
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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DATRONIX HOLDINGS LIMITED

連達科技控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 889)

- (1) GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED AMENDMENTS TO THE BYE-LAWS; AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting of Datronix Holdings Limited to be held at 19/F, North Point Industrial Building, 499 King’s Road, North Point, Hong Kong on Thursday, 1 June 2023 at 2:30 p.m. is set out on pages 32 to 35 of this circular.

A form of proxy for use at the annual general meeting is enclosed. Whether or not you are able to attend the annual general meeting, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Hong Kong Registrars Limited, located at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen’s Road East, Wan Chai, 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 or any adjournment thereof (i.e. 30 May 2023 at 2:30 p.m.). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

27 April 2023

* For identification purposes only

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DEFINITIONS

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

“AGM Notice”	the notice for convening the Annual General Meeting set out on pages 32 to 35 of this circular
“Annual General Meeting”	the annual general meeting of the Company to be held at 19/F, North Point Industrial Building, 499 King’s Road, North Point, Hong Kong on 1 June 2023 at 2:30 p.m. or any adjournment thereof, notice of which is set out on pages 32 to 35 of this circular
“Annual Report”	annual report of the Company in respect of the year ended 31 December 2022
“Bye-laws”	the Bye-laws of the Company currently in force
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Datronix Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 889)
“Core Connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the powers of the Company to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company at the date of the passing of the relevant resolution granting such mandate in accordance with terms set out in Ordinary Resolution No. 4 in the AGM Notice

DEFINITIONS

“Latest Practicable Date”	17 April 2023 being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on Stock Exchange
“Repurchase Mandate”	the general mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company at the date of the passing of the relevant resolution granting such mandate in accordance with the terms as set out in Ordinary Resolution No. 5 in the AGM Notice
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases
“%”	per cent

LETTER FROM THE BOARD



DATRONIX HOLDINGS LIMITED

連達科技控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 889)

Executive Directors:

SIU Paul Y. (Chairman)
SHUI Wai Mei (Vice Chairman)
SIU Ronald (Vice Chairman)
SHEUNG Shing Fai
SIU Nina Margaret

Registered Office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Independent Non-executive Directors:

Mr. Chung Pui Lam
Mr. Lee Kit Wah
Mr. Wong Wah Sang, Derek

Principal place of Business in

Hong Kong:
19th Floor
North Point Industrial Building
499 King's Road
Hong Kong

27 April 2023

To the Shareholders

Dear Sir or Madam,

**(1) GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED AMENDMENTS TO THE BYE-LAWS; AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the Annual General Meeting, resolutions will be proposed, among other matters:

- (a) to grant the Issue Mandate to the Directors;
- (b) to grant the Repurchase Mandate to the Directors;
- (c) to extend the Issue Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate;
- (d) to re-elect the retiring Directors; and
- (e) to approve and adopt the amendments to the Bye-laws.

The purpose of this circular is to provide you with information in relation to the resolutions to be proposed at the Annual General Meeting for the grant of the Issue Mandate, the grant of the Repurchase Mandate, the re-election of retiring Directors and the proposed amendments to the Bye-laws, and to seek your approval in connection with such matters at the Annual General Meeting.

* For identification purposes only

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

Two ordinary resolutions, namely Ordinary Resolutions No. 4 and 6 in the AGM Notice, will be proposed at the Annual General Meeting to grant to the Directors (i) the Issue Mandate to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of Ordinary Resolution No. 4 in the AGM Notice; and (ii) an extension to the Issue Mandate so granted by adding thereto any Shares repurchased by the Company pursuant to the Repurchase Mandate up to 10% of the issued share capital of the Company as at the date of passing Ordinary Resolution No. 5 in the AGM Notice.

An ordinary resolution will be proposed at the Annual General Meeting to grant to the Directors the Repurchase Mandate, details of which are set out in Ordinary Resolution No. 5 in the AGM Notice. The Shares which may be purchased by the Company pursuant to the Repurchase Mandate shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of Ordinary Resolution No. 5.

As at the Latest Practicable Date, a total of 320,000,000 Shares were in issue. Subject to the passing of Ordinary Resolutions Nos. 4 and 5, the Company will be allowed to allot and issue up to a maximum of 64,000,000 Shares and repurchase a maximum of 32,000,000 Shares.

Shares on the assumption that there will be no change in the issued share capital prior to the Annual General Meeting.

Subject to the relevant resolutions being passed at the Annual General Meeting, the Issue Mandate and the Repurchase Mandate shall be valid from the date of passing the resolutions until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws in Bermuda to be held; or
- (c) the passing of an ordinary resolution by the Shareholders in general meeting revoking, varying or renewing the authority given to the Directors.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board consisted of eight Directors, namely Mr. Siu Paul Y., Ms. Shui Wai Mei, Mr. Siu Ronald, Mr. Sheung Shing Fai and Ms. Siu Nina Margaret being the executive Directors; Mr. Chung Pui Lam, Mr. Lee Kit Wah and Mr. Wong Wah Sang, Derek being the independent non-executive Directors.

Pursuant to Bye-law 87 of the Bye-laws, at each annual general meeting one-third of the Directors for the time being shall retire from office by rotation and shall be eligible for re-election. Accordingly, Mr. Lee Kit Wah and Mr. Wong Wah Sang, Derek will retire from office by rotation at the Annual General Meeting and being eligible, will offer themselves for re-election.

Pursuant to Bye-law 86(2) of the Bye-laws, any Director appointed by the Board as an addition to the existing Board shall hold office until the next following general meeting of the Company and shall than be eligible for election. Accordingly, Mr. Siu Ronald will retire from office at the Annual General Meeting. Mr. Siu Ronald, being eligible, will offer himself for re-election.

Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

RECOMMENDATIONS OF THE NOMINATION COMMITTEE

The Nomination Committee has reviewed the biographical details of Mr. Siu Ronald, Mr. Lee Wah Kit and Mr. Wong Wah Sang, Derek (including but not limited to character and integrity, professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy, time commitment to effectively discharge duties as Board member) and considered the diversity aspects (including but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) and took the view that Mr. Siu Ronald, Mr. Lee Wah Kit and Mr. Wong Wah Sang, Derek have been contributing to the Group effectively and are committed to their role as Directors.

The Nomination Committee had also assessed the independence of Mr. Lee Kit Wah and Mr. Wong Wah Sang, Derek based on their annual confirmation of independence and was satisfied with their independence with reference to the criteria as set out in Rule 3.13 of the Listing Rules.

The Board accepted the recommendation by the Nomination Committee for recommending the shareholders to re-elect Mr. Siu Ronald, Mr. Lee Kit Wah and Mr. Wong Wah Sang, Derek as Directors of the AGM.

PROPOSED AMENDMENTS TO THE BYE-LAWS

The Board proposes to amend the existing Bye-laws in order to bring the Bye-laws in line with the latest legal and regulatory requirements, including the amendments made to Appendix 3 to the Listing Rules which took effect on 1 January 2022.

LETTER FROM THE BOARD

The proposed amendments to the Bye-laws (“Proposed Amendments”) are summarised below:

1. to specify that the Company shall hold an annual general meeting within six months after the end of the Company’s financial year;
2. to provide that all Shareholders shall have the right to speak at a general meeting of the Company;
3. to provide that in addition to the right to convene an extraordinary general meeting on the requisition of one or more Shareholders holding not less than one tenth (1/10th) of the paid up capital of the Company having the right of voting at general meetings, such Shareholder(s) shall also have the right to add resolutions to the meeting agenda of a general meeting;
4. subject to the applicable laws of Bermuda, to provide that the branch register of Shareholders in Hong Kong may be closed with reference to section 632 of the Companies Ordinance (Chapter 622 of the Laws in Hong Kong); and
5. to make other necessary amendments for updating the Bye-laws and better aligning with the wording in the applicable laws of Bermuda and the Listing Rules.

For details of the Proposed Amendments, please refer to Appendix III to this circular.

ANNUAL GENERAL MEETING

The AGM Notice, which contains, inter alia, the resolutions for the grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate and the re- election of retiring Directors is set out on pages 32 to 35 of this circular.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at the Annual General Meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all the proposed resolutions will be put to vote by way of poll at the Annual General Meeting and, after being verified by the scrutineer, the results of the poll will be published in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

PROXY FORM

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the meeting in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the office of the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited, located at Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof (as the case may be) (i.e. not later than 2:30 p.m. on 30 May 2023). Completion and return of a form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof (as the case may be).

RECOMMENDATION

The Directors believe that the proposed grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate to the Shares repurchased pursuant to the Repurchase Mandate, the proposed re-election of Directors and the proposed amendments to the Bye-laws are in the best interests of the Company and the Shareholders as a whole and recommend the Shareholders to vote in favour of the above resolutions to be proposed at the Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, 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,
By Order of the Board
Datronix Holdings Limited
SIU Paul Y.
Chairman

This appendix contains information required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the Annual General Meeting in connection with the proposed Share Repurchase Mandate.

1. SHAREHOLDERS' APPROVAL

All proposed repurchase of shares by a company with its primary listing on the Stock Exchange must be approved in advance by way of an ordinary resolution, either of a specific approval of a particular transaction or of a general mandate to the Directors to make such repurchases.

2. TOTAL NUMBER OF SHARES IN ISSUE

As at the Latest Practicable Date, the issued share capital of the Company comprised 320,000,000 shares.

Subject to the passing of the Ordinary Resolution No. 5 and on the basis that no further Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 32,000,000 Shares (representing 10% of the aggregate nominal amount of the issued share capital of the Company as at the Latest Practicable Date) during the period from the date of passing of Ordinary Resolution No. 5 set out in the AGM Notice up to (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 Bye-laws or any applicable laws of Bermuda to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in general meeting, whichever is the earliest.

3. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. An exercise of the Share Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds of the Company legally available for such purposes in accordance with the memorandum of association of the Company, Bye-laws of the Company and the applicable laws and regulations of Bermuda, including profits of the Company or out of a fresh issue of Shares made for the purpose of the repurchase or, if authorized by Bye-laws and subject to the Laws of Bermuda, out of the capital of the Company and, in the case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, subject to the Laws of Bermuda, out of capital of the Company.

5. IMPACT OF REPURCHASES

There might be adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements for the year ended 31 December 2022) in the event that the Share Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Share Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing position of the Company. The Directors would only exercise the power to repurchase in circumstances whether they consider that the repurchase would be in the best interests of the Company and the Shareholders as a whole.

6. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
April	0.550	0.500
May	0.540	0.460
June	0.470	0.385
July	0.540	0.405
August	0.445	0.410
September	0.430	0.410
October	0.355	0.300
November	0.330	0.305
December	0.330	0.320
2023		
January	0.405	0.395
February	0.480	0.390
March	0.450	0.405
April (up to the Latest Practicable Date)	0.445	0.445

7. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the Share Repurchase Mandate in accordance with Bye-laws, the Listing Rules and the applicable laws, rules and regulations of Bermuda from time to time in force.

8. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge, having made all reasonable enquires, any of their close associates, has any present intention to sell any Shares to the Company or its subsidiaries in the event that the Share Repurchase Mandate is approved by the Shareholders.

No core connected person of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so in the event that the Company is authorised to make repurchases of the Shares.

9. EFFECT OF THE TAKEOVERS CODE

If, on the exercise of the power to repurchase shares pursuant to the Repurchase Mandate, 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 Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in it/their interests, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date prior to printing of this circular, to the best knowledge and belief of the Directors, the following parties were directly or indirectly interested in 5% or more of the issued share capital of the Company:

Name	Number of shares	Shareholding percentage
Onboard Technology Limited (<i>Note</i>)	231,412,000	72.32%

Note: Onboard Technology Limited is a company incorporated in the British Virgin Islands and owned as to 90% by Mr. Paul Siu and 10% by Ms. Shui Wai Mei, his spouse, both are Directors of the Company.

In the event that the Directors should exercise in full the power to repurchase shares which is proposed to be granted pursuant to the resolution to be proposed at the Annual General Meeting, the aggregate shareholding of Onboard Technology Limited in the Company would be increased from approximately 72.32% to approximately 80.35% of the issued share capital of the Company. The Directors are not aware of any consequences which may arise under the Code as a result of such purchase made under the Repurchase Mandate. The Directors consider that such increase will result in the number of shares which are in the hands of the public being reduced to less than 25 percent. The Directors do not propose to exercise the Repurchase Mandate in full so as to give rise to this extent.

10. SHARES REPURCHASE MADE BY THE COMPANY

Neither the Company nor any of its subsidiaries has purchased any of the Company's shares in the past six months from the preceding the Latest Practicable Date.

Mr. Siu Ronald (“Mr. Siu”), aged 39, was appointed as Executive Director and Vice Chairman of the Company on 1 August 2022. He is also a member of Remuneration Committee. Mr. Siu holds a master degree of science in accounting and finance in London School of Economics and Political Science in the UK and a bachelor degree of science in business administration with Cum Laude (Honors) from the University of Southern California in the US. He has more than 8 years working experience in the field of financial markets, corporate finance and investment management. Mr. Siu was appointed as a Non-executive Director of the Company on 23 April 2007 and resigned on 19 September 2008. Prior re-joining the Group, Mr. Siu worked as a corporate finance manager in a financial institution and as an investment manager/research analyst in an asset management firm. Mr. Siu re-joined the Group on 1 April 2015 and is responsible for the sales & marketing and investment management of the Group. Mr. Siu also sits on boards of various companies within the Group.

Mr. Siu is the son of Mr. Siu Paul Y., Chairman of the Company and Ms. Shui Wai Mei, Vice Chairman of the Company. Mr. Siu Paul Y. and Ms. Shui Wai Mei, through Onboard Technology Limited, a company incorporated in the British Virgin Islands, and in which Mr. Siu Paul Y. and Ms. Shui beneficially own 90% and 10% of its issued share capital of the Company. Mr. Siu is the brother of Ms. Siu Nina Margaret, Executive Director of the Company.

Mr. Siu has entered into a service contract with the Company for an initial terms of three years commencing from 1 August 2022. Such contract will continue thereafter until terminated by not less than three months’ notice in writing served by either party on the other. Mr. Siu is entitled to a basic salary and a management bonus of a sum at the discretion of the Directors of the Company. The basic salary of Mr. Siu under his service contract is HK\$768,000 per annum as determined by the Board. The emoluments of Mr. Siu is determined with reference to his duties and responsibilities of the Company. Mr. Siu will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Bye-laws of the Company.

Save as disclosed above, (i) Mr. Siu does not hold any other positions within the Company or any of its subsidiaries; (ii) Mr. Siu does not hold any directorship in public companies the securities of which are listed in Hong Kong or overseas in the last three years immediately preceding the date of this announcement; (iii) Mr. Siu does not have any relationship with any Director, senior management or substantial or controlling shareholders of the Company; and (iv) Mr. Siu does not have, and is not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance).

Save as disclosed above, there are no other matters relating to Mr. Siu’s appointment that need to be brought to the attention of the shareholders of the Company nor any information to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. Lee Kit Wah (“Mr. Lee”), aged 68, is an Independent Non-Executive Director of the Company since August 2011. Mr. Lee is also a chairman of Audit Committee of the Board and a member of each of Nomination Committee and Remuneration Committee. Mr. Lee graduated from University of Toronto in 1979 with a bachelor’s degree in Commerce. He is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants, the Taxation Institute of Hong Kong and a member of the Institute of Chartered Accountants in England and Wales. Mr. Lee was trained at Price Waterhouse (presently PricewaterhouseCoopers) in Hong Kong from 1979 to 1984, and worked at F. S. Li & Co., Certified Public Accountants between 1985 to 1988 first as an audit supervisor and then as an audit manager. He has been practising as a certified public accountant in Hong Kong since 1988 and is the managing director of an accounting firm, Katon CPA Limited. Mr. Lee was an independent non-executive director of ITC Corporation Limited from 23 July 2004 to 28 March 2017, a company is listed on the Stock Exchange.

Notwithstanding that Mr. Lee has served as independent non-executive Director for more than nine years, (i) the Board has assessed and reviewed the annual confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Lee remains independent; (ii) the nomination committee of the Company has assessed and is satisfied of the independence of Mr. Lee; and (iii) the Board considers that Mr. Lee remains independent of the Group’s management and free of any relationship which could materially interfere with the exercise of his independent judgment. In view of the aforesaid factors and his experience and knowledge, the Board would recommend Mr. Lee for re-election at the AGM.

There is no service contract between the Company and Mr. Lee. Mr. Lee will have no fixed term of service with the Company but will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Bye-laws of the Company. Mr. Lee is entitled to a director’s fee of HK\$125,000 per annum which was determined by the Board as authorized by the shareholders at the annual general meeting of the Company with reference to his duties and responsibilities of the Company. No other emoluments will be entitled by Mr. Lee.

Save as disclosed above, Mr. Lee does not hold any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, any other position with the Company and other members of the Group, or any other major appointments and professional qualifications. Mr. Lee does not have any other relationship with any directors, senior management or substantial or controlling shareholders of the Company. At the date of this appointment, Mr. Lee does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The Company received from Mr. Lee a confirmation of independence pursuant to Rule 3.13 of the Listing Rules and that Mr. Lee does not have any management role in the Group and he has no relationship with any directors, senior management or substantial or controlling shareholders of the Company. In addition to Mr. Lee’s experience, the Board believes that the re-election of Mr. Lee will make the Board to continue the benefit and considers him to be independent.

Save as disclosed above, there is no other matters concerning Mr. Lee that need to be brought to the attention of the shareholders of the Company and there is no information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Wong Wah Sang, Derek (“Mr. Wong”), aged 67, is an Independent Non-executive Director of the Company since July 2016. Mr. Wong is also a member of each of Audit Committee, Nomination Committee and Remuneration Committee of the Board. Mr. Wong graduated from The Chinese University of Hong Kong with a Bachelor of Arts degree. Mr. Wong has over 30 years of experience in Hong Kong and overseas manufacturing industry with extensive exposure to various managerial duties, including corporate management, internal control, corporate secretary, acquisitions and mergers re-organizations, introductions of technologies, establishment and construction of new manufacturing plants, marketing and trading.

There is no service contract between the Company and Mr. Wong. Mr. Wong will have no fixed term of service with the Company but will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the Bye-laws of the Company. Mr. Wong is entitled to a director’s fee of HK\$80,000 per annum which was determined by the Board as authorized by the shareholders at the annual general meeting of the Company with reference to his duties and responsibilities of the Company. No other emoluments will be entitled by Mr. Wong.

Save as disclosed above, Mr. Wong does not hold any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years, any other position with the Company and other members of the Group, or any other major appointments and professional qualifications. Mr. Wong does not have any other relationship with any directors, senior management or substantial or controlling shareholders of the Company. At the date of this appointment, Mr. Wong does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

The Company received from Mr. Wong a confirmation of independence pursuant to Rule 3.13 of the Listing Rules and that Mr. Wong does not have any management role in the Group and he has no relationship with any directors, senior management or substantial or controlling shareholders of the Company. In addition to Mr. Wong’s experience, the Board believes that the re-election of Mr. Wong will make the Board to continue the benefit and considers him to be independent.

Save as disclosed above, there is no other matters concerning Mr. Wong that need to be brought to the attention of the shareholders of the Company and there is no information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

The following are the proposed amendments to the existing Bye-laws. Unless otherwise specified, clauses, paragraphs and article numbers referred to herein are clauses, paragraphs and article numbers of the existing Bye-laws.

1. Amend the following clause in the Bye-laws:

1.

WORD

MEANING

“Associate”

~~the meaning attributed to it in the rules of the Designated Stock Exchange.~~

“capital”

the share capital of the Company from time to time ~~of the Company.~~

“clearing house”

~~a recognized clearing house within the meaning of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) or a clearing house recognized~~ recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on ~~the~~ a stock exchange in such jurisdiction.

“close associate”

in relation to any Director, shall have the same meaning as defined in the rules of the Designated Stock Exchange (“Listing Rules”) as modified from time to time, except that for purposes of Bye-law 103 where the transaction or arrangement to be approved by the Board is a connected transaction referred to in the Listing Rules, it shall have the same meaning as that ascribed to “associate” in the Listing Rules.

“substantial shareholder”

a person who is entitled to exercise, or to control the exercise of, 10% or more (or such other percentage as may be prescribed by the rules of the Designated Stock Exchange from time to time) of the voting power at any general meeting of the Company.

2. Amend the following clauses in the Bye-laws:
2. (e) expressions referring to writing shall, unless the contrary intention appears, be construed as including printing, lithography, photography and other modes of representing words or figures in a visible form, and including where the representation takes the form of electronic display, provided that both the mode of service of the relevant document or notice and the Member's election comply with all applicable Statutes, rules and regulations;
 - (h) a resolution shall be a special resolution when it has been passed by a majority of not less than three-fourths of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59~~not less than twenty-one (21) clear days' Notice, specifying (without prejudice to the power contained in these Bye-laws to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, except in the case of an annual general meeting, if it is so agreed by a majority in number of the Members having the right to attend and vote at any such meeting, being a majority together holding not less than ninety-five (95) per cent. in nominal value of the shares giving that right and in the case of an annual general meeting, if it is so agreed by all Members entitled to attend and vote thereat, a resolution may be proposed and passed as a special resolution at a meeting of which less than twenty-one (21) clear days' Notice has been given;~~
 - (i) a resolution shall be an ordinary resolution when it has been passed by a simple majority of votes cast by such Members as, being entitled so to do, vote in person or, in the case of any Member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which ~~not less than fourteen (14) clear days'~~Notice has been duly given in accordance with Bye-law 59;
 - (k) a resolution shall be an extraordinary resolution when it has been passed by a majority of not less than two thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-law 59;
and
 - (l) references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.

3. Amend the following clause in the Bye-laws:
 3. (3) Subject to compliance with the rules and regulations of the Designated Stock Exchange and any other competent regulatory authority, the Company may give financial assistance for the purpose of or in connection with a purchase made or to be made by any person of any shares in the Company. Neither the Company nor any of its subsidiaries shall directly or indirectly give financial assistance to a person who is acquiring or proposing to acquire shares in the Company for the purpose of that acquisition whether before or at the same time as the acquisition takes place or afterwards PROVIDED that nothing in this Bye-law shall prohibit transactions permitted by the Act.
4. Amend the following clause in the Bye-laws:
 6. The Company may from time to time by special resolution, subject to any confirmation or consent required by law, reduce its ~~authorised or issued~~ share capital or, save for the use of share premium as expressly permitted by the Act, any share premium account or other undistributable reserve ~~in any manner permitted by law~~.
5. Amend the following clause in the Bye-laws:
 9. Subject to Sections 42 and 43 of the Act, these Bye-laws, and to any special rights conferred on the holders of any shares or attaching to any class of shares, any preference shares may be issued or converted into shares that, at a determinable date or at the option of the Company or the holder if so authorised by its memorandum of association, are liable to be redeemed on such terms and in such manner as the Company before the issue or conversion may by ordinary resolution of the Members determine. ~~Where the Company purchases for redemption a redeemable share, purchases not made through the market or by tender shall be limited to a maximum price as may from time to time be determined by the Company in general meeting, either generally or with regard to specific purchases. If purchases are by tender, tenders shall be available to all Members alike.~~
6. Amend the following clauses in the Bye-laws:
 10. Subject to the Act and without prejudice to Bye-law 8, all or any of the special rights for the time being attached to the shares or any class of shares may, unless otherwise provided by the terms of issue of the shares of that class, from time to time (whether or not the Company is being wound up) be varied, modified or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate general meeting all the provisions of these Bye-laws relating to general meetings of the Company shall, mutatis mutandis, apply, but so that:

- (a) the necessary quorum (~~other than~~ including at an adjourned meeting) shall be two persons (or in the case of a Member being a corporation, its duly authorised representative) holding or representing by proxy not less than one-third in nominal value of the issued shares of that class ~~and at any adjourned meeting of such holders, two holders present in person (or in the case of a Member being a corporation, its duly authorised representative) or by proxy (whatever the number of shares held by them) shall be a quorum; and~~
- (b) every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him; ~~and~~
- (c) ~~any holder of shares of the class present in person or by proxy may demand a poll.~~
7. Amend the following clause in the Bye-laws:
44. The Register and branch register of Members, as the case may be, shall be open to inspection ~~at least 2 hours on every~~ between 10 a.m. and 12 noon during business day hours by ~~M~~members of the public without charge ~~or by any other person, upon a maximum payment of five Bermuda dollars,~~ at the relevant Registration Office or such other place in Bermuda at which the Register is kept in accordance with the Act ~~or, if appropriate, upon a maximum payment of ten dollars at the Registration Office.~~ The Register including any overseas or local or other branch register of Members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed for inspection at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.
8. Amend the following clauses in the Bye-laws:
45. Subject to the rules of any Designated Stock Exchange, Notwithstanding any other provision of these Bye-laws the Company or the Directors may fix any date as the record date for:
- (a) determining the Members entitled to receive any dividend, distribution, allotment or issue ~~and such record date may be on, or at any time not more than thirty (30) days before or after, any date on which such dividend, distribution, allotment or issue is declared, paid or made;~~
- (b) determining the Members entitled to receive notice of and to vote at any general meeting of the Company.

9. Amend the following clause in the Bye-laws:
46. Subject to these Bye-laws, any Member may transfer all or any of his shares in any manner permitted by and in accordance with the rules of the Designated Stock Exchange or by an instrument of transfer in the usual or common form or in a form prescribed by the Designated Stock Exchange or in any other form approved by the Board and may be under hand or, if the transferor or transferee is a clearing house or its nominee(s), by hand or by machine imprinted signature or by such other manner of execution as the Board may approve from time to time.
10. Amend the following clause in the Bye-laws:
51. The registration of transfers of shares or of any class of shares may, after notice has been given by advertisement ~~in an appointed newspaper and, where applicable, any other newspapers~~ in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect be suspended at such times and for such periods (not exceeding in the whole thirty (30) days in any year) as the Board may determine.
11. Amend the following clause in the Bye-laws:
56. Subject to the Act, An annual general meeting of the Company shall be held in each financial year other than the financial year in which its statutory meeting is convened at and such annual general meeting must be held within six (6) time (within a period of not more than fifteen (15) months after the holding end of the last preceding annual general meeting financial year of the Company (unless a longer period would not infringe the rules of the Designated Stock Exchange, if any) at such time and place as may be determined by the Board. A meeting of Members or any class thereof may be held by means of such telephone, electronic or other communication facilities as to permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meeting.
12. Amend the following clause in the Bye-laws:
58. The Board may whenever it thinks fit call special general meetings, and Members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Act.

13. Amend the following clauses in the Bye-laws:

59. (1) An annual general meeting ~~and any special general meeting at which the passing of a special resolution is to be considered~~ shall be called by Notice of not less than twenty-one (21) clear days' Notice. All other ~~special general meetings may (including a special general meeting)~~ must be called by Notice of not less than fourteen (14) clear days' Notice but if permitted by the rules of the Designated Stock Exchange, a general meeting may be called by shorter notice if it is so agreed:
- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. (95%) in nominal value of the issued shares giving that right.
- (2) The Notice shall specify the time and place of the meeting and particulars of resolutions to be considered at the meeting and, in case of special business, the general nature of the business. The Notice convening an annual general meeting shall specify the meeting as such. Notice of every general meeting shall be given to all Members other than to such Members as, under the provisions of these Bye-laws or the terms of issue of the shares they hold, are not entitled to receive such notices from the Company, to all persons entitled to a share in consequence of the death or bankruptcy or winding-up of a Member and to each of the Directors and the Auditors.

14. Amend the following clause in the Bye-laws:

61. (2) No business other than the appointment of a chairman of a meeting shall be transacted at any general meeting unless a quorum is present at the commencement of the business. Two (2) Members entitled to vote and present in person ~~(or (in the case of a Member being a corporation) by its duly authorised representative or by proxy)~~ or, for quorum purposes only, two persons appointed by the clearing house as authorised representative or by proxy shall form a quorum for all purposes.

15. Amend the following clause in the Bye-laws:

64. Prior to the holding of a general meeting, the Board may postpone, and at a general meeting,
~~t~~The chairman may; (without the consent of any the meeting meeting at which a quorum is
~~present (and shall if so directed by the meeting) or shall at the direction of the meeting,~~
adjourn the meeting from time to time (or indefinitely) and from place to place ~~as the~~
~~meeting shall determine,~~ but no business shall be transacted at any adjourned meeting other
than the business which might lawfully have been transacted at the meeting had the
adjournment or the postponement not taken place. Notice of a postponement must be given
to all Members by any means as the Board may determine. When a meeting is adjourned for
fourteen (14) days or more, at least seven (7) clear days' Notice of the adjourned meeting
shall be given specifying the time and place of the adjourned meeting but it shall not be
necessary to specify in such notice the nature of the business to be transacted at the
adjourned meeting and the general nature of the business to be transacted. Save as aforesaid,
it shall be unnecessary to give notice of an adjournment.

16. Amend the following clauses in the Bye-laws:

76. (1) No Member shall, unless the Board otherwise determines, be entitled to attend and
vote and to be reckoned in a quorum at any general meeting unless he is duly
registered and all calls or other sums presently payable by him in respect of shares in
the Company have been paid.
- (2) All Members shall have the right to (a) speak at a general meeting; and (b) vote at a
general meeting except where a Member is required, by the rules of the Designated
Stock Exchange, the Act or the rules, codes or regulations of any competent
regulatory authority, to abstain from voting to approve the matter under
consideration.
- (3) Where the Company has knowledge that any Member is, under the rules of the
Designated Stock Exchange, required to abstain from voting on any particular
resolution of the Company or restricted to voting only for or only against any
particular resolution of the Company, any votes cast by or on behalf of such Member
in contravention of such requirement or restriction shall not be counted.

17. Amend the following clause in the Bye-laws:

84. (2) Where a Member is a clearing house (or its nominee(s) and, in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Bye-law shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s) in respect of the number and class of shares specified in the relevant authorisation including the right to speak and the right to vote individually on a show of hands.

18. Amend the following clauses in the Bye-laws:

86. (1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. The Directors shall be elected or appointed in the first place at the statutory meeting of Members and thereafter at the annual general meeting in accordance with Bye-law 87 or at any special general meeting called for such purpose and who shall hold office for such term as until the Members may determine or, in the absence of such determination in accordance with Bye-law 87 next appointment of Directors or until their successors are elected or appointed or their office is otherwise vacated. Any general meeting may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.
- (2) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the Members in general meeting as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by the Members in ~~G~~general Mmeeting. Any Director so appointed ~~by the Board shall hold office only (in the case of filling a casual vacancy) until the next following first annual general meeting or the first general meeting after the appointment of the Director by the Board of the Company or (in the case of an addition to the Board) until the next following annual general meeting of the Company after his appointment;~~ and then be eligible for re-election at that meeting. ~~The Directors to retire at the annual general meeting pursuant to this Bye-law 86(2) shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at the annual general meeting.~~

- (4) ~~Subject to any provision to the contrary in these Bye-laws~~ The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the Notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.

19. Amend the following clause in the Bye-laws:

87. (1) Notwithstanding any other provisions in the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three(3), the number nearest to but not ~~greater~~ less than one-third) shall retire from office by rotation provided that every Director ~~(including those appointed for a specific term) shall retire from office by rotation no later than the third annual general meeting after he was last elected or re-elected and that notwithstanding anything herein, the chairman of the Board and/or the managing director of the Company shall not, whilst holding such office, shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in~~ at least once every three each years.

20. Amend the following clause in the Bye-laws:

101. Subject to the Act and to these Bye-laws, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatsoever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Bye-law 102 herein.

21. Amend the following clauses in the Bye-laws:

103. (1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving ~~of~~ any contract or arrangement or any other proposal in which he or any of his close associate(s) ~~is/are~~ materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) the giving of any security or indemnity either:-
 - (a) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees' share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or
 - (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;

- (iv) ~~(i) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company any contract or arrangement for the giving to such Director or his associate(s) any security or indemnity in respect of money lent by him or any of his associates or obligations incurred or undertaken by him or any of his associates at the request of or for the benefit of the Company or any of its subsidiaries;~~
- ~~(ii) any contract or arrangement for the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any its subsidiaries for which the Director or his associate(s) has himself/themselves assumed responsibility in whole or in part whether alone or jointly under a guarantee or indemnity or by the giving of security;~~
- ~~(iii) any contract or arrangement concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase, where the Director or his associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;~~
- ~~(iv) any contract or arrangement in which the Director or his associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company or any of its subsidiaries by virtue only of his/their interest in shares or debentures or other securities of the Company;~~
- ~~(v) any contract or arrangement concerning any other company in which the Director or his associate(s) is/are interested only, whether directly or indirectly, as an officer or executive or a shareholder other than a company in which the Director and/or his associate(s) is/are beneficially interested in five (5) per cent. or more of the issued shares or of the voting rights of any class of shares of such company (or any third company through which his interest or that of any of his associates is derived); or~~
- ~~(vi) any proposal concerning the adoption, modification or operation of a share option scheme, a pension fund or retirement, death or disability benefits scheme or other arrangement which relates both to Director or his associate(s) and employees of the Company or of any of its subsidiaries and does not provide in respect of any Director or his associate(s) as such any privilege or advantage not accorded to the employees to which such scheme or fund relates.~~

- ~~(2) A company shall be deemed to be a company in which a Director and/or his associate(s) owns five(5) per cent. or more if and so long as (but only if and so long as) he and his associates (as defined by the rules, where applicable, of the Designated Stock Exchange), (either directly or indirectly) are the holders of or beneficially interested in five (5) per cent. or more of any class of the equity share capital of such company or of the voting rights available to members of such company (or of any third company through which his interest is derived). For the purpose of this paragraph there shall be disregarded any shares held by a Director or his associate(s) as bare or custodian trustee and in which he or any of them has/have no beneficial interest, any shares comprised in a trust in which the interest of the Director or his associate(s) is/are in reversion or remainder if and so long as some other person is entitled to receive the income thereof, and any shares comprised in an authorized unit trust scheme in which the Director or his associate(s) is/are interested only as a unit holder and any shares which carry no voting right at general meetings and very restrictive dividend and return of capital right.~~
- ~~(3) Where a company in which the Director and/or his associate(s) holds five (5) per cent. or more is/are materially interested in a transaction, then that Director/or his associate(s) shall also be deemed materially interested in such transaction.~~
- ~~(4) (2) If any question shall arise at any meeting of the Board as to the materiality of the interest of a Director (other than the chairman of the meeting) or his associate(s) or as to the entitlement of any Director (other than such chairman) to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such other Director shall be final and conclusive except in a case where the nature or extent of the interest of the Director and/or his associate(s) concerned as known to such Director has not been fairly disclosed to the Board. If any question as aforesaid shall arise in respect of the chairman of the meeting such question shall be decided by a resolution of the Board (for which purpose such chairman shall not vote thereon) and such resolution shall be final and conclusive except in a case where the nature or extent of the interest of such chairman as known to such chairman has not been fairly disclosed to the Board.~~

22. Amend the following clause in the Bye-laws:

122. A resolution in writing signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall be as valid and effectual as if a resolution had been passed at a meeting of the Board duly convened and held provided that such number is sufficient to constitute a quorum and that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Bye-laws and further provided that no Director is aware of or has received any objection to the resolution from any Director. Such resolution may be contained in one document or in several documents in like form each signed by one or more of the Directors or alternate Directors and for this purpose a facsimile signature of a Director or an alternate Director shall be treated as valid. Notwithstanding the foregoing, a resolution in writing shall not be passed in lieu of a meeting of the Board for the purposes of considering any matter or business in which a substantial shareholder of the Company or a Director has a conflict of interest and the Board has determined that such conflict of interest to be material.

23. Amend the following clauses in the Bye-laws:

132. (2) The Board shall within a period of fourteen (14) days from the occurrence of:

- (a) any change among the Directors and Officers; or
- (b) any change in the particulars contained in the Register of Directors and Officers,

cause to be entered on the Register of Directors and Officers the particulars of such change ~~and of the date on which it occurred.~~

- (3) The Register of Directors and Officers shall be open to inspection by members (of the public without charge at the Office between 10:00 a.m. and 12:00 noon ~~on every~~during business ~~day~~hours).

24. Amend the following clauses in the Bye-laws:

146. (1)(a)

(iv) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised (“the non-elected shares”) and in satisfaction thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the non-elected shares on such basis; or

(1)(b)

(iv) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable in cash on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu thereof shares of the relevant class shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company (including profits carried and standing to the credit of any reserves or other special account other than the Subscription Rights Reserve (as defined below)) as the Board may determine, such sum as may be required to pay up in full the appropriate number of shares of the relevant class for allotment and distribution to and amongst the holders of the elected shares on such basis.

(2)(a) The shares allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank pari passu in all respects with shares of the same class (if any) then in issue save only as regards participation in the relevant dividend or in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend unless, contemporaneously with the announcement by the Board of their proposal to apply the provisions of sub-paragraph (a) or (b) of paragraph (21) of this Bye-law in relation to the relevant dividend or contemporaneously with their announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (1) of this Bye-law shall rank for participation in such distribution, bonus or rights.

25. Amend the following clause in the Bye-laws:

148. The Company may, upon the recommendation of the Board, at any time and from time to time pass an ordinary resolution to the effect that it is desirable to capitalise all or any part of any amount for the time being standing to the credit of any reserve or fund (including the profit and loss account) whether or not the same is available for distribution and accordingly that such amount be set free for distribution among the Members or any class of Members who would be entitled thereto if it were distributed by way of dividend and in the same proportions, on the footing that the same is not paid in cash but is applied either in or towards paying up the amounts for the time being unpaid on any shares in the Company held by such Members respectively or in paying up in full unissued shares, debentures or other obligations of the Company, to be allotted and distributed credited as fully paid up among such Members, or partly in one way and partly in the other, and the Board shall give effect to such resolution provided that, for the purposes of this Bye-law ~~and subject to Section 40(2A) of the Act~~, a share premium account and any reserve or fund representing unrealised profits, may be applied only in paying up in full unissued shares of the Company to be allotted to such Members credited as fully paid. In carrying sums to reserve and in applying the same the Board shall comply with the provisions of the Act.

26. Amend the following clauses in the Bye-laws:

150. (1) If, so long as any of the rights attached to any warrants issued by the Company to subscribe for shares of the Company shall remain exercisable, the Company does any act or engages in any transaction which, as a result of any adjustments to the subscription price in accordance with the provisions of the conditions of the warrants, would reduce the ~~Subscription~~ subscription price to below the nominal value of a share, then the following provisions shall apply:

- (c) upon the exercise of all or any of the subscription rights represented by any warrant, the relevant ~~Subscription~~ subscription rights shall be exercisable in respect of a nominal amount of shares equal to the amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be the relevant portion thereof in the event of a partial exercise of the subscription rights) and, in addition, there shall be allotted in respect of such subscription rights to the exercising warrant holder, credited as fully paid, such additional nominal amount of shares as is equal to the difference between:
 - (i) the said amount in cash which the holder of such warrant is required to pay on exercise of the subscription rights represented thereby (or, as the case may be, the relevant portion thereof in the event of a partial exercise of the subscription rights); and
 - (ii) the nominal amount of shares in respect of which such subscription rights would have been exercisable having regard to the provisions of the conditions of the warrants, had it been possible for such subscription rights to represent the right to subscribe for shares at less than par

and immediately upon such exercise so much of the sum standing to the credit of the Subscription Rights Reserve as is required to pay up in full such additional nominal amount of shares shall be capitalised and applied in paying up in full such additional nominal amount of shares which shall forthwith be allotted credited as fully paid to the exercising warrant holders; and

27. Amend the following clauses in the Bye-laws:

154. (1) Subject to Section 88 of the Act, at the annual general meeting or at a subsequent special general meeting in each year, the Members ~~shall~~ may by an ordinary resolution appoint an auditor to audit the accounts of the Company and such auditor shall hold office until the Members appoint another auditor. Such auditor may be a Member but no Director or officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.
- (2) Subject to Section 89 of the Act, a person, other than an incumbent Auditor, shall not be capable of being appointed Auditor at ~~an annual~~ a general meeting unless notice in writing of an intention to nominate that person to the office of Auditor has been given not less than twenty-one (21) days before ~~the annual~~ a general meeting and furthermore, the Company shall send a copy of any such notice to the incumbent Auditor, provided that the incumbent Auditor may by notice in writing to the secretary of the Company waive the foregoing requirement.
- (3) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ~~special~~ extraordinary resolution remove the Auditor at any time before the expiration of his term of office and shall by ordinary resolution at that meeting appoint another Auditor in his stead for the remainder of his term.

28. Amend the following clause in the Bye-laws:

157. The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Bye-law may be fixed by the Board. Subject to Bye-law 152(3), an Auditor appointed under this Bye-law shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Members under Bye-law 152(1) at such remuneration to be determined by the Members under Bye-law 154.~~If the office of auditor becomes vacant by the resignation or death of the Auditor, or by his becoming incapable of acting by reason of illness or other disability at a time when his services are required, the Directors shall as soon as practicable convene a special general meeting to fill the vacancy.~~

29. Amend the following clause in the Bye-laws:

160. Any Notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company to a Member shall be ~~given~~ in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such Notice and ~~(where appropriate) any other~~ document may be served or delivered by the Company on or to any Member either personally or by sending it through the post in a prepaid envelope addressed to such Member at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of Notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the Notice being duly received by the Member or may also be served by advertisement in appointed newspapers (as defined in the Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the Designated Stock Exchange or, to the extent permitted by the applicable laws, by placing it on the Company’s website or the website of the Designated Stock Exchange, and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the Member by any of the means set out above other than by posting it on a website. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.

30. Amend the following clauses in the Bye-laws:

161. (a) if served or delivered by post, shall where appropriate be sent by airmail and shall be deemed to have been served or delivered on the day following that on which the envelope containing the same, properly prepaid and addressed, is put into the post; in proving such service or delivery it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly addressed and put into the post and a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board that the envelope or wrapper containing the ~~notice~~ Notice or other document was so addressed and put into the post shall be conclusive evidence thereof; and
- (b) if sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A Notice placed on the Company’s website or the website of the Designated Stock Exchange, is deemed given by the Company to a Member on the day following that on which a notice of availability is deemed served on the Member;

- (c) if served or delivered in any other manner contemplated by these Bye-laws, shall be deemed to have been served or delivered at the time of personal service or delivery or, as the case may be, at the time of the relevant despatch, transmission or publication; and in proving such service or delivery a certificate in writing signed by the Secretary or other officer of the Company or other person appointed by the Board as to the fact and time of such service, delivery, despatch, transmission or publication shall be conclusive evidence thereof; and
- (d) may be given to a Member either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.

31. Amend the following clause in the Bye-laws:

162. (2) A ~~notice~~Notice may be given by the Company to the person entitled to a share in consequence of the death, mental disorder or bankruptcy of a Member by sending it through the post in a prepaid letter, envelope or wrapper addressed to him by name, or by the title of representative of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the person claiming to be so entitled, or (until such an address has been so supplied) by giving the ~~notice~~Notice in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.

32. Amend the following clause in the Bye-laws:

163. For the purposes of these Bye-laws, a cable or telex or facsimile transmission message purporting to come from a holder of shares or, as the case may be, a Director or alternate Director, or, in the case of a corporation which is a holder of shares from a director or the secretary thereof or a duly appointed attorney or duly authorised representative thereof for it and on its behalf, shall in the absence of express evidence to the contrary available to the person relying thereon at the relevant time be deemed to be a document or instrument in writing signed by such holder or Director or alternate Director in the terms in which it is received. The signature to any notice or document to be given by the Company may be written, printed or made electronically.

33. Amend the following clause in the Bye-laws:

164. (1) Subject to Bye-law 162(2), ~~The~~ Board shall have power in the name and on behalf of the Company to present a petition to the court for the Company to be wound up.

NOTICE OF ANNUAL GENERAL MEETING



DATRONIX HOLDINGS LIMITED

連達科技控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 889)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “Annual General Meeting”) of Datronix Holdings Limited (the “Company”) will be held at 19/F., North Point Industrial Building, 499 King’s Road, North Point, Hong Kong on 1 June 2023 (Thursday) at 2:30 p.m. for considering and, if thought fit, passing, with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. To consider and adopt the audited financial statements and the reports of the directors and independent auditor of the Company for the year ended 31 December 2022;
2. To re-elect Directors and to authorise the board of Directors (the “Board”) to fix the Directors’ remuneration;
3. To re-appoint BDO Limited as auditor of the Company and to authorise the Board to fix their remuneration;
4. **“THAT:**
 - (a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.1 each in the share capital of the Company (the “Shares”) and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to allot, issue and deal with additional Shares and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and any other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;

* For identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution during the Relevant Period, otherwise than pursuant to: (i) a Rights Issue (as defined below); or (ii) any issue of Shares for the grant or exercise of any options granted under any share option scheme of the Company or similar arrangement for the time being adopted for the grant or issue to officers and/or employees (including Directors) of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares; or (iii) any issue of Shares as scrip dividend or similar arrangements 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 in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any existing warrants of the Company or any existing securities of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this resolution and the said authority shall be limited accordingly; and
- (d) 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 Bye-laws of the Company or any applicable laws in Bermuda to be held; and
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors by this resolution.

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of Shares (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, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognized regulatory body or any stock exchange applicable to the Company).”;

NOTICE OF ANNUAL GENERAL MEETING

5. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined below) of all powers of the Company to repurchase its shares of HK\$0.1 each in the share capital of the Company (the “Shares”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which shares of the Company may be listed and recognized by the Securities and Futures Commission or the Stock Exchange for such purpose, subject to and in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares which the Directors are authorised to repurchase pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of 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 Bye-laws of the Company or any applicable laws of Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors by this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

6. “**THAT** conditional upon the passing of resolutions nos. 4 and 5 set out in the notice convening this meeting, the unconditional general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to resolution no. 4 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution no. 5 set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued Shares as at the date of the passing of this resolution.”

SPECIAL RESOLUTION

7. “**THAT**
- (a) the proposed amendments to the Bye-laws of the Company as set out in the Appendix III to the circular of the Company dated 27 April 2023 be and are hereby approved and adopted; and
- (b) any Director be and is hereby authorised to sign, execute and deliver all such documents, instruments and agreements (including the affixation of the common seal of the Company when required), and to do all such acts or things and make all such arrangements that he or she may, in his or her absolute discretion, consider necessary, appropriate, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to this resolution, and the registered office provider of the Company be and is hereby authorised to do all necessary acts to attend to the necessary registration and/or filings for and on behalf of the Company to give effect to this resolution.”

By Order of the Board
Datronix Holdings Limited
Leung Sau Fong
Company Secretary

Hong Kong, 27 April 2023

Notes:

- i. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
- ii. To be valid, a form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the branch share registrar of the Company in Hong Kong, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not later than Hong Kong time 2:30 p.m. on 30 May 2023 or any adjournment thereof.
- iii. The register of members of the Company will be closed from Monday, 29 May 2023 to Thursday, 1 June 2023, both dates inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the forthcoming annual general meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with Hong Kong Registrars Limited, the Company’s branch share registrar in Hong Kong, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 25 May 2023.