
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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.

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)

PROPOSALS FOR PAYMENT OF FINAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT, RE-ELECTION OF DIRECTORS, GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of the Company to be held at Unit 2212, 22/F., Global Gateway Tower, 63 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong on Friday, 6 May 2022 at 11:30 a.m. is set out in this circular. A form of proxy for use at the Annual 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) and of the Company (www.verticaltech.com.cn).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual 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 Annual General Meeting (i.e. not later than 11:30 a.m. on Wednesday, 4 May 2022) or any adjournment thereof.

This circular together with the form of proxy will remain on the GEM website at 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.

SPECIAL ARRANGEMENTS FOR THE AGM

To safeguard the health and safety of the Shareholders, staff and stakeholders from the risk of infection of COVID-19, the Company decided to implement certain precautionary and control measures at the AGM against the pandemic, including the number of attendees will be limited to the minimum number of persons present as is legally required to form a quorate meeting by Directors or other staff members who are Shareholders or proxies. **No other Shareholders shall attend the AGM in person.** Any other person who attempts to attend the AGM in person will not be permitted entry to the meeting venue under the government’s new gathering restrictions. Shareholders may, however, view and participate in the AGM through the Tricor e-Meeting System. Please refer to the section “Special Arrangements for the AGM” of this circular for details.

Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

31 March 2022

CHARACTERISTICS OF GEM

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.

SPECIAL ARRANGEMENTS FOR THE AGM

SPECIAL ARRANGEMENTS FOR THE AGM

Due to the enhanced social distancing and anti-epidemic measures implemented by the Hong Kong Government in view of the COVID-19 as well as the uncertainty of the development of COVID-19 and the corresponding restriction measures, to safeguard the health and safety of the Shareholders, staff and stakeholders from the risk of infection of COVID-19, the Company decided to implement the following precautionary and control measures at the AGM against the pandemic:

- (a) the number of attendees will be limited to the minimum number of persons present as is legally required to form a quorate meeting by Directors or other staff members who are Shareholders or proxies. **No other Shareholders, proxy or corporate representative shall attend the AGM in person. Any other person who attempts to attend the AGM in person will not be permitted entry to the meeting venue under the government's new gathering restrictions;** and
- (b) Shareholders may, however, view and participate in the AGM through the Tricor e-Meeting System on a computer, tablet or any browser enabled device. You will be able to access the Tricor e-Meeting System at the start of the AGM until its conclusion.

Shareholders that intend to participate in AGM can login to the Tricor e-Meeting System by visiting the designated website and entering the login credentials which has been posted to Shareholders together with the Circular and Proxy Form to attend the AGM online. Shareholders are advised to keep the login credentials in safe custody and do not disclose them to any other person. If Shareholders have any queries on the above or do not receive the login details, please contact the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, via their hotline at (852) 2975 0928 from 9:00 a.m. to 5:00 p.m. (Monday to Friday, excluding Hong Kong public holidays).

Vote by appointing the chairman of the AGM as proxy

All resolutions at the AGM will be decided on a poll. Shareholders will not be able to vote online on the resolutions to be tabled for approval at the AGM. However, shareholders will still be able to vote by doing so in advance of the AGM by proxy. Shareholders who wish to vote on any resolution at the AGM should **appoint the chairman of the AGM as his/her/its proxy to exercise the right to vote at the AGM in accordance with as his/her/its instructions**. If Shareholders appoint a person who is not the chairman of the AGM as his/her/its proxy, that person will not be permitted entry to the meeting venue and will not be able to exercise his/her/its vote.

If your proxy (except when the chairman of the AGM is appointed as proxy) wishes to attend the AGM online, you must provide a valid email address on the proxy form for the necessary arrangements. If no email address is provided, your proxy cannot attend the AGM online. The email address so provided will be used by the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, for providing the login details for attending at the AGM via Tricor e-Meeting System.

SPECIAL ARRANGEMENTS FOR THE AGM

The proxy form has been posted to Shareholders together with the Circular. Such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.verticaltech.com.cn). For Shareholders who are not a registered Shareholder (e.g. the Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), Shareholders should consult directly with his/her/its banks or brokers or custodians (as the case may be) for assistance in the appointment of a proxy.

The proxy form should be returned 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 and in any event not later than 48 hours before the time for holding the AGM (i.e. not later than 11:30 a.m. on Wednesday, 4 May 2022) or any adjournment thereof.

Ask questions before or during the AGM

The AGM is an important opportunity for all Shareholders to express their views by asking questions and voting. Shareholders' participation in the AGM continues to be important. Shareholders who would like to submit a question on the business of the AGM in advance 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. Shareholders can also submit questions during the AGM through the Tricor e-Meeting System. The Board will arrange for as many of the questions asked to be answered as possible at the AGM.

Changes to arrangements

We are closely monitoring the development and impact of COVID-19 in Hong Kong and may implement further changes and precautionary measures. Should any changes be made to the AGM arrangements, we will notify Shareholders via an announcement posted on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.verticaltech.com.cn).

If Shareholders have any questions relating to the AGM, please contact the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited as follows:

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

CONTENTS

	<i>Page</i>
Special Arrangements for the AGM	ii
Definitions	1
Letter from the Board	
1. Introduction	4
2. Proposed Payment of Final Dividend Out of Share Premium Account	5
3. Proposed Re-election of Directors	6
4. Proposed Granting of General Mandates to Repurchase and Issue Shares	7
5. Annual General Meeting and Proxy Arrangement	8
6. Recommendation	8
Appendix I — Details of the Directors Proposed to be Re-elected at the Annual General Meeting	9
Appendix II — Explanatory Statement on the Share Repurchase Mandate	12
Notice of Annual General Meeting	15

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Unit 2212, 22/F., Global Gateway Tower, 63 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong on Friday, 6 May 2022 at 11:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 15 to 20 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company currently in force;
“Board”	the board of Directors;
“close associates”	has the meaning ascribed to it under the GEM Listing Rules;
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time;
“Company”	Vertical International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM;
“Controlling Shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules, and in the context of this circular, means collectively Mr. Boon and Vertical Investment;
“core connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules;
“Director(s)”	the director(s) of the Company;
“Final Dividend”	the final dividend of 1.0 HK cents per Share recommended by the Board;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended, supplemented or otherwise modified from time to time;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

DEFINITIONS

“Latest Practicable Date”	25 March 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Date”	13 November 2017, the date on which dealing in the Shares commenced on the Stock Exchange;
“Mr. Boon”	Mr. Boon Ho Yin Henry, an executive Director, chairman and chief executive officer of the Company, one of the Controlling Shareholders;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.05 each in the issued capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Share Issue Mandate”	the general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting;
“Share Premium Account”	the share premium account of the Company, the amount standing to the credit of which was approximately HK\$47 million as at 31 December 2021 based on the audited consolidated financial statements of the Company as at that date;
“Share Repurchase Mandate”	the general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 7 of the notice of the Annual General Meeting;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholders”	has the meaning ascribed to it under the GEM Listing Rules;

DEFINITIONS

“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time;
“Vertical (BVI)”	Vertical Technology (B.V.I.) Limited, a company incorporated under the laws of the British Virgin Islands with limited liability on 23 December 2015, a direct wholly-owned subsidiary of the Company;
“Vertical Engineering”	Vertical Engineering Company Limited (弘峰工程有限公司), a company incorporated under the laws of Hong Kong with limited liability on 16 January 2015 and an indirect wholly-owned subsidiary of the Company;
“Vertical Investment”	Vertical Technology Investment Limited, a company incorporated under the laws of the British Virgin Islands with limited liability on 19 December 2016, which is wholly-owned by Mr. Boon and is one of the Controlling Shareholders;
“Vertical Technology”	Vertical Technology Company Limited (弘峰科技有限公司), a company incorporated under the laws of Hong Kong with limited liability on 7 June 2006 and an indirect wholly-owned subsidiary of the Company;
“%”	per cent.

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

31 March 2022

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR
PAYMENT OF FINAL DIVIDEND OUT OF
SHARE PREMIUM ACCOUNT,
RE-ELECTION OF DIRECTORS,
GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting for (i) the payment of Final Dividend out of the Share Premium Account; (ii) the re-election of Directors; and (iii) the granting to the Directors of the Share Repurchase Mandate and the Share Issue Mandate to repurchase Shares and to issue Shares respectively.

LETTER FROM THE BOARD

2. PROPOSED PAYMENT OF FINAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT

As announced by the Company in its announcement dated 22 March 2022 regarding the audited annual results of the Group for the year ended 31 December 2021, the Board recommended a final dividend of 1.0 HK cents per Share, subject to the approval of Shareholders at the Annual General Meeting by way of ordinary resolution. The Final Dividend is intended to be paid out entirely of the Share Premium Account pursuant to Article 134 of the Articles of Association and in accordance with the Companies Law.

As at 31 December 2021, based on the audited consolidated financial statements of the Company, the amount standing to the credit of the Share Premium Account was approximately HK\$47 million. Based on the number of issued Shares as at the Latest Practicable Date, the Board proposed to use an amount of approximately HK\$2.88 million standing to the credit of the Share Premium Account for the payment of the Final Dividend. Following such payment there will be a remaining balance of approximately HK\$44.12 million standing to the credit of the Share Premium Account.

(i) Reasons for the payment of Final Dividend out of the Share Premium Account

The Board considers it appropriate to distribute the Final Dividend in recognition of Shareholders' support. The Board believes that the use of approximately HK\$2.88 million from the Share Premium Account for the payment of the Final Dividend is beneficial to the Company and the Shareholders as a whole.

(ii) Effect of the payment of Final Dividend out of the Share Premium Account

The implementation of the payment of Final Dividend out of Share Premium Account does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements concerning the Shares.

The payment of Final Dividend out of the Share Premium Account will not affect the underlying assets, business, operations, management or financial position of the Company or the proportionate interests of the Shareholders, other than related expenses incurred which are immaterial. Save for the aforesaid expenses, the Directors consider that the payment of Final Dividend out of the Share Premium Account will not cause any loss in the Shareholders' funds of the Company and will not have a material adverse effect on the financial position of the Company.

LETTER FROM THE BOARD

(iii) Conditions of the payment of the Final Dividend out of the Share Premium Account

The payment of the Final Dividend out of the Share Premium Account is conditional upon, *inter alia*, the satisfaction of the following conditions:

- (a) the passing of an ordinary resolution by the Shareholders approving the payment of the Final Dividend out of the Share Premium Account pursuant to Article 134 of the Articles of Association at the Annual General Meeting; and
- (b) the Directors being satisfied that there are no reasonable grounds for believing that the Company is, or immediately after the Final Dividend is paid will be, unable to pay its debts as they fall due in the ordinary course of business.

(iv) Payment of Final Dividend out of the Share Premium Account

The Final Dividend is payable on or around Wednesday, 8 June 2022 to the Shareholders whose names appear on the register of members of the Company at close of business on Wednesday, 18 May 2022, being the record date for determining the entitlement to the Final Dividend. In order to qualify for the Final Dividend, all completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 13 May 2022.

3. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Articles 84(1) and 84(2) of the Articles of Association, Ms. Chow Cheung Chu and Mr. Liu Kwan will retire at the Annual General Meeting and, being eligible, will offer themselves for re-election at the Annual General Meeting.

Pursuant to Rule 17.46A of the GEM Listing Rules, a listed issuer shall disclose the details required under Rule 17.50(2) of the GEM Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

Mr. Liu Kwan, independent non-executive Director, has confirmed his independence with reference to the factors set out in Rule 5.09 of the GEM Listing Rules. The Nomination Committee of the Company has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors. The Nomination Committee of

LETTER FROM THE BOARD

the Company has recommended to the Board on re-election of both retiring Directors including the aforesaid independent non-executive Director who is due to retire at the Annual General Meeting. The Company considers Mr. Liu Kwan is still independent in accordance with the independence guidelines as set out in the GEM Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

4. PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

On 31 May 2021, an ordinary resolution was passed by the Shareholders to give a general mandate to the Directors to repurchase and issue Shares respectively. Such mandates will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase and issue Shares if and when appropriate, the following ordinary resolutions will be proposed at the Annual General Meeting to approve:

- (a) the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 7 of the notice of the Annual General Meeting (i.e. a total of 28,800,000 Shares on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting);
- (b) the granting of the Share Issue Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting (i.e. a total of 57,600,000 Shares on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting); and
- (c) extension of the Share Issue Mandate by adding the aggregate number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate.

Each of the Share Repurchase Mandate and Share Issue Mandate, if granted, will continue in force until (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; or (iii) the date on which the Share Repurchase Mandate or the Share Issue Mandate, as the case may be, is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is the earlier.

With reference to the Share Repurchase Mandate and Share Issue Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

LETTER FROM THE BOARD

An explanatory statement required by the GEM Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 15 to 20 of this circular.

Pursuant to the GEM Listing Rules and the Articles of Association, any vote of shareholders at a general meeting must be taken by poll. An announcement on the poll results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.verticaltech.com.cn). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at 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 holding the Annual General Meeting (i.e. not later than 11:30 a.m. on Wednesday, 4 May 2022) or any adjournment thereof.

Please refer to the section "Special Arrangements for the AGM" of this circular for details, including steps to be taken by Shareholders to attend the AGM online, ask questions and to appoint chairman of the AGM as proxy to vote at the AGM.

6. RECOMMENDATION

The Directors consider that the proposed payment of Final Dividend out of the Share Premium Account, re-election of Directors and granting of the Share Repurchase Mandate and the Share Issue Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

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

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting:

- (1) **Ms. Chow Cheung Chu (周祥珠)**, aged 37, was appointed as an executive Director of the Group on 7 April 2017 and is principally responsible for the overall management of the Company and supervising of financial activities and internal control of the Group.

Ms. Chow joined the Group in January 2015 as the finance manager of Vertical Technology. Since January 2015, Ms. Chow has been managing the Group's financial activities and overseeing the Group's back office functions including finance and accounting, and general administration, from which she has obtained an extensive experience in the management and operation of the Group's business and the industry. She is also responsible for the internal control of the Group and has been monitoring and ameliorating the Group's business workflow.

Prior to joining the Group, Ms. Chow was an auditor and was mainly responsible for accounting, auditing and providing assurance services. She was an audit junior at East Asia Sentinel Limited from May 2009 to May 2010 and an audit semi-senior at Raymond Y.L. Lai & Co. from July 2010 to July 2011, and from January 2012 to December 2012. She was later promoted to the position of audit senior in January 2013 until she resigned in January 2015. She was mainly responsible for handling audit assignments along with related tax and secretarial works.

Ms. Chow obtained her degree of Bachelor of Business Administration with a major in accountancy and a minor in financial services from The Hong Kong Polytechnic University in October 2008. Ms. Chow became a member of the HKICPA in May 2013.

Ms. Chow has entered into a service agreement with the Company for an initial term of three years commencing on 13 November 2017 (subject to rotation requirements according to the Articles of Association) renewable automatically for successive terms of one year each commencing from the day immediately after the expiry of the then current term of her appointment, unless terminated by not less than three months' notice in writing served by either party. Ms. Chow is entitled to a director's fee of HK\$749,500 per annum, subject to such increase as the Board may determine from time to time in its absolute discretion. Ms. Chow is also entitled to a performance related bonus (HK\$56,500 for the year ended 31 December 2021), which is determined on the basis that the total amount of the performance related bonus payable to all Directors should not exceed 15% of the net profit before tax of each year.

As at the Latest Practicable Date, Ms. Chow was not interested or deemed to be interested in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Chow (i) has not held any other positions with any members of the Group; (ii) is not related to any director, senior management, substantial shareholder or Controlling Shareholder; and (iii) has not held any other directorships in any public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other matter concerning Ms. Chow that needs to be brought to the attention of the Shareholders nor is Ms. Chow involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

- (2) **Mr. Liu Kwan (劉筠)**, aged 50, was appointed as an independent non-executive Director on 24 October 2017. Mr. Liu is also a member of the audit committee, the remuneration committee and the nomination committee of the Company. He is mainly responsible for overseeing the management of the Group independently and providing independent judgement on the issues of strategy, performance, resources and standard of conduct of the Company.

Mr. Liu has over 18 years of experience in accounting and auditing. He worked at Deloitte & Touche LLP in Canada from September 1997 to October 2000 with the last held position as senior staff accountant, and was primarily responsible for auditing and due diligence review. He was a financial analyst at the TD Securities Division of the Toronto Dominion Bank in Canada from October 2000 to March 2001 and was primarily responsible for business and market analysis. He was at American International Assurance Company, Limited in Hong Kong from October 2001 to November 2005, where he worked as a staff auditor from October 2001 to December 2003, and as a senior auditor from January 2004 to November 2005. He was primarily responsible for auditing and compliance review. He was at New York Life International, LLC in Hong Kong from November 2005 to November 2010, where he worked as a director of audits in the internal audit department from November 2005 to September 2009, and as an assistant general auditor in the internal audit department from October 2009 to November 2010. He was primarily responsible for auditing and risk review. From November 2010 to July 2011, he was at KPMG in Hong Kong with his last held position as senior manager in the risk and compliance division, and was primarily responsible for providing assurance, risk, compliance and business promotion services. From August 2011 to November 2014, he worked as an audit manager at Prudential Services Limited in Hong Kong and was primarily responsible for development, execution and management of audit work. From December 2014 and until now, he has become the regional anti-money laundering manager of Prudential Services Limited and is primarily responsible for drafting and implementing regional anti-money laundering standards and overseeing the sanctions screening operations in Asia.

Mr. Liu obtained his Bachelor of Arts degree and his Bachelor of Administrative Studies degree from York University in Canada in June 1994 and June 1997 respectively. Mr. Liu became a chartered accountant and a chartered professional accountant of the Institute of Chartered Accountants of Ontario (now known as Chartered Professional Accountants of Ontario) in November 2000 and November 2012, respectively. He became a certified internal auditor of the Institute of Internal Auditors in Hong Kong in August 2009 and a certified anti-money laundering specialist of Association of Certified Anti-Money Laundering Specialists in Hong Kong in May 2016.

Mr. Liu has entered into a letter of appointment with the Company for a renewed term of three years commencing on 13 November 2020, unless terminated by not less than three months' notice in writing served by either party. He is subject to retirement by rotation pursuant to the Articles of Association. The annual remuneration of Mr. Liu under the letter of appointment is HK\$72,000.

As at the Latest Practicable Date, Mr. Liu was not interested or deemed to be interested in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liu (i) has not held any other positions with any members of the Group; (ii) is not related to any director, senior management, substantial shareholder or Controlling Shareholder; and (iii) has not held any other directorships in any public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other matter concerning Mr. Liu that needs to be brought to the attention of the Shareholders nor is Mr. Liu involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

The following is an explanatory statement required by the GEM Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 288,000,000 Shares.

Subject to the passing of the ordinary resolution set out in item 7 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 28,800,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Repurchase of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

The Company may only apply funds legally available for share repurchase in accordance with its Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2021) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have been traded on the Stock Exchange during each of the previous 12 months were as follows:

Month	Highest HK\$	Lowest HK\$
March 2021	0.498*	0.279*
April 2021	0.484*	0.312*
May 2021	0.507*	0.414*
June 2021	0.554*	0.340*
July 2021	0.666*	0.400*
August 2021	0.856*	0.512*
September 2021	0.838*	0.335*
October 2021	0.456*	0.298*
November 2021	0.451*	0.195*
December 2021	0.265*	0.205*
January 2022	0.265*	0.182*
February 2022	0.320*	0.218*
March 2022 (<i>up to the Latest Practicable Date</i>)	0.296	0.201

* *The prices have been adjusted due to share consolidation of the Company completed in January 2022 and rights issue completed in February 2022.*

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the GEM Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the GEM Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Company, Vertical Investment, a Controlling Shareholder, was interested in 180,000,000 Shares representing 62.50% of the total issued share capital of the Company. Mr. Boon is the sole beneficial owner of Vertical Investment. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Share Repurchase Mandate (if the shareholdings of Vertical Investment and Mr. Boon in the Company and the capital structure of the Company otherwise remain the same), the interests of Vertical Investment and Mr. Boon would be increased to approximately 69.44% of the total issued share capital of the Company. The Directors are not aware of any consequence which will arise under the Takeovers Code as a result of any repurchase to be made under the Share Repurchase Mandate.

The Directors do not propose or intend to repurchase any Shares which will result in the number of Shares held by the public being reduced to less than 25% of the total issued Shares.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

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 is hereby given that an annual general meeting of Vertical International Holdings Limited (the “**Company**”) will be held at Unit 2212, 22/F., Global Gateway Tower, 63 Wing Hong Street, Cheung Sha Wan, Kowloon, Hong Kong on Friday, 6 May 2022 at 11:30 a.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditors for the year ended 31 December 2021.
2. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) the declaration and payment of a final dividend of 1.0 HK cent per ordinary share of the Company for the year ended 31 December 2021 (the “**Final Dividend**”) entirely out of the share premium account of the Company (the “**Share Premium Account**”) to the shareholders of the Company whose names appear on the register of members of the Company at the close of business on Wednesday, 18 May 2022, being the record date for determining the entitlement to the Final Dividend, be and is hereby approved; and
 - (b) any director of the Company be and is hereby authorised to take such action, do such things and execute such further documents as the director may at his absolute discretion consider necessary or desirable for the purpose of or in connection with the implementation of the payment of the Final Dividend.”
3. To re-elect Ms. Chow Cheung Chu as an executive director of the Company.
 4. To re-elect Mr. Liu Kwan as an independent non-executive director of the Company.
 5. To authorize the board of directors of the Company to fix the remuneration of directors of the Company.
 6. To re-appoint Baker Tilly Hong Kong Limited as the auditors of the Company and to authorize the board of directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited and paragraph (b) of this resolution, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest 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 the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited and paragraph (b) of this resolution, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as hereinafter defined) in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of options under a share option scheme of the Company; and
 - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company on the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

- (c) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest 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 the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

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

NOTICE OF ANNUAL GENERAL MEETING

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 7 and 8 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 8 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 7 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

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

Hong Kong, 31 March 2022

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 branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting (i.e. not later than 11:30 a.m. Wednesday, 4 May 2022) or any adjournment thereof.

NOTICE OF ANNUAL GENERAL MEETING

4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Tuesday, 3 May 2022 to Friday, 6 May 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 annual 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 branch share registrar in Hong Kong, 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 Friday, 29 April 2022.
5. For determining the entitlement to the proposed Final Dividend (subject to approval by the shareholders at the annual general meeting of the Company), the Register of Members of the Company will be closed from Monday, 16 May 2022 to Wednesday, 18 May 2022, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed Final Dividend, 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 branch share registrar in Hong Kong, 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 Friday, 13 May 2022.
6. 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 Friday, 6 May 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) and of the Company (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.
7. To safeguard the health and safety of the Shareholders, staff and stakeholders from the risk of infection of COVID-19, the following precautionary and control measures will be implemented at the AGM, without limitation:
 - (i) the number of attendees will be limited to the minimum number of persons present as is legally required to form a quorate meeting by Directors or other staff members who are Shareholders or proxies. No other Shareholders shall attend the AGM in person; and
 - (ii) a live webcast of the AGM through Tricor e-Meeting System at the designated website will be arranged for Shareholders to view and participate in the AGM.

Shareholders that intend to participate in the AGM via the Tricor e-Meeting System can visit the designated website and enter the login credentials which has been posted to Shareholders together with the Circular and Proxy Form to attend the AGM online.

NOTICE OF ANNUAL GENERAL MEETING

All resolutions at the AGM will be decided on a poll. Shareholders will not be able to vote online on the resolutions to be tabled for approval at the AGM. However, shareholders will still be able to vote by doing so in advance of the AGM by proxy. Shareholders who wish to vote on any resolution at the AGM should appoint the chairman of the AGM as his/her/its proxy to exercise the right to vote at the AGM in accordance with as his/her/its instructions. If Shareholders appoint a person who is not the chairman of the AGM as his/her/its proxy, that person will not be permitted entry to the meeting venue and will not be able to exercise his/her/its vote.

Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.