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WING ON COMPANY INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 289)

Directors:

Mr. Karl C. Kwok, BBS, MH (Chairman)

Mr. Lester Kwok, J.P.

(Deputy Chairman and Chief Executive Officer)

Dr. Bill Kwok, J.P. (Executive Director)

Mr. Mark Kwok (Executive Director)

Miss Maria Tam Wai Chu, GBM, GBS, J.P.

(Independent Non-executive Director)

Mr. Iain Ferguson Bruce, CA, FCPA, FHKIoD, FHKSI

(Independent Non-executive Director)

Mr. Leung Wing Ning

(Independent Non-executive Director)

Mr. Nicholas James Debnam

(Independent Non-executive Director)

Registered Office:

Victoria Place, 5th Floor,

31 Victoria Street,

Hamilton HM10,

Bermuda.

Principal Office:

7th Floor, Wing On Centre,

211 Des Voeux Road Central,

Hong Kong.

26 April 2022

Dear Shareholders,

GENERAL MANDATES TO ISSUE SHARES AND TO BUY BACK SHARES AND PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

This document will provide you with information regarding resolutions to be proposed at the annual general meeting (the “Annual General Meeting”) of Wing On Company International Limited (the “Company”) to be held on 2 June 2022 (time and venue as stated in the Notice of Annual General Meeting), as required by the relevant rules set out in the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) to regulate the buy-back by companies, with a primary listing on the Stock Exchange, of their own securities on the Stock Exchange (the “Share Buy-back Rules”) and to re-elect the retiring Directors.

I. General mandates to issue shares and to buy back shares

At the annual general meeting of the Company held on 3 June 2021, a general mandate was given to the directors of the Company (the “Directors”) to exercise the powers of the Company to buy back shares of the Company. As at 11 April 2022 (the latest practicable date prior to the printing of this statement), 324,000 shares have been bought back pursuant to this mandate. Such mandate will lapse at the conclusion of the forthcoming Annual General Meeting of the Company, unless renewed at

that Annual General Meeting. It is therefore proposed to seek your approval of an ordinary resolution to be proposed at the Annual General Meeting granting the Directors a general mandate to buy back shares representing not more than 10% of the share capital of the Company in issue at the date of passing the resolution (the “Buy-back Mandate”). In accordance with the Share Buy-back Rules, the Company is required to send the shareholders of the Company (the “Shareholders”) an explanatory statement containing information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to approve the buy-back by the Company of its own shares. The explanatory statement is set out in this document.

Ordinary resolutions will also be proposed at the Annual General Meeting (i) to grant the Directors a general mandate to issue and otherwise deal with shares up to a limit equal to 20% of the issued shares of the Company at the date of passing of such resolution and (ii) to approve the addition of such bought back shares (up to a maximum of 10% of the issued shares of the Company at the date of passing of such resolution) to the 20% general mandate (as required by the Listing Rules) at any time until the next annual general meeting of the Company or such earlier period as stated in the ordinary resolution.

The ordinary resolutions are set out in full in the notice of Annual General Meeting forming part of the annual report for the year ended 31 December 2021.

Explanatory statement required by the share buy-back rules

The following is the explanatory statement required to be sent to Shareholders under the Listing Rules in connection with the proposed general mandate for buy back of shares:

The buy-back proposal

As at 11 April 2022 (the latest practicable date prior to the printing of this statement), the issued share capital of the Company comprised 291,369,000 shares of HK\$0.1 each (“Shares”).

Subject to the passing of the ordinary resolutions granting the Directors the Buy-back Mandate on the basis that no further Shares are issued or bought back prior to the Annual General Meeting to be held on 2 June 2022 and ignoring other restrictions, the Company would be allowed under the Buy-back Mandate to buy back up to a maximum of 29,136,900 Shares.

Reasons for buy-backs

The Directors believe that the Buy-back Mandate is in the best interests of the Company and its Shareholders. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per share of the Company and will only be made when the Directors believe that such a buy-back will benefit the Company and its Shareholders.

Funding of buy-back

In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Bye-Laws and the laws of Bermuda. It is envisaged that any Share bought back under the Buy-back Mandate would be bought back out of the capital paid up on the bought back Shares and the distributable surplus of the Company.

There might be material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 December 2021 and taking into account the financial position of the Company as at the date of this explanatory statement in the event that the proposed share buy-backs were to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-back 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.

Disclosure of interests

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules and the laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates have a present intention, in the event that the Buy-back Mandate is approved by the Shareholders, to sell Shares to the Company.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Company is authorised to make buy-backs of Shares.

If as a result of Share buy-backs, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). Accordingly, a Shareholder or a group of Shareholders, acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at 11 April 2022 (the latest practicable date prior to the printing of this statement), Kee Wai Investment Company (BVI) Limited (together with its associates, Wing On International Holdings Limited and Wing On Corporate Management (BVI) Limited) was interested in 180,545,138 shares (representing approximately 61.964% of the issued shares of the Company). To the best of the knowledge and belief of the Company, no other person, together with his/her associates, was beneficially interested in Shares representing 10% or more of the issued shares of the Company.

In the event that the Directors exercise in full the power to buy back Shares pursuant to the Buy-back Mandate, then (if the present shareholdings otherwise remain unchanged) the attributable shareholding of Kee Wai Investment Company (BVI) Limited would be increased to approximately 68.849% of the issued shares of the Company. Accordingly, such increase would not be expected to give rise to any obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

Share buy-back made by the Company

During the six months prior to 11 April 2022 (the latest practicable date prior to the printing of this statement), the Company has bought back a total of 94,000 shares.

Particulars of the buy-back are as follows:

Date of Purchase	Number of Shares Purchased	Highest Price Paid Per Share HK\$	Lowest Price Paid Per Share HK\$
30 November 2021	10,000	17.62	17.60
3 December 2021	5,000	17.70	17.70
7 December 2021	18,000	17.94	17.80
13 December 2021	20,000	17.94	17.80
21 December 2021	2,000	17.60	17.60
3 January 2022	10,000	17.50	17.50
11 January 2022	7,000	17.80	17.60
14 February 2022	2,000	18.00	18.00
21 February 2022	14,000	18.48	18.38
28 March 2022	6,000	17.80	17.60

Market prices

The highest and lowest prices at which Shares have been traded on the Stock Exchange in each of the previous twelve months before printing of this statement were as follows:

	Highest Price HK\$	Lowest Price HK\$
2021		
April	17.68	17.00
May	18.50	17.30
June	18.76	17.10
July	17.70	17.22
August	18.50	17.34
September	18.50	17.42
October	18.50	17.62
November	18.36	17.60
December	17.94	17.50
2022		
January	17.98	17.50
February	19.48	17.80
March	19.48	17.02
April (up to 11 April)	17.72	17.72

II. Proposed re-election of the retiring directors

Dr. Bill Kwok and Mr. Leung Wing Ning shall retire from the Board at the Annual General Meeting and, being eligible, have offered themselves for re-election. Dr. Bill Kwok and Mr. Leung Wing Ning will be proposed to be re-elected for a fixed term of three years until the 2025 Annual General Meeting.

Set out below are the details of the directors who will be retired from the Board and be eligible for re-election at the Annual General Meeting:

Dr. Bill Kwok, J.P., aged 69, has been a director of the Company since November 1992. He oversees and manages the investment business of the Group. He was educated at Stanford University and the University of Chicago where he obtained undergraduate degrees and a Ph.D. respectively. He is currently a member of the Hang Seng Index Advisory Committee. He has served as an Independent Non-executive Director of Hong Kong Exchanges and Clearing Limited which is listed on The Stock Exchange of Hong Kong Limited from 2000-2017 and also the Chairman of OTC Clearing Hong Kong Limited, a subsidiary company of the Hong Kong Exchanges and Clearing Limited from 2015-2017. He has served as a Non-executive Director of HSBC Private Bank (Suisse) SA from 2006 to 2016. He is a past Chairman and a honorary fellow of Hong Kong Securities and Investment Institute. He is a director of Wocom Holdings Limited, Wing On International Holdings Limited, Wing On Corporate Management (BVI) Limited and Kee Wai Investment Company (BVI) Limited.

Dr. Kwok is a brother of Mr. Karl C. Kwok, Mr. Lester Kwok and Mr. Mark Kwok. As at 11 April 2022 (the latest practicable date prior to the printing of this document), Dr. Kwok is taken to be interested in 1,508,298 shares in the Company (representing 0.518% of the issued shares of the Company) within the meaning of Part XV of the Securities and Futures Ordinance. He is also taken to be interested in 14,250 shares (25%) in Kee Wai Investment Company (BVI) Limited (a substantial shareholder of the Company) and 216 shares (0.012%) in The Wing On Fire & Marine (2011) Limited (an associated corporation of the Company). Dr. Kwok will be proposed to be re-elected for a term of three years until the 2025 Annual General Meeting. The director's fee payable to him shall be recommended by the Remuneration Committee with approval by the Board and shall be subject to Shareholders' approval in annual general meeting. There is an employment contract entered into between the Company's subsidiary and Dr. Kwok. He shall receive annual basic salary of HK\$4,218,000 in 2022 plus discretionary bonus based on the performance of the Group and to be approved by the Remuneration Committee. He is also a director of a number of the Group's subsidiaries. For the year ended 31 December 2021, he received from the Company HK\$248,000 as director's fee and other emoluments of HK\$5,518,000 from the Group.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there are no other information that need to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Mr. Leung Wing Ning, aged 74, has been an Independent Non-executive Director of the Company since January 2010. He is also the Chairman of the Remuneration Committee and the Nomination Committee and a member of the Audit Committee. He was educated at Stanford University, California and New York University, New York where he obtained a B.S. (Mechanical Engineering) and an M.B.A. degree respectively. He has over 30 years' experience in senior management positions in international trades and in banking and finance. He retired from Hang Sang Bank Limited in 2007. He served as an Independent Non-executive Director of Winfoong International Limited which is listed on The Stock Exchange of Hong Kong Limited from 2009 to 2015.

Mr. Leung is not connected with any directors, senior management or substantial or controlling shareholders of the Company. As at 11 April 2022 (the latest practicable date prior to the printing of this document), he is taken to be interested in 10,000 shares in the Company (representing 0.003% of the issued shares of the Company) within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Leung will be proposed to be re-elected for a term of three years until the 2025 Annual General Meeting. The director's fee payable to him shall be recommended by the Remuneration Committee with approval by the Board and shall be subject to Shareholders' approval in annual general meeting. There is no service contract entered into between the Company and Mr. Leung. He shall also receive allowances, which will be determined with reference to his duties and responsibilities, for serving as the Chairman of the Remuneration Committee and the Nomination Committee and a member of the Audit Committee. For the year ended 31 December 2021, he received from the Company HK\$248,000 as director's fee, an allowance of HK\$174,000 for serving as the Chairman of the Remuneration Committee, an allowance of HK\$110,000 for serving as the Chairman of the Nomination Committee and an allowance of HK\$144,000 for serving as a member of the Audit Committee.

Mr. Leung has been serving on the Board for more than 9 years. During his years of service with the Company, Mr. Leung has demonstrated continued independent judgment and contributed valuable advice to the Group. Coupled with his in-depth understanding of the Group's operations, businesses and strategies, Mr. Leung continuously provides insightful guidance to the Group. The Nomination Committee and the Board consider that Mr. Leung's continued tenure would not have any impact on his independence, and are satisfied that Mr. Leung has the character, integrity, ability and experience to fulfil his role effectively. The Board thus recommends Mr. Leung for re-election as an Independent Non-executive Director at the Annual General Meeting.

Save as disclosed herein, there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there are no other information that need to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Whether or not you intend to be present at the Annual General Meeting, you are requested to complete the proxy form and return it to the Share Registrar of the Company, Tricor Progressive Limited, at level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the Annual General Meeting. The Directors believe that the resolutions set out in the notice of the Annual General Meeting are in the interests of the Company and its Shareholders and recommend you to vote in favour of such resolutions at the Annual General Meeting.

Yours faithfully,
Karl C. Kwok
Chairman