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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Vertical International Holdings Limited** (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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.

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## VERTICAL INTERNATIONAL HOLDINGS LIMITED

### 弘浩國際控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8375)**

## PROPOSED SHARE CONSOLIDATION AND NOTICE OF EXTRAORDINARY GENERAL MEETING

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A notice convening the Extraordinary General Meeting of the Company to be held at 1/F., China Building, 29 Queen’s Road Central, Central, Hong Kong on Monday, 10 January 2022 at 11:30 a.m. is set out in this circular. A form of proxy for use at the Extraordinary General Meeting is enclosed with this circular. Such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and of the Company ([www.verticaltech.com.cn](http://www.verticaltech.com.cn)).

Whether or not you are able to attend the Extraordinary General Meeting, please complete and sign the enclosed form of proxy for use at the Extraordinary General Meeting in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting (i.e. not later than 11:30 a.m. on Saturday, 8 January 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Extraordinary General Meeting if they so wish.

This circular together with the form of proxy will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Listed Company Information” page for at least 7 days from the date of publication and on the website of the Company at [www.verticaltech.com.cn](http://www.verticaltech.com.cn).

### PRECAUTIONARY MEASURES FOR THE EGM

Special measures being taken to prevent and control the spread of the novel coronavirus at the EGM are set out below:

- compulsory body temperature check
- compulsory wearing of surgical face masks
- no provision of refreshments or drinks
- no handing out of corporate gifts

Any person who does not comply with the precautionary measures may be denied entry into the EGM venue. Shareholders are encouraged to consider appointing the chairman of the EGM as your proxy to vote on the relevant resolutions, instead of attending the EGM in person.

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## CHARACTERISTICS OF GEM

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### CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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

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

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## PRECAUTIONARY MEASURES FOR THE EGM

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In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Extraordinary General Meeting to protect the shareholders and other participants from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) Every attendee is required to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.

In addition, the Company reminds all shareholders of the Company that attendance in person at the meeting is not necessary for the purpose of exercising their voting rights. Shareholders may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document.

If any shareholder of the Company chooses not to attend the meeting in person but has any question about any proposed resolution stated in the Notice or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to the Company's head office and principal place of business in Hong Kong at Unit 2212, 22/F, Global Gateway Tower, 63 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong (for the attention of the board of directors) or by email at [info@verticaltech.com.cn](mailto:info@verticaltech.com.cn). If any shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's branch share registrar in Hong Kong as follows:

Tricor Investor Services Limited  
Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong  
Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185

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## EXPECTED TIMETABLE

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The expected timetable for the Share Consolidation is set out below:

| Event  | Hong Kong Date and Time   |
|--|---|
| Latest date and time for lodging transfer documents of the Shares to qualify for attendance and voting at the EGM . . . . .                                      | 4:30 p.m. on Monday, 3 January 2022                                       |
| Closure of register of members of the Company for determining the identity of the Shareholders entitled to attend and vote at the EGM. . . . .                   | Tuesday, 4 January 2022 to Monday, 10 January 2022 (both dates inclusive) |
| Latest date and time for lodging proxy forms for the EGM . . . . .   | 11:30 a.m. on Saturday, 8 January 2022                                    |
| Record date for determining attendance and voting at the EGM . . . . .   | Monday, 10 January 2022   |
| Expected date and time of the EGM to approve the proposed Share Consolidation . . . . .  | 11:30 a.m. on Monday, 10 January 2022                                     |
| Announcement of the poll results of the EGM. . . . .   | Monday, 10 January 2022   |
| Register of members of the Company re-opens . . . . .  | Tuesday, 11 January 2022  |
| <b>The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation:</b>                              |   |
| Effective date of the Share Consolidation . . . . .  | Wednesday, 12 January 2022  |
| Commencement of dealings in the Consolidated Shares. . . . .   | 9:00 a.m. on Wednesday, 12 January 2022                                   |
| Original counter for trading in Existing Shares in board lots of 10,000 Shares (in the form of existing share certificates) temporarily closes . . . . .         | 9:00 a.m. on Wednesday, 12 January 2022                                   |
| Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) opens . . . . . | 9:00 a.m. on Wednesday, 12 January 2022                                   |

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## EXPECTED TIMETABLE

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| Event   | Hong Kong Date and Time                 |
|---|---|
| First day of free exchange of existing share certificates for new share certificates for Consolidated Shares. . . . .   | Wednesday, 12 January 2022              |
| Original counter for trading in the Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens . . . . .    | 9:00 a.m. on Wednesday, 26 January 2022 |
| Parallel trading in the Consolidated Shares (in the form of both existing share certificates and new share certificates) commences . . . . .                      | 9:00 a.m. on Wednesday, 26 January 2022 |
| Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares . . . . .                                    | 9:00 a.m. on Wednesday, 26 January 2022 |
| Designated broker ceases to provide matching services for odd lots of the Consolidated Shares . . . . .   | 4:00 p.m. on Friday, 18 February 2022   |
| Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) closes . . . . . | 4:10 p.m. on Friday, 18 February 2022   |
| Parallel trading in the Consolidated Shares (represented by both existing share certificates and new share certificates) ends . . . . .                           | 4:10 p.m. on Friday, 18 February 2022   |
| Latest date and time for free exchange of existing share certificates for new share certificates . . . . .  | 4:30 p.m. on Tuesday, 22 February 2022  |

All times and dates in this circular refer to Hong Kong local times and dates. Shareholders should note that the dates and deadlines specified in this circular for events in the timetable for the Share Consolidation is subject to the satisfaction of all the conditions of the Share Consolidation, including without limitation, the approval of the Share Consolidation by Shareholders at the EGM, and is therefore for indicative purpose only.

In the event that any special circumstances arise, the Board may extend, or make adjustment to, the timetable if it considers appropriate. Any extension or adjustment to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

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## DEFINITIONS

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

|                               |  |
|-------------------------------|--|
| “Announcement”                | the announcement of the Company dated 26 November 2021 in relation to, among other things, the Share Consolidation, and the Rights Issue   |
| “associate(s)”                | has the meaning ascribed to it under the GEM Listing Rules   |
| “Board”                       | the board of Directors   |
| “Business Day”                | a day (excluding a Saturday, a Sunday, a public holiday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business |
| “CCASS”                       | The Central Clearing and Settlement System established and operated by HKSCC   |
| “Company”                     | Vertical International Holdings Limited (Stock code: 8375), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM of the Stock Exchange   |
| “Consolidated Share(s)”       | issued and unissued ordinary share(s) of HK\$0.05 each in the share capital of the Company immediately following the Share Consolidation becoming effective  |
| “Controlling Shareholder(s)”  | has the meaning ascribed to it under the GEM Listing Rules and unless the context requires otherwise, refers to the controlling shareholders of the Company, namely Mr. Boon and Vertical Technology   |
| “Director(s)”                 | the director(s) of the Company   |
| “EGM”                         | an extraordinary general meeting of the Company to be held and convened to consider and, if thought fit, approve the Share Consolidation   |
| “Existing Share(s)/ Share(s)” | issued and unissued ordinary share(s) of HK\$0.01 each in the share capital of the Company prior to the Share Consolidation having become effective  |

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## DEFINITIONS

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|                           |   |
|---------------------------|---|
| “GEM”                     | GEM operated by the Stock Exchange  |
| “GEM Listing Rules”       | the Rules Governing the Listing of Securities on GEM of the Stock Exchange  |
| “Group”                   | the Company and its subsidiaries  |
| “HK\$”                    | Hong Kong dollar, the lawful currency of Hong Kong  |
| “HKSCC”                   | Hong Kong Securities Clearing Company Limited   |
| “Hong Kong”               | the Hong Kong Special Administrative Region of the PRC  |
| “Latest Practicable Date” | 16 December 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein   |
| “Listing Committee”       | has the meaning ascribed to it under the GEM Listing Rules  |
| “Mr. Boon”                | Mr. Boon Ho Yin Henry, the chairman, the chief executive officer, an executive Director and a controlling shareholder of the Company  |
| “PRC”                     | the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan  |
| “Registrar”               | the branch share registrar and transfer office of the Company in Hong Kong, being Tricor Investor Services Limited  |
| “Rights Issue”            | the proposed issue by way of rights of one (1) rights Share for every two (2) Consolidated Shares at the subscription price of HK\$0.21 per rights share subject to, among other things, the Share Consolidation becoming effective, detail of which are disclosed in the Announcement of the Company |
| “Share Consolidation”     | the consolidation of every five (5) issued and unissued Existing Shares of HK\$0.01 each into one (1) Consolidated Share of HK\$0.05 each   |
| “Shareholder(s)”          | holder(s) of the issued Share(s)  |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited   |
| “Vertical Technology”     | Vertical Technology Investment Limited, a limited liability company incorporated in the British Virgin Islands, which is wholly-owned by Mr. Boon, and a Controlling Shareholder  |



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LETTER FROM THE BOARD

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**VERTICAL INTERNATIONAL HOLDINGS LIMITED**

**弘浩國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8375)**

*Executive Directors:*

Mr. Boon Ho Yin Henry

Ms. Chow Cheung Chu

*Independent Non-executive Directors:*

Mr. Liu Kwan

Mr. Chik Kin Man Paul

Mr. Wong Wai Leung

*Registered Office:*

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

*Head Office and Principal Place of  
Business in Hong Kong:*

Unit 2212, 22/F.

Global Gateway Tower

63 Wing Hong Street

Cheung Sha Wan, Kowloon

Hong Kong

22 December 2021

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED SHARE CONSOLIDATION  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the Announcement in relation to, among other things, the Share Consolidation.

The purpose of this circular is to provide the Shareholders, among other things, further information regarding (i) the proposed Share Consolidation; and (ii) the notice of the EGM.

**PROPOSED SHARE CONSOLIDATION**

The Board proposes to implement the Share Consolidation on the basis that every five (5) issued and unissued Existing Shares of HK\$0.01 each will be consolidated into one (1) Consolidated Share of HK\$0.05 each.

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## LETTER FROM THE BOARD

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### Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following:

- (i) the passing of the ordinary resolution(s) by the Shareholders to approve the Share Consolidation at the EGM;
- (ii) the compliance with all relevant procedures and requirements under the laws of the Cayman Islands (where applicable) and the GEM Listing Rules to effect the Share Consolidation; and
- (iii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares arising from the Share Consolidation.

None of the conditions above stated may be waived.

The Share Consolidation will become effective on the second Business Day immediately following the fulfillment of the above conditions.

As at the Latest Practicable Date, none of the conditions above had been fulfilled.

### Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$50,000,000 divided into 5,000,000,000 Existing Shares of HK\$0.01 each, of which 960,000,000 Existing Shares have been issued and are fully paid or credited as fully paid.

Assuming no further Shares will be issued or repurchased from the Latest Practicable Date to the date of the EGM, immediately after the Share Consolidation becoming effective, the authorised share capital of the Company will become HK\$50,000,000 divided into 1,000,000,000 Consolidated Shares of HK\$0.05 each, of which 192,000,000 Consolidated Shares (which are fully paid or credited as fully paid) will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares will rank *pari passu* in all respects with each other in accordance with the Company's articles of association. The Share Consolidation will not result in any change in the relative rights or proportionate interests of the holders of shares of the same class. No fractional Consolidated Shares will be issued by the Company. Any fractional entitlements of Consolidated Shares will be aggregated and sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of share certificates held by such holder.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Group or the interests or rights of the Shareholders, save for any fractional Consolidated Shares which may arise and the necessary professional expenses for the implementation of the Share Consolidation.

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## LETTER FROM THE BOARD

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### **Odd lots arrangements and matching services**

In order to alleviate the difficulties arising from the existence of odd lots of the Consolidated Shares arising from the Share Consolidation, the Company has appointed Kingsway Financial Services Group Limited as an agent to stand in the market to provide matching services for sale and purchase of odd lots of the Consolidated Shares on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Shareholders who wish to take advantage of this facility should contact Mr. So Man Hong of Kingsway Financial Services Group Limited at 7/F, Tower One, Lippo Centre, 89 Queensway, Hong Kong, (telephone number: (852) 2283 7698) from 9:00 a.m. on Wednesday, 26 January 2022 to 4:00 p.m. on Friday, 18 February 2022.

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares are not warranted. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its own professional advisers.

### **Exchange of share certificates**

Subject to the Share Consolidation having become effective, which is expected to be on Wednesday, 12 January 2022, the Shareholders may, during the period between Wednesday, 12 January 2022 and Tuesday, 22 February 2022 (both dates inclusive), submit the existing share certificates for the Existing Shares to the Registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, in exchange, at the expense of the Company, for new share certificates for the Consolidated Shares.

Thereafter, existing share certificates for Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for Consolidated Shares at the expense of the Shareholders on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each existing share certificate cancelled or each new share certificate issued for Consolidated Shares (whichever is higher) but are not acceptable for trading, settlement and registration.

The new share certificates for the Consolidated Shares will be issued in red colour in order to distinguish them from the existing yellow colour.

### **Closure of register of members**

The register of members of the Company will be closed from Tuesday, 4 January 2022 to Monday, 10 January 2022 (both dates inclusive) for determining the identity of the Shareholders entitled to attend and vote at the EGM. No transfer of Shares will be registered during the above book closure period.

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## LETTER FROM THE BOARD

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All transfers of shares (together with the relevant share certificate(s)) must be lodged with the Registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Monday, 3 January 2022.

### **Listing and dealings**

An application has been made by the Company to the GEM Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Consolidated Shares in issue upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

### **Board lot size**

The existing board lot of 10,000 shares will remain unchanged upon the Share Consolidation becoming effective. The value of the current board lot, based on the closing price of HK\$0.047 per Existing Share at the Latest Practicable Date, was HK\$470.

Upon the Share Consolidation becoming effective, the expected value of each board lot of 10,000 Consolidated Shares, based solely on the closing price of HK\$0.047 per Existing Share (equivalent to the theoretical closing price of HK\$0.235 per Consolidated Share) on the Latest Practicable Date, is expected to be HK\$2,350.

### **Other securities of the Company**

As at the Latest Practicable Date, the Company had no outstanding debt securities, derivatives, options, warrants, convertible securities or other similar securities in issue which are convertible or exchangeable into or confer any right to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

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## LETTER FROM THE BOARD

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### REASONS FOR AND BENEFITS OF THE SHARE CONSOLIDATION

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting of its securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020 has further stated that (i) market price of the shares at a level less than HK\$0.10 each will be considered as trading at extremity; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

For the past two months, the share price of the Company has been trading at or below HK\$0.10, and the closing price of the Existing Shares on the Latest Practicable Date was HK\$0.047, with a board lot size of 10,000. Accordingly, the existing board lot value was less than HK\$2,000.

The Directors consider that the proposed Share Consolidation will increase the share price of the Company, over HK\$0.10, and the board lot value, over HK\$2,000, of the Existing Shares. As such, it would (i) enable the Company to comply with the trading requirements under the GEM Listing Rules; and (ii) reduce the overall transaction and handling costs of dealings in the shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction cost for each securities trade.

Accordingly, the Board is of the view that the Share Consolidation would maintain the trading amount for each board lot at a reasonable level in order to attract more investors and is in the interest of the Company and the Shareholders as a whole. The Board also believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group nor result in change in the relative rights of the Shareholders.

Upon the Share Consolidation becoming effective, the Board proposes to implement the Rights Issue on the basis of one (1) rights Share for every two (2) Consolidated Shares at the subscription price of HK\$0.21 per rights Share, to raise gross proceeds of approximately HK\$20.2 million before expenses (assuming no further issue or repurchase of shares on or before the Record Date). The Rights Issue is not conditional upon approval by the Shareholders whereas it is conditional upon fulfilment of the conditions of the Rights Issue. Accordingly, the Rights Issue may or may not proceed. For details of the Rights Issue, please refer to the Announcement.

As at the Latest Practicable Date, save as disclosed in this circular, the Company (i) has not had any agreement, arrangement, understanding, intention, or negotiation (either concluded or in process) on any potential fundraising activities which will involve issue of equity securities of the Company; and (ii) has had no other plan or intention to carry out any future corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Share Consolidation.

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## LETTER FROM THE BOARD

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The Board is of the view that, having considered the corporate plan of the Company for the next twelve months, the proposed Share Consolidation is fair and reasonable, and in the interest of the Company and the Shareholders as a whole. However, in the event there is any change to the business environment and/or financial position of the Company due to unforeseeable circumstances, and the Company is required to conduct further fund raising exercises when suitable opportunities arise in order to support future development of the Group, the Company will publish further announcement(s) in compliance with the GEM Listing Rules, as and when appropriate.

**Shareholders and potential investors of the Company should note that the Share Consolidation is conditional upon the satisfaction of the conditions as set out in the paragraph headed “Conditions of the Share Consolidation” in this circular. Accordingly, the Share Consolidation may or may not proceed.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Existing Shares and/or the Consolidated Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).**

### EGM

The EGM will be convened and held for the Shareholders at 1/F., China Building, 29 Queen’s Road Central, Central, Hong Kong at 11:30 a.m. on Monday, 10 January 2022, to consider, if thought fit, approve, among other things, the Share Consolidation. A notice convening the EGM is set out on pages 10–13 of this circular. All resolutions to be proposed at the EGM will be voted on by poll. Only the Shareholders are entitled to attend and vote at the EGM.

A proxy form for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy for use at the EGM in accordance with the instructions printed thereon and return it to the Company’s Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. not later than 11:30 a.m. on Saturday, 8 January 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the EGM if they so wish.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, as none of the Shareholders or their associates would have any interest in the Share Consolidation, no Shareholder would be required to abstain from voting in favour of the resolution(s) relating to the Share Consolidation at the EGM.

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## LETTER FROM THE BOARD

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### COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, the Controlling Shareholders nor any of their respective close associates (as defined in the GEM Listing Rules) has any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group or any other conflict of interest which any such person has or may have with the Group which would be required to be disclosed pursuant to the GEM Listing Rules.

### RECOMMENDATION

The Board considers that the Share Consolidation is in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all Shareholders should vote in favour of the relevant resolution to be proposed at the EGM.

### RESPONSIBILITY STATEMENT

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

Yours faithfully,  
For and on behalf of the Board  
**Vertical International Holdings Limited**  
**Boon Ho Yin Henry**  
*Chairman*



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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### VERTICAL INTERNATIONAL HOLDINGS LIMITED

### 弘浩國際控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8375)**

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**Notice is hereby given** that an extraordinary general meeting of Vertical International Holdings Limited (the “**Company**”) will be held at 1/F., China Building, 29 Queen’s Road Central, Central, Hong Kong on Monday, 10 January 2022 at 11:30 a.m. to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

#### ORDINARY RESOLUTION

1. “**THAT** subject to and conditional upon, among other things, the granting of the approval by the GEM Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the listing of, and permission to deal in, the Consolidated Shares (as defined below) in issue, with effect from the second business day immediately following the date on which this resolution is passed:
  - (a) every five (5) issued and unissued existing ordinary share(s) of HK\$0.01 each in the share capital of the Company be consolidated into one (1) ordinary share of HK\$0.05 each (“**Consolidated Share(s)**”), so that the authorised share capital of the Company of HK\$50,000,000 divided into 5,000,000,000 ordinary shares of HK\$0.01 each becomes HK\$50,000,000 divided into 1,000,000,000 ordinary shares of HK\$0.05 each (the “**Share Consolidation**”);
  - (b) such Consolidated Shares shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the articles of association of the Company;
  - (c) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the directors of the Company (the “**Director(s)**”) may think fit; and



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- (d) any one of the Directors and such person or persons authorised by the Directors be and are hereby authorised generally to do all such acts, deeds and things and to sign and execute all such documents, including under seal where applicable, on behalf of the Company, as they shall, in their absolute discretion, deem appropriate to effect and implement the Share Consolidation.”

By Order of the Board  
**Vertical International Holdings Limited**  
**Boon Ho Yin Henry**  
*Chairman*

Hong Kong, 22 December 2021

**Notes:**

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Company’s articles of association. The results of the poll will be published on the website of Hong Kong Exchanges and Clearing Limited and of the Company in accordance with the GEM Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy (who must be an individual) to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the Extraordinary General Meeting (i.e. not later than 11:30 a.m. Saturday, 8 January 2022) or any adjournment thereof. Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Tuesday, 4 January 2022 to Monday, 10 January 2022, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the extraordinary general meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 3 January 2022.

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5. If a tropical cyclone warning signal no. 8 or above is hoisted or “extreme conditions” caused by super typhoons or a black rainstorm warning signal is in force at 8:00 a.m. on Monday, 10 January 2022, the meeting will be postponed and the Company will post an announcement on the websites of the Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and of the Company ([www.verticaltech.com.cn](http://www.verticaltech.com.cn)) for details of alternative meeting arrangements. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. Shareholders of the Company should make their own decision as to whether they would attend the meeting under bad weather conditions and if they should choose to do so, they are advised to exercise care and caution.

### PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Extraordinary General Meeting to protect the shareholders and other participants from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) Every attendee is required to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.

In addition, the Company reminds all shareholders of the Company that attendance in person at the meeting is not necessary for the purpose of exercising their voting rights. Shareholders may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document.

If any shareholder of the Company chooses not to attend the meeting in person but has any question about any proposed resolution stated in the Notice or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to the Company’s head office and principal place of business in Hong Kong at Unit 2212, 22/F, Global Gateway Tower, 63 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong (for the attention of the board

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of directors) or by email at [info@verticaltech.com.cn](mailto:info@verticaltech.com.cn). If any shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's branch share registrar in Hong Kong as follows:

Tricor Investor Services Limited  
Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong  
Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185

*As at the date of this notice, the executive Directors are Mr. Boon Ho Yin Henry and Ms. Chow Cheung Chu, and the independent non-executive Directors are Mr. Liu Kwan, Mr. Chik Kin Man Paul and Mr. Wong Wai Leung.*

*This notice, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange 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 notice 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 notice misleading.*

*This notice will remain on the "Latest Listed Company Information" page of the website of GEM ([www.hkgem.com](http://www.hkgem.com)) for at least seven days from its date of publication. This notice will also be published on the website of the Company at [www.verticaltech.com.cn](http://www.verticaltech.com.cn).*