as that ascribed to “associate” in the Listing Rules;
“electronic facilities”	shall include, without limitation, website address, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise);
“electronic meeting”	shall mean a general meeting held and conducted wholly and exclusively by virtual attendance and participation by shareholders and/or proxies by means of electronic facilities;
“hybrid meeting”	shall mean a general meeting convened for the (i) physical attendance by shareholders and/or proxies at the Principal Meeting Place and where applicable, one or more Meeting Locations; and (ii) virtual attendance and participation by shareholders and/or proxies by means of electronic facilities;
“Meeting Location”	has the meaning given to in in Bye-Law 75A;
“physical meeting”	shall mean a general meeting held and conducted by physical attendance and participation by shareholders and/or proxies at the Principal Meeting Place and/or where applicable, one or more Meeting Locations;
“Principal Meeting Place”	shall have the meaning given to it in Bye-Law 63;

NOTICE OF ANNUAL GENERAL MEETING

By adding the following paragraph after the last paragraph to Bye-Law 1;

“In these Bye-Laws, unless there be something in the subject or context inconsistent herewith:

- o Words denoting the singular shall include the plural and words denoting the plural shall include the singular; and
- o Words importing any gender shall include both gender and the neuter and words importing persons shall include partnerships, firms, companies and corporations.”

(B) Bye-Law 6(A)

- By deleting the existing Bye-Law 6(A) in its entirety and replacing it with the following:

“(A) The authorised share capital of the Company at the date on which these Bye-Laws come into effect is HK\$300,000,000 divided into 300,000,000 shares of HK\$1.00 each.”

(C) Bye-Law 60(A)

- By deleting the existing Bye-Law 60(A) in its entirety and replacing it with the following:

“60. (A) The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next. The annual general meeting may be held as a physical meeting in the Relevant Territory or elsewhere and at one or more locations as provided in the Bye-Laws 75A, as a hybrid meeting or as an electronic meeting, as may be determined by the Board and at such time and place as the Board shall appoint. Without prejudice to the provisions in Bye-laws 75A to 75F, a physical meeting of the shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.”

(D) Bye-Law 62

- By adding the following to the end of Bye-Law 62:

“The special general meeting may be held as a physical meeting in the Relevant Territory or elsewhere, and at one or more locations as provided in Bye-Laws 75A, as a hybrid meeting or as an electronic meeting, as may be determined by the Board and at such time and place as the Board shall appoint.”

NOTICE OF ANNUAL GENERAL MEETING

(E) Bye-Law 63

- By deleting the existing Bye-Law 63 in its entirety and replacing it with the following:

“An annual general meeting and a meeting called for the passing of a Special Resolution shall be called by at least twenty-one days’ notice in writing and where relevant such other minimum notice period as may be specified under the Listing Rules, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a Special Resolution shall be called by at least fourteen days’ notice in writing and where relevant such other minimum notice period as may be specified under the Listing Rules. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify (a) the time and date of the meeting; (b) save for an electronic meeting, the place of the meeting and if there is more than one meeting location as determined by the Board pursuant to Bye-Laws 75A, the principal place of meeting (the “Principal Meeting Place”); (c) if the general meeting is to be held as a hybrid meeting or an electronic meeting, the notice shall include a statement to that effect and with details of the electronic facilities for attendance and participation by electronic means at the meeting or where such details will be made available by the Company prior to the meeting; and (d) in case of special business, the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Bye-Laws, entitled to receive such notices from the Company, provided that subject to the provisions of the Companies Act, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called if it is so agreed:

- (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and
- (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.”

NOTICE OF ANNUAL GENERAL MEETING

(F) Bye-Law 67

- By deleting the existing Bye-Law 67 in its entirety and replacing it with the following:

“If within fifteen minutes from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week and at same time and (where applicable) same place or place(s) or to such time and place or (where applicable) such place(s) and in such form and manner referred to in Bye-Law 63 as the Chairman (or in default, the Board) may absolutely determine.”

(G) Bye-Law 69

- By deleting the existing Bye-Law 69 in its entirety and replacing it with the following:

“Subject to Bye-Law 75C, the Chairman may, with the consent of any general meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn any meeting from time to time and from place to place and/or from one form to another (a physical meeting, a hybrid meeting or an electronic meeting) as the meeting shall determine. Whenever a meeting is adjourned for fourteen days or more, at least seven clear days’ notice of the adjourned meeting specifying the details set out in Bye-Law 63 shall be given in the same manner as in the case of an original meeting but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting. Save as aforesaid, no member shall be entitled to any notice of an adjournment or of the business to be transacted at any adjourned meeting.”

(H) Bye-Law 70

- By deleting the existing Bye-Law 70 in its entirety and replacing it with the following:

“Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Bye-Laws, at any general meeting on a poll every shareholder present in person or by proxy shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. A resolution put to the vote of a meeting shall be decided by way of a poll save that in the case of a physical meeting, the Chairman may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands in which case every shareholder present in person, or by proxy(ies) shall have one vote provided that where more than one proxy

NOTICE OF ANNUAL GENERAL MEETING

is appointed by a member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-Law, procedural and administrative matters are those set out in the rules of the Designated Stock Exchange. Votes (whether on a show of hands or by a poll) may be cast by such means, electronic or otherwise, as the Directors or the Chairman may determine. In the case of a physical meeting where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:

- (i) by the Chairman of such meeting; and where the Chairman, before or on the declaration of the result on a show of hands, know from the proxies received by the Company that the results on a show of hands will be different from that on a poll, the Chairman must demand a poll; or
- (ii) by at least three shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by a shareholder or shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all shareholders having the right to vote at the meeting; or
- (iv) by a shareholder or shareholders present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.”

NOTICE OF ANNUAL GENERAL MEETING

(I) Bye-Law 75A to 75F

– By adding the following paragraphs after Bye-Law 75:

75A. (A) The Board may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of electronic facilities at such location or locations (the “Meeting Location(s)”) determined by the Board at its absolute discretion. Any member or any proxy attending and participating in such way or any member participating in an electronic meeting or a hybrid meeting by means of electronic facilities is deemed to be present at and shall be counted in the quorum of the meeting.

(B) All general meetings are subject to the following:

(a) where a member is attending a Meeting Location and/or in the case of a hybrid meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;

(b) members present in person or by proxy at a Meeting Location and/or members participating in an electronic meeting or a hybrid meeting by means of electronic facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that the Chairman is satisfied that adequate electronic facilities are available throughout the meeting to ensure that members at all Meeting Locations and members participating in an electronic meeting or a hybrid meeting by means of electronic facilities are able to participate in the business for which the meeting has been convened;

NOTICE OF ANNUAL GENERAL MEETING

- (c) where members attend a meeting by being present at one of the Meeting Locations and/or where members participating in an electronic meeting or a hybrid meeting by means of electronic facilities, a failure (for any reason) of the electronic facilities or communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of an electronic meeting or a hybrid meeting, the inability of one or more members or proxies to access, or continue to access, the electronic facilities despite adequate electronic facilities having been made available by the Company, shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting.

75B.

The Board and, at any general meeting, the Chairman may from time to time make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place, any Meeting Location(s) and/or participation in an electronic meeting or a hybrid meeting by means of electronic facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it shall in its absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a member who, pursuant to such arrangements, is not permitted to attend, in person or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations; and the entitlement of any member so to attend the meeting or adjourned meeting or postponed meeting at such Meeting Location or Meeting Locations shall be subject to any such arrangement as may be for the time being in force and by the notice of meeting or adjourned meeting or postponed meeting stated to apply to the meeting.

NOTICE OF ANNUAL GENERAL MEETING

75C. If it appears to the Chairman that:

- (a) the electronic facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Bye-Law 75A(A) or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the notice of the meeting; or
- (b) in the case of an electronic meeting or a hybrid meeting, electronic facilities being made available by the Company have become inadequate; or
- (c) it is not possible to ascertain the view of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or
- (d) there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;

then, without prejudice to any other power which the Chairman may have under these Bye-Laws or at common law, the Chairman may, at his absolute discretion, without the consent of the meeting, and before or after the meeting has started and irrespective of whether a quorum is present, interrupt or adjourn the meeting (including adjournment for indefinite period). All business conducted at the meeting up to the time of such adjournment shall be valid.

NOTICE OF ANNUAL GENERAL MEETING

- 75D. The Board and, at any general meeting, the Chairman may make any arrangement and impose any requirement or restriction the Board or the Chairman, as the case may be, considers appropriate to ensure the security and orderly conduct of a meeting (including, without limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place, determining the number and frequency of and the time allowed for questions that may be raised at a meeting). Members shall also comply with all requirements or restrictions imposed by the owner of the premises at which the meeting is held. Any decision made under this Bye-Law shall be final and conclusive and a person who refuses to comply with any such arrangements, requirements or restrictions may be refused entry to the meeting or ejected (physically or electronically) from the meeting.
- 75E. If, after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place or by means of electronic facilities specified in the notice calling the meeting, they may change or postpone the meeting to another date, time and/or place and/or change the electronic facilities and/or change the form of the meeting (a physical meeting, an electronic meeting or a hybrid meeting) without approval from the members. Without prejudice to the generality of the foregoing, the Directors shall have the power to provide in every notice calling a general meeting the circumstances in which a postponement of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning or other similar event is in force at any time on the day of the meeting. This Bye-Law shall be subject to the following:

NOTICE OF ANNUAL GENERAL MEETING

- (a) when a meeting is so postponed, the Company shall endeavour to post a notice of such postponement on the Company's website as soon as practicable (provided that failure to post such a notice shall not affect the automatic postponement of such meeting);
- (b) when only the form of the meeting or electronic facilities specified in the notice are changed, the Board shall notify the members of details of such change in such manner as the Board may determine;
- (c) when a meeting is postponed or changed in accordance with this Bye-Law, subject to and without prejudice to Bye-Law 69, unless already specified in the original notice of the meeting, the Board shall fix the date, time, place (if applicable) and electronic facilities (if applicable) for the postponed or changed meeting and shall notify the members of such details in such manner as the Board may determine; furthermore, all proxy forms shall be valid (unless revoked or replaced by a new proxy) if they are received as required by these Bye-Laws not less than 48 hours before the time of the postponed or changed meeting; and
- (d) notice of the business to be transacted at the postponed or changed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the postponed or changed meeting is the same as that set out in the original notice of general meeting circulated to the members.

75F.

All persons seeking to attend and participate in an electronic meeting or a hybrid meeting shall be responsible for maintaining adequate facilities to enable them to do so. Subject to Bye-Law 75C, any inability of a person or persons to attend or participate in a general meeting by way of electronic facilities shall not invalidate the proceedings of and/or resolutions passed at that meeting.

NOTICE OF ANNUAL GENERAL MEETING

- (J) Bye-Law 77
- By adding “or postponed” in the fifth line after “adjourned” and before “meeting (as the case may be)” in the existing Bye-Law 77.
- (K) Bye-Law 80(B)
- By adding “or postponed” in the second line after “adjourned” and before “meeting at which the vote objected” in the existing Bye-Law 80.
- (L) Bye-Law 83
- By adding “or postponed” in the seventh line after “adjourned” and before “meeting or poll (as the case may be)” in the existing Bye-Law 83.
- (M) Bye-Law 85
- By adding “or postponement” in the last line after “adjournment” and before “of the meeting” in the existing Bye-Law 85.
- (N) Bye-Law 86
- By adding “or postponed” in the last line after “adjourned” and before “meeting at which proxy is used.” in the existing Bye-Law 86.
- (O) Bye-Law 98
- By adding “close” in front of all “associates” or “associate(s)” or “associate” in existing Bye-Law 98(E), (F), (G), (H), (I), (J) and (K).
- (P) Bye-Law 121
- By replacing “or by telex or telegram” with “or by email or other electronic communications” in the 7th line of the existing Bye-Law 121.
- (Q) Bye-Law 167
- By replacing “telex” with “email” in paragraphs (a) of the exiting Bye-Law 167.

NOTICE OF ANNUAL GENERAL MEETING

“**THAT** the amended and restated bye-laws of the Company in the form produced to the meeting, a copy of which has been produced to this meeting and marked “B” and initialled by the chairman of this meeting for the purpose of identification, which consolidates all the amendments mentioned in paragraphs (A) to (Q) above, be approved and adopted in substitution for and to the exclusion of the existing bye-laws of the Company, and any one director of the Company be and is hereby authorized for and on behalf of the Company to sign and execute all such documents and do all such acts and things as he/she may in his/her absolute discretion consider to be necessary, desirable, appropriate or expedient to implement and/or to give effect to the foregoing.”

By Order of the Board
Dynamic Holdings Limited
WONG Oi Yee, Polly
Company Secretary

Hong Kong, 28 October 2021

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the Annual General Meeting may appoint one or more proxies to attend and, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon, together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) must be deposited at the principal place of business of the Company at 17th Floor, Eton Tower, 8 Hysan Avenue, Causeway Bay, Hong Kong not later than 48 hours before the time for holding the Annual General Meeting or any adjourned meeting (as the case may be).
3. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
4. Pursuant to the Rules Governing the Listing of Securities on the Stock Exchange, all resolutions set out in this notice shall be taken by poll at the Annual General Meeting.
5. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 14 December 2021 to Friday, 17 December 2021, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 13 December 2021.
6. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 23 December 2021 to Wednesday, 29 December 2021, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 22 December 2021.
7. An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against the resolution number 5 is set out in Appendix I to this circular.
8. If a black rainstorm warning signal is in force or a tropical cyclone warning signal no. 8 or above is hoisted in Hong Kong or "extreme conditions" caused by a super typhoon at any time between 12:00 noon and 3:00 p.m. on the day of the Annual General Meeting, the Annual General Meeting will be adjourned. The Company will publish an announcement on its website (www.dynamic.hk) and the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) to notify shareholders of the date, time and venue of the adjourned meeting.

Shareholders should decide on their own whether they would attend the Annual General Meeting under bad weather conditions having regard to their own situations. Shareholders may contact the Company's Hong Kong branch share registrar's customer service hotline at (852) 2980 1333 during business hours (9:00 a.m. to 6:00 p.m. Monday to Friday, excluding Hong Kong public holidays) for the meeting arrangements.

9. As at the date hereof, the Board of the Company comprises Dr. TAN Lucio C. (*Chairman*), Mr. CHIU Siu Hung, Allan (*Chief Executive Officer*), Mrs. TAN Carmen K., Mr. PASCUAL Ramon Sy, Mr. CHUA Joseph Tan, Ms. TAN Vivienne Khao and Ms. TAN Irene Khao as executive Directors; and Mr. CHONG Kim Chan, Kenneth, Mr. GO Patrick Lim, Mr. NGU Angel and Mr. MA Chiu Tak, Anthony as independent non-executive Directors.

NOTICE OF ANNUAL GENERAL MEETING

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing Novel Coronavirus (COVID-19) epidemic and recent requirements for prevention and control of its spread (as per guidelines issued by the Hong Kong government at www.chp.gov.hk/en/features/102742.html), the Company will implement necessary preventive measures at the Annual General Meeting to protect the Shareholders, proxy and other attendees from the risk of infection, including but not limited to:

- (i) compulsory body temperature check will be conducted on every Shareholder, proxy and other attendees at the entrance of the Annual General Meeting venue. Any person with a body temperature of over 37.5 degrees Celsius or any attendee who has any flu-like symptoms or is otherwise unwell may be denied entry into the Annual General Meeting venue or be required to leave the Annual General Meeting venue;
- (ii) attendees are required to scan the “LeaveHomeSafe” venue QR code or registering contact details in written forms;
- (iii) attendees are required to prepare his/her own surgical face masks and wear the same inside the Annual General Meeting venue at all times;
- (iv) any attendee who declines any of the above-mentioned measures may not be admitted to the Annual General Meeting venue; and
- (v) no beverage or refreshments will be served as appropriate.

Subject to the development of the COVID-19 situation, the Company may implement and/or adjust precautionary measures for the Annual General Meeting at short notice as the public health situation changes, and may issue further announcement(s) on such measures as and when appropriate.

To the extent permitted under law, the Company reserves the right to deny entry into the Annual General Meeting venue or require any person to leave the Annual General Meeting venue in order to ensure the safety of the attendees at the Annual General Meeting.

In the interest of all attendees' health and safety, the Company wishes to advise all Shareholders that physical attendance in person at the Annual General Meeting is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions duly completed, Shareholders may appoint the chairman of the Annual General Meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting instead of attending the Annual General Meeting in person.

The proxy form is enclosed to this circular. If you are not a registered Shareholder (i.e., if your Shares are held via banks, brokers, custodians or Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you on the appointment of proxy.