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

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

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PACIFIC TEXTILES HOLDINGS LIMITED

互太紡織控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01382)

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND
SELL OR TRANSFER TREASURY SHARES
AND
TO REPURCHASE SHARES
RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED ADOPTION OF THE NEW MEMORANDUM
AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at Unit B1, 7th Floor, Block B, Eastern Sea Industrial Building, 48–56 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong on Thursday, 15 August 2024 at 10:00 a.m. (the “**Meeting**”) is set out on pages 27 to 31 of this circular. Proxy form for use in connection with the Annual General Meeting of the Company is enclosed herewith.

Whether or not you are able to attend the meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return it to the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting if you so wish.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	3
2. Share Issue Mandate	4
3. Share Repurchase Mandate	4
4. Re-election of Retiring Directors	4
5. Proposed Adoption of the New Memorandum and Articles of Association ...	6
6. 2024 AGM	7
7. Voting by Poll	7
8. Actions to be Taken	7
9. Recommendation	8
Appendix I – Explanatory Statement on the Share Repurchase Mandate	9
Appendix II – Biography of Retiring Directors Proposed for Re-election	12
Appendix III – Proposed Adoption of the New Memorandum and Articles of Association	16
Notice of Annual General Meeting	27

DEFINITIONS

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

“2024 AGM”	the annual general meeting of the Company to be held at 10:00 a.m. on Thursday, 15 August 2024 at Unit B1, 7th Floor, Block B, Eastern Sea Industrial Building, 48–56 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong
“AGM Notice”	the notice convening the 2024 AGM as set out on pages 27 to 31 of this circular
“Articles” or “Articles of Association”	the Articles of Association of the Company, as amended from time to time
“Board”	the board of Directors of the Company
“CG Code”	Corporate Governance Code as set out in Appendix C1 of the Listing Rules
“Company”	Pacific Textiles Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the director(s) of the Company
“Existing Memorandum and Articles of Association”	the existing Memorandum of Association and Articles of Association of the Company adopted by special resolution passed on 11 August 2022
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“INED(s)”	the independent non-executive Director(s) of the Company
“Latest Practicable Date”	9 July 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Memorandum of Association”	the Memorandum of Association of the Company, as amended from time to time
“New Memorandum and Articles of Association”	the amended and restated Memorandum of Association and Articles of Association of the Company set out in Appendix III to this circular (with proposed changes marked up against the consolidated version of the Existing Memorandum and Articles of Association posted on the website of the Stock Exchange) proposed to be adopted by the Shareholders with effect from the passing of the relevant special resolution at the 2024 AGM
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	share(s) with a nominal value of HK\$0.001 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to allot, issue and deal with additional Shares and to sell or transfer Treasury Shares in the manner set out in the resolution numbered 5 of the AGM Notice
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase Shares in the manner set out in the resolution numbered 6 of the AGM Notice
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial Shareholders”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs approved by the SFC as amended from time to time
“Treasury Shares”	Shares repurchased and held by the Company in treasury as authorised by the laws of the Cayman Islands and/or the Memorandum of Association and the Articles of Association
“%”	per cent

LETTER FROM THE BOARD



PACIFIC TEXTILES HOLDINGS LIMITED

互太紡織控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01382)

Executive Directors:

Mr. Masaru OKUTOMI

(Chairman and Chief Executive Officer)

Mr. TOU Kit Vai

(Chief Financial Officer and Company Secretary)

Mr. Kyuichi FUKUMOTO

Registered office:

P. O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

Independent Non-executive Directors:

Dr. CHAN Yue Kwong, Michael

Mr. NG Ching Wah

Mr. SZE Kwok Wing, Nigel

Ms. LING Chi Wo Teresa

*Head office and principal place of
business in Hong Kong:*

Unit B1, 7th Floor, Block B

Eastern Sea Industrial Building

48-56 Tai Lin Pai Road

Kwai Chung

New Territories

Hong Kong

16 July 2024

Dear Shareholders,

**PROPOSALS FOR GENERAL MANDATES
TO ISSUE SHARES AND
SELL OR TRANSFER TREASURY SHARES
AND
TO REPURCHASE SHARES
RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED ADOPTION OF THE NEW MEMORANDUM
AND ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you information regarding the resolutions to be proposed at the 2024 AGM of the Company in relation to the Share Issue Mandate, the Share Repurchase Mandate, the re-election of the retiring Directors, the proposed adoption of the New Memorandum and Articles of Association, and to give you the AGM Notice.

* For identification purpose only

LETTER FROM THE BOARD

2. SHARE ISSUE MANDATE

At the last annual general meeting of the Company held on 10 August 2023, a general mandate was granted to the Directors to allot, issue and deal with Shares in accordance with the Listing Rules. Such general mandate will lapse at the conclusion of the 2024 AGM.

An ordinary resolution no. 5 set out in the AGM Notice will be proposed at the 2024 AGM to grant Share Issue Mandate to the Directors so as to give the Directors the flexibility to issue Shares and to sell or transfer Treasury Shares when it is in the interest of the Company. As at the Latest Practicable Date, the issued share capital of the Company comprised 1,398,791,000 fully paid-up Shares. If there is no allotment or repurchase of the Shares prior to the date of the 2024 AGM, the Company shall be authorized under the Share Issue Mandate to allot, issue and deal with (including issue of new Shares and sale or transfer of Treasury Shares) a maximum of 139,879,100 Shares, being 10% of the Shares in issue (excluding Treasury Shares) as at the date of the 2024 AGM.

In addition, an ordinary resolution no. 7 as set out in the AGM Notice will be proposed at the 2024 AGM to grant to the Directors to extend the Share Issue Mandate by adding any Shares repurchased under the Share Repurchase Mandate to the total number of Shares which may be allotted and issued under the Share Issue Mandate.

3. SHARE REPURCHASE MANDATE

At the last annual general meeting of the Company held on 10 August 2023, a general mandate was given to the Directors to repurchase Shares in accordance with the Listing Rules. Such general mandate will lapse at the conclusion of the 2024 AGM.

An ordinary resolution no. 6 as set out in the AGM Notice will be proposed at the 2024 AGM to grant Share Repurchase Mandate to the Directors. If there is no allotment or repurchase of the Shares prior to the date of the 2024 AGM, the Company shall be authorized under the Share Repurchase Mandate to repurchase a maximum of 139,879,100 Shares, being 10% of the Shares in issue (excluding Treasury Shares) as at the date of the 2024 AGM.

An explanatory statement, as required by the Listing Rules, to provide Shareholders with all the information reasonably necessary for them to make an informed decision on the proposed resolution in relation to the Share Repurchase Mandate is set out in the Appendix I to this circular.

4. RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board comprises Mr. Masaru Okutomi, Mr. Tou Kit Vai and Mr. Kyuichi Fukumoto who are executive Directors; Dr. Chan Yue Kwong, Michael, Mr. Ng Ching Wah, Mr. Sze Kwok Wing, Nigel and Ms. Ling Chi Wo Teresa who are independent non-executive Directors.

LETTER FROM THE BOARD

Retirement by rotation

Pursuant to article 130 of the Articles, at every annual general meeting of the Company one-third of the Directors for the time being (or, if their number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement at least once every three years. Accordingly, Mr. Masaru Okutomi (executive Director), Dr. Chan Yue Kwong, Michael (independent non-executive Director) and Mr. Ng Ching Wah (independent non-executive Director) will retire from the Board at the 2024 AGM and, being eligible, have offered themselves for re-election as Directors.

Retirement of INEDs

The Company has four INEDs. Dr. Chan Yue Kwong, Michael, Mr. Ng Ching Wah, Mr. Sze Kwok Wing, Nigel were appointed as independent non-executive Directors with effect from 1 May 2007, and Ms. Ling Chi Wo Teresa was appointed as an independent non-executive Director with effect from 1 March 2023. The details of the independent non-executive Directors are set out as follows:

Independent Non-Executive Directors	Appointed with effect from	Length of tenure as at the Latest Practicable Date
Dr. Chan Yue Kwong, Michael	1 May 2007	17 years
Mr. Ng Ching Wah	1 May 2007	17 years
Mr. Sze Kwok Wing, Nigel	1 May 2007	17 years
Ms. Ling Chi Wo Teresa	1 March 2023	More than 1 year

Each of Dr. Chan Yue Kwong, Michael, Mr. Ng Ching Wah, Mr. Sze Kwok Wing, Nigel and Ms. Ling Chi Wo Teresa had confirmed their independence in respect of Rule 3.13 of the Listing Rules. During their tenure as independent non-executive Directors, none of them is involved in the daily management of the Company nor in any relationship or circumstances which would materially interfere with their exercise of independent judgement. Based on the independence criteria as set out in Rule 3.13 of the Listing Rules, the nomination committee considered each of them to be independent and would continue to bring in fresh perspectives, objective insights and independent judgment to the Board as well as the Board committees he/she currently serves on. The Board, having considered the recommendation of the nomination committee, is of the view that the diverse and invaluable knowledge, experience and skillsets each of Dr. Chan Yue Kwong, Michael, Mr. Ng Ching Wah, Mr. Sze Kwok Wing, Nigel and Ms. Ling Chi Wo Teresa, the business of the Group and their general business acumen would continue to generate significant contribution to the Company and the Shareholders as a whole. As at the Latest Practicable Date, the Board is not aware of any matters or event that may occur and affect the independence of the INEDs.

LETTER FROM THE BOARD

Pursuant to Code Provision B.2.3 of the CG Code, any further appointment of an INED serving more than nine years should be subject to a separate resolution to be approved by the Shareholders. Since Dr. Chan Yue Kwong, Michael (“**Dr. Chan**”) and Mr. Ng Ching Wah (“**Mr. Ng**”) has been serving as an INED for more than nine years, a separate resolution will be proposed for their re-election at the AGM.

Dr. Chan and Mr. Ng were appointed as INED in 2007. Since they were appointed, both of Dr. Chan and Mr. Ng have been able to fulfill all the requirements regarding independence of INEDs and have provided annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. As at the Latest Practicable Date, the Directors, to their best knowledge, are not aware of any matters or events that may occur and affect the independence of Dr. Chan and Mr. Ng.

The Board is of the opinion that Dr. Chan and Mr. Ng have performed their duty as INED to the satisfaction of the Board and remain independent notwithstanding the length of his service and believes that his valuable professional knowledge and general business acumen will continue to generate significant contribution to the Board, the Company and the Shareholders as a whole.

Biographical details of the retiring Directors who proposed to be re-elected at 2024 AGM are set out in the Appendix II to this circular.

5. PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 27 June 2024 in relation to, among others, the proposed adoption of the New Memorandum and Articles of Association.

The Board proposed to seek the approval from the Shareholders at the 2024 AGM to amend certain provisions of the Existing Memorandum and Articles of Association by way of adoption of the New Memorandum and Articles of Association in substitution for, and to the exclusion of, the Existing Memorandum and Articles of Association in their entirety, for the purposes of, among others, (i) updating and bringing the Existing Memorandum and Articles of Association in line with the latest regulatory requirements in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers and the relevant amendments made to the Listing Rules which took effect from 31 December 2023; and (ii) making other consequential and housekeeping amendments to the Existing Memorandum and Articles of Association.

Details of the proposed amendments to the Existing Memorandum and Articles of Association brought about by the adoption of the New Memorandum and Articles of Association (mark-up against the Existing Memorandum and Articles of Association) are set out in Appendix III to this circular. The Shareholders are advised that the New Memorandum and Articles of Association are available only in English and the Chinese translation of the New Memorandum and Articles of Association contained in Appendix III to this circular is for reference only. In case of any inconsistency, the English version shall prevail.

LETTER FROM THE BOARD

A special resolution will be proposed at the 2024 AGM to approve the adoption of the New Memorandum and Articles of Association, and the New Memorandum and Articles of Association shall become effective upon the passing of such special resolution at the 2024 AGM.

The legal advisers to the Company as to Hong Kong laws and the Cayman Islands laws have respectively confirmed that the proposed amendments to the Existing Memorandum and Articles of Association conform with the applicable requirements under the Listing Rules and do not violate the laws of the Cayman Islands. The Company confirms that there is nothing unusual about the proposed amendments to the Memorandum of Association and Articles of Association for a Cayman Islands company listed on the Stock Exchange.

6. 2024 AGM

An AGM Notice convening the 2024 AGM is set out on pages 27 to 31 of this circular to consider, if thought fit, to pass the resolutions in relation to, *inter alia*, the Share Issue Mandate, the Share Repurchase Mandate, the extension of the Share Issue Mandate, the re-election of the retiring Directors and the proposed adoption of the New Memorandum and Articles of Association.

7. VOTING BY POLL

Pursuant to the article 90 of the Articles, at any general meeting a resolution put to the vote of the meeting shall be decided on a poll save that the Chairman may, in good faith, allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

Pursuant to the Rule 13.39(4) of the Listing Rules, any vote of Shareholders at general meeting of the Company must be taken by way of poll. The Chairman of the meeting will therefore demand a poll for every resolution put to the vote of the 2024 AGM in accordance with article 90 of the Articles. The results of the poll will be published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.pacific-textiles.com).

8. ACTIONS TO BE TAKEN

Proxy form for use at the 2024 AGM is enclosed with this circular. Whether or not you intend to be present at the 2024 AGM, you are requested to complete the proxy form and return it to the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the 2024 AGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the 2024 AGM if you so wish.

LETTER FROM THE BOARD

9. RECOMMENDATION

The Board considers that the Share Issue Mandate, the Share Repurchase Mandate, the extension of the Share Issue Mandate, the re-election of the retiring Directors and the proposed adoption of the New Memorandum and Articles of Association are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions to be proposed at the 2024 AGM.

Yours faithfully

By order of the Board

Pacific Textiles Holdings Limited

Masaru Okutomi

Chairman & CEO

The following serves as an explanatory statement in compliance with the Listing Rules to give all the information reasonably necessary to enable Shareholders to make an informed decision as to whether to vote for or against the resolution numbered 6 of the AGM Notice in relation to the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$1,398,791 comprising 1,398,791,000 Shares.

Subject to the passing of the relevant ordinary resolution to approve the Share Repurchase Mandate (as set out in resolution numbered 6 of the AGM Notice) and on the basis that no further Shares are issued or repurchased, the Board would be authorized under the Share Repurchase Mandate to repurchase a maximum of 139,879,100 Shares during the period ending on the earliest of the date of the next annual general meeting following the 2024 AGM, the date by which the next annual general meeting following the 2024 AGM of the Company is required by the Articles or any applicable laws of the Cayman Islands to be held or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

During the year ended 31 March 2024 and up to Latest Practicable Date, a total of 9,730,000 Shares were repurchased under the Share Repurchase Mandate. The Board considers that the Share Repurchase Mandate is in the best interests of the Company and the Shareholders. When exercising the Repurchase Mandate, the Directors may, subject to market conditions and the Company's capital management needs at the relevant time of the repurchase, resolve to cancel the Shares repurchased following settlement of any such repurchase or hold them as Treasury Shares. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share.

Currently, it is intended that the Shares repurchased will only be held as Treasury Shares by the Company when the Directors consider it prudent or beneficial for capital management purposes to do so, and the Treasury Shares will only be resold on the market when the Directors believe that a resale of such Shares is in the interests of the Company and the Shareholders as a whole.

There might be material adverse impact on the working capital or gearing position of the Company as compared with the financial position of the Company as at 31 March 2024 (being the date to which the latest audited financial statements of the Company were made up) in the event that the Share Repurchase Mandate is carried out in full 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 requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum of Association and the Articles of Association and all applicable laws of the Cayman Islands and the Listing Rules. Subject to the foregoing, any repurchases of Shares by the Company may be made out of its funds which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase.

4. MARKET PRICES

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

	Highest Per Share	Lowest Per Share
	<i>HK\$</i>	<i>HK\$</i>
July 2023	2.02	1.76
August 2023	1.97	1.63
September 2023	1.80	1.51
October 2023	1.67	1.51
November 2023	1.60	1.43
December 2023	1.49	1.25
January 2024	1.39	1.15
February 2024	1.33	1.17
March 2024	1.33	1.18
April 2024	1.54	1.26
May 2024	1.67	1.45
June 2024	1.57	1.48
the Latest Practicable Date	1.67	1.63

5. DIRECTORS, CLOSE ASSOCIATES AND CORE CONNECTED PERSON

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company or its subsidiaries under the Share Repurchase Mandate in the event that such mandate is approved by Shareholders.

No core connected person, as defined in the Listing Rules, has notified the Company that he/she has a present intention to sell any Shares to the Company, nor has he/she undertaken not to do so in the event that the Share Repurchase Mandate is approved by Shareholders.

6. UNDERTAKING OF THE DIRECTORS

The Directors will exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules, all applicable laws of the Cayman Islands and in accordance with the Memorandum and Articles of Association of the Company.

The Directors confirm that neither this explanatory statement nor the proposed share repurchase has any unusual features.

7. EFFECT OF TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning of the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, Toray Industries, Inc. is beneficially interested in 405,394,000 Shares representing approximately 28.98% of the issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares under the Share Repurchase Mandate, then (if the shareholdings otherwise remain the same) the interest of Toray Industries, Inc. in the Company would be increased from approximately 28.98% to approximately 32.2% of the total issued share capital of the Company. In the opinion of the Directors, such increase would give rise to an obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Directors have no present intention to exercise the Share Repurchase Mandate to an extent which may result in any possible mandatory offer being made under the Takeovers Code.

8. SHARES REPURCHASES MADE BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

The biographical details of three retiring Directors who are proposed to be re-elected at the 2024 AGM are set out below:

Mr. Masaru Okutomi (“Mr. Okutomi”)

Executive Director, aged 66.

Mr. Okutomi joined the Group on 1 July 2019 as executive Director and the Vice Chairman of the Board. With effect from 1 October 2021, Mr. Okutomi was re-designated from the vice Chairman of the Board to the Chairman of the Board and the Chief Executive Officer of the Group, and continues to serve as an executive Director, a member of the Remuneration Committee and a member of the Nomination Committee. Moreover, he is a director of various subsidiaries of the Group and a non-executive director of Teejay Lanka Plc., an associated company of the Group, whose shares are listed on the Colombo Stock Exchange in Sri Lanka. Mr. Okutomi is responsible to lead the management team and oversee the overall production and operation of the Group, providing corporate directions and formulating business strategies of the Group. Mr. Okutomi holds a bachelor’s degree in law from Hitotsubashi University in 1981 and after his graduation, he joined the merchandise sales department (textiles) of Toray. Toray is a company listed on the Tokyo Stock Exchange and is a substantial shareholder of the Company. He also held various senior positions including the managing director of Toray Industries (South China) Co., Ltd. and Toray Industries (H.K.) Ltd. from May 2016 to 30 June 2019, and the deputy managing director of Toray Industries (China) Co., Ltd. from May 2016 to 30 June 2019, and has been given the title as senior director in Toray. Mr. Okutomi has extensive experience in management of textiles business.

Save as disclosed above, Mr. Okutomi had not held directorship in any other public listed companies in the last three years.

Save as disclosed above, Mr. Okutomi does not have relationship with other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Okutomi does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Okutomi has been appointed for an initial term of two years on the terms and conditions of his appointment with effect from 1 July 2019. The term of the appointment has been extended thereafter and his existing term is two years up to 30 June 2025. His appointment is subject to retirement by rotation and re-election at the annual general meeting in accordance with the provisions of the Articles.

For the year ended 31 March 2024, the total amount of emoluments payable to Mr. Okutomi was approximately HK\$4,673,000. The amount of emoluments (includes directors fees, salaries and discretionary bonus) payable to Mr. Okutomi is determined having regard to his duties and responsibilities, the Company’s performance, prevailing market conditions and by reference to the emoluments for directors of other listed companies.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to Rules 13.51(2) of the Listing Rules in connection with the re-election of Mr. Okutomi.

Dr. Chan Yue Kwong, Michael (“Dr. Chan”)

Independent Non-executive Director, aged 72.

Dr. Chan has been appointed as an Independent Non-executive Director of the Company since 2007. Dr. Chan has been the Chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee since 2007. He was the former chairman and is currently the non-executive director of Cafe de Coral Holdings Limited, a Hong Kong listed company which he joined in 1984, and has considerable experience in planning and management. Dr. Chan has also been an independent non-executive director of Starlite Holdings Limited since 1993, Tse Sui Luen Jewellery (International) Limited since 2010, Modern Dental Group Limited since 2015 and Human Health Holdings Limited since 2016, and a non-executive director of Tao Heung Holdings Limited since 2007, the abovementioned companies are listed on the Main Board of the Stock Exchange. Dr. Chan holds a Bachelor of Arts, a Master degree in City Planning from the University of Manitoba, Canada, an Honorary Doctorate Degree in Business Administration and is also bestowed as Honorary Fellow from Lingnan University. He is currently the adviser of the Quality Tourism Services Association, the Honorary Chairman of the Hong Kong Institute of Marketing. Dr. Chan was the former chairman of Business Enterprise Management Centre of The Hong Kong Management Association and was also a member of the advisory committee of the department of management and marketing of the Hong Kong Polytechnic University.

Save as disclosed above, Dr. Chan had not held directorship in any other public listed companies in the last three years.

Save as disclosed above, Dr. Chan does not have relationship with other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Dr. Chan does not have any interest in the Shares within the meaning of Part XV of the SFO.

Dr. Chan has been appointed for an initial term of two years on the terms and conditions of his appointment with effect from 1 May 2007. The term of the appointment has been extended thereafter and his existing term is two years up to 30 April 2025. His appointment is subject to retirement by rotation and re-election at the annual general meeting in accordance with the provisions of the Articles.

For the year ended 31 March 2024, the total amount of emoluments payable to Dr. Chan was HK\$262,500. The amount of emoluments payable to Dr. Chan is determined having regard to his duties and responsibilities, the Company’s performance, prevailing market conditions and by reference to the emoluments for directors of other listed companies.

As at the Latest Practicable Date, Dr. Chan held seven listed company directorships. Dr. Chan attended all the meetings of the Board and the Board committees held in the current financial year. Details of the attendance records are set out in the Corporate Governance Report. Based on the satisfactory attendance record of Dr. Chan and his valuable contribution at the Board and Board committees meetings in the past years, the members of the Nomination Committee were of the view that Dr. Chan would be able to continue devoting sufficient time to discharge his duties as an INED. Dr. Chan is fully aware of the responsibilities and expected time involvements in the Company and has also confirmed that he will continue to devote sufficient time for the discharge of his functions and responsibilities as an INED of the Company. The Nomination Committee has taken into account the skill mix of the Board, the diverse qualifications, experience and educational background of Dr. Chan, and his extensive business experience, knowledge and profession brought to the Board. The Board, through the recommendation by the Nomination Committee, believed that Dr. Chan would be able to devote sufficient time to the Board.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to Rules 13.51(2) of the Listing Rules in connection with the re-election of Dr. Chan.

Mr. Ng Ching Wah (“Mr. Ng”)

Independent Non-executive Director, aged 75.

Mr. Ng has been appointed as an Independent Non-executive Director of the Company since 2007. Mr. Ng has been the Chairman of Nomination Committee, a member of the Audit Committee and a member of the Remuneration Committee since 2007. Mr. Ng has over 35 years of senior management experience in the telecommunications industry. Mr. Ng was a director and a member of the executive committee for Advanced Info Service Public Company Limited, a Thailand listed company. He was an independent director of China Digital TV Holding Co. Ltd., a New York Stock Exchange listed company and a non-executive director of HKC International Holdings Limited, a Hong Kong listed company. He was the chief executive officer of Hong Kong CSL Limited. He was the chief executive officer of SmarTone Telecommunications Holdings Limited, a Hong Kong listed company and the President of PCCW Mobility Services Limited. Mr. Ng was the Honorary Advisor of the Communications Association of Hong Kong. Mr. Ng was a member of the Digital 21 Strategy Advisory Committee (D21SAC) and an appointed member of Communications Authority, an independent statutory body established under the Communications Authority Ordinance in April 2012. Mr. Ng graduated from the Chinese University of Hong Kong in 1975, with a Bachelor of Business and Administration.

Save as disclosed above, Mr. Ng had not held directorship in any other public listed companies in the last three years.

Save as disclosed above, Mr. Ng does not have relationship with other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Ng does not have any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Ng has been appointed for an initial term of two years on the terms and conditions of his appointment with effect from 1 May 2007. The term of the appointment has been extended thereafter and his existing term is two years up to 30 April 2025. His appointment is subject to retirement by rotation and re-election at the annual general meeting in accordance with the provisions of the Articles.

For the year ended 31 March 2024, the total amount of emoluments payable to Mr. Ng was HK\$262,500. The amount of emoluments payable to Mr. Ng is determined having regard to his duties and responsibilities, the Company's performance, prevailing market conditions and by reference to the emoluments for directors of other listed companies.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to Rules 13.51(2) of the Listing Rules in connection with the re-election of Mr. Ng.

APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

Full particulars of the proposed amendments to the Existing Memorandum and Articles of Association brought about by the adoption of the New Memorandum and Articles of Association (showing changes to the Existing Memorandum and Articles of Association) are set out as follows.

...

Interpretation

- 2 The marginal notes to these Articles shall not affect the interpretation hereof. In these Articles, unless there be something in the subject or context inconsistent therewith:

“Actionable Corporate Communication” shall have the meaning given to it in the Listing Rules;

...

“associate” shall have the meaning given to it in the Listing Rules;

...

“Corporate Communication” shall have the meaning given to it in the Listing Rules;

...

“electronic means” shall mean sending or otherwise making the communication available to the intended recipients in electronic format;

...

“recognised clearing house” shall have the meaning ascribed thereto in Part I of Schedule 1 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted ~~therefor~~ therefor;

...

Share Capital and Modification of Rights

...

- 6 If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Act, be varied or abrogated with the consent in writing of the holders of not less than three-fourths of the voting rights of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of shares of

How class
rights may
be modified
App ^{3A1}
r.15

APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

that class. To every such separate meeting all the provisions of these Articles relating to general meetings shall *mutatis mutandis* apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorised representative) at the date of the relevant meeting not less than one-third of the issued shares of that class.

...

Register of Members and Share Certificates

...

21 Except when a register is closed and, if applicable, subject to the additional provisions of Article 23, the principal register and any branch register shall during business hours be kept open to the inspection of any member without charge.

App 3A1 r.20

...

Calls on Shares

35 A copy of the notice referred to in Article 34 shall be sent in the manner in which notices may be sent to members by the Company as ~~herein provided~~ in Article 209.

Copy of notice to be sent

...

37 ~~[RESERVED]In addition to the giving of notice in accordance with Article 35, notice of the person appointed to receive payment of every call and of the times and places appointed for payment may be given to the members affected by notice published on the Exchange’s website or by advertisement published in the newspapers or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided.~~

Notice of call may be published in newspapers or given by electronic means

...

General Meetings

77 The Company shall in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it. The annual general meeting shall be held at such time and place as the Board shall appoint.

When annual general meeting to be held App 3A1 r. 14(1)

...

**APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM
AND ARTICLES OF ASSOCIATION**

79 The Board may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any one or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the voting rights, on a one vote per share basis, in the share capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

Convening of
extraordinary
general
meeting App
3A1 r.14(5)

80 An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. Subject to the requirements under the Listing Rules, the notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place, and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the Auditors and to all members other than such as, under the provisions hereof or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company.

Notice of
meetings
App 3A1
r.14(2)

...

**APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Votes of Members

- 97 Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting (a) every member who is present in person (or, in the case of a member being a corporation by its duly authorised representative) or by proxy shall have the right to speak, (b) on a show of hands, every member present in such manner shall have one vote, and (c) on a poll every member present in such manner shall have one vote for each share registered in his name in the register, except, in the cases of sub-paragraphs (b) and (c) above, where a member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration. Notwithstanding anything contained in these Articles, where more than one proxy is appointed by a recognised clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. On a poll a member entitled to more than one vote is under no obligation to cast all his votes in the same way.

Votes of members App
3A1 r.14(3)
- 98 Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

Counting of votes App
3A1 r.14(4)
- ...
- 104 Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (who must be an individual) as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. Votes may be given either personally or by proxy. A proxy need not be a member of the Company. A member may appoint any number of proxies to attend in his stead at any one general meeting (or at any one class meeting).

Proxies App
3A1 r.18
- ...
- 106 The instrument appointing a proxy and (if required by the Board) the power of attorney or other authority, (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith (including by electronic means)) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid provided always that the Chairman of the meeting may at his discretion direct that an instrument of proxy shall be deemed to have been duly deposited upon receipt of telex or cable or facsimile confirmation from the appointor that the instrument of proxy duly signed is in the course of transmission to the Company. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

Delivery of authority for appointment of proxy

**APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM
AND ARTICLES OF ASSOCIATION**

...

110 Any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of members of any class of shares of the Company and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it were an individual member of the Company and where a corporation is so represented, it shall be treated as being present at any meeting in person.

Corporations/
clearing
houses acting
by
representatives
at meetings
App 3A1 r.
18

111 If a recognised clearing house (or its nominee(s)) is a member of the Company it may authorise such person or persons as it thinks fit to act as its representative(s) at any general meeting of the Company or at any general meeting of any class of members of the Company provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such person is so authorised. A person so authorised pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognised clearing house (or its nominee(s)) which he represents as that recognised clearing house (or its nominee(s)) could exercise as if such person were an individual member of the Company holding the number and class of shares specified in such authorisation, including, where a show of hands is allowed, the right to vote individually on a show of hands, notwithstanding any contrary provision contained in these Articles.

App 3A1 r.19

...

Board of Directors

...

114 The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting.

Board may
fill
vacancies/
appoint
additional
Directors
App 3A1
r.4(2)

...

118 The Company may by ordinary resolution at any time remove any Director (including a managing Director or other executive Director) before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director and may by ordinary resolution elect another person in his stead. Any person so elected shall hold office during such time only as the Director in whose place he is elected would have held the same if he had not been removed. Nothing in this Article should be taken as depriving a Director removed under any provisions of this Article of compensation or damages payable to him in respect of the termination of his appointment

Power to
remove
Director by
ordinary
resolution
App 3A1
r.4(3)

APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

as Director or of any other appointment or office as a result of the termination of his appointment as Director or as derogatory from any power to remove a Director which may exist apart from the provision of this Article.

...

Audit

...

207 The Company shall at every annual general meeting by ordinary resolution appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an Auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the Auditors shall be fixed by the Company by ordinary resolution at the annual general meeting at which they are appointed provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board. No person may be appointed as the, or an, Auditor, unless he is independent of the Company. The Board may before the first annual general meeting appoint an auditor or auditors of the Company who shall hold office until the first annual general meeting unless previously removed by an ordinary resolution of the members in general meeting in which case the members at that meeting may appoint Auditors. The Board 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 Board under this Article may be fixed by the Board.

Appointment and remuneration of Auditors App 3A1 r.17

...

Notices

209 Except as otherwise provided in these Articles, any notice or document, including any Corporate Communication and Actionable Corporate Communication, may be served by the Company and any notices may be served by the Board on any member ~~either personally or by~~ in any of the following manners to the extent permitted by, and in compliance with the requirements of, the Listing Rules:

Service of notices

209.1 personally by leaving it at the registered address of such member as appearing in the register of members;

209.2 by sending it through the post in a prepaid letter addressed to such member at his registered address as appearing in the register ~~or, to the extent permitted~~ of members (which shall be sent by airmail where the notice or document is posted from one country to another);

APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

~~209.3 by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the member to the Company without the need for any additional consent or notification; or by placing it on the Company's Website provided that the Company has obtained either (a) the member's prior express positive confirmation in writing or (b) the members' deemed consent, in the manner specified in the Listing Rules, to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or~~

~~209.4 by making it available on the Company's Website and/or the Exchange's website in compliance with the requirements of the Listing Rules without the need for any additional consent or notification;~~

~~209.5 (in the case of notice) by advertisement published in the manner prescribed under the Listing Rules, or as permitted by an applicable regulator (including the Exchange); or~~

~~209.6 by sending or otherwise making it available to such member through such other means to the extent permitted by and in accordance with the Act and other applicable laws, rules and regulations.~~

In the case of joint holders of a share, all notices shall be given to that holder for the time being ~~any one of the joint holders~~whose name stands first in the register and notice so given shall be sufficient notice to all the joint holders.

...

~~211 A member shall be entitled to have notice served on him at any address within Hong Kong. Any member who has not given an express positive confirmation in writing to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A member who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the transfer office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any member whose registered address is outside Hong Kong. Any notice or document, including any Corporate Communication:~~

Members out
of Hong
Kong

~~211.1 delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left;~~

When notice
deemed to be
served

**APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM
AND ARTICLES OF ASSOCIATION**

- ~~211.2~~ ~~212~~ Any notice or document sent by post shall be deemed to have been served on the day following that on which it is put into a post office situated within Hong Kong and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice or document was properly prepaid, addressed and put into such post office and a certificate in writing signed by the Secretary or other person appointed by the Board that the envelope or wrapper containing the notice or document was so addressed and put into such post office shall be conclusive evidence thereof;
- ~~211.3~~ given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations, and it shall not be necessary for the receipt of the electronic transmission to be acknowledged by the recipient;
- ~~211.4~~ served by being made available on the Company's Website and/or the Exchange's website shall be deemed to be served on the day the notice first appears on the Company's Website and/or the Exchange's website, or such later time or as may be prescribed by the Listing Rules; and
- ~~213~~ Any notice or other document delivered or left at a registered address otherwise than by post shall be deemed to have been served or delivered on the day it was so delivered or left.
- ~~211.5~~ ~~214~~ Any notice served by advertisement shall be deemed to have been served on the day of issue of the official publication and/or newspaper(s) in which the advertisement is published (or on the last day of issue if the publication and/or newspaper(s) are published on different dates).
- ~~215~~ Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.
- ~~216~~ A notice may be given by the Company to the person or persons 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 addressed to him or them 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, within Hong Kong 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 in any manner in which the same might have been given if the death, mental disorder or bankruptcy had not occurred.
- 213 Every Member or a person who is entitled to receive notices from the Company under the provisions of the Act or these Articles may register with the Company an electronic address to which notices can be served upon him.

Service of notice to persons entitled on death, mental disorder or bankruptcy of a member

Registration of electronic address for serving of notice

APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

- ~~217~~ Any person who by operation of law, transfer or other means whatsoever shall become
214 entitled to any share shall be bound by every notice in respect of such share which prior to
his name and address being entered on the register shall have been duly given to the
person from whom he derives his title to such share. Transferee
bound by
prior notices
- ~~218~~ Any notice or document delivered or sent to any member in pursuance of these Articles,
215 shall notwithstanding that such member be then deceased and whether or not the Company
has notice of his death be deemed to have been duly served in respect of any registered
shares whether held solely or jointly with other persons by such member until some other
person be registered in his stead as the holder or joint holder thereof, and such service
shall for all purposes of these Articles be deemed a sufficient service of such notice or
document on his personal representatives and all persons (if any) jointly interested with
him in any such shares. Notice valid
though
member
deceased
- ~~219~~ The signature to any notice to be given by the Company may be written or printed by
216 means of facsimile or, where relevant, by Electronic Signature. How notice
to be signed

Information

- ~~220~~ No member shall be entitled to require discovery of or any information in respect of any
217 detail of the Company's trading or any matter which is or may be in the nature of a trade
secret or secret process which may relate to the conduct of the business of the Company
and which in the opinion of the Board would not be in the interests of the members or the
Company to communicate to the public. Member not
entitled to
information
- ~~221~~ The Board shall be entitled to release or disclose any information in its possession,
218 custody or control regarding the Company or its affairs to any of its members including,
without limitation, information contained in the register of members and transfer books of
the Company. Directors
entitled to
disclose
information

Winding Up

- ~~222~~ Subject to the Companies Act, the Company may by special resolution resolve that the
219 Company be wound up voluntarily. App ~~3~~A1 r.21
- ~~223~~ If the Company shall be wound up (whether the liquidation is voluntary, under supervision
220 or by the court) the liquidator may, with the authority of a special resolution of the
Company and any other sanction required by the Act divide among the members *in specie*
or kind the whole or any part of the assets of the Company (whether the assets shall
consist of property of one kind or shall consist of properties of different kinds) and may
for such purpose set such value as he deems fair upon any property to be divided and may
determine how such division shall be carried out as between the members or different
classes of members. The liquidator may, with the like authority or sanction vest the whole
or any part of such assets in trustees upon such trusts for the benefit of the members as the
liquidator, with the like authority or sanction and subject to the Act, shall think fit, and the
Power to
distribute
assets in
specie
following
liquidation

APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM AND ARTICLES OF ASSOCIATION

liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

224 If the Company shall be wound up, and the assets available for distribution amongst the
221 members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. And if in a winding up the assets available for distribution amongst the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. This Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution
of assets in
liquidation

225 In the event of a winding-up of the Company in Hong Kong, every member of the
222 Company who is not for the time being in Hong Kong shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or the making of an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, orders and judgments in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such member to appoint some such person, and service upon any such appointee, whether appointed by the member or the liquidator, shall be deemed to be good personal service on such member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such member by advertisement as he shall deem appropriate or by a registered letter sent through the post and addressed to such member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.

Service of
process

Indemnities

226 Every Director, Auditor or other officer of the Company shall be entitled to be indemnified
223 out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director, Auditor or other officer of the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted.

Indemnities
of Directors
and officers

227 Subject to the Companies Act, if any Director or other person shall become personally
224 liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge, or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or person so becoming liable as aforesaid from any loss in respect of such liability.

**APPENDIX III PROPOSED ADOPTION OF THE NEW MEMORANDUM
AND ARTICLES OF ASSOCIATION**

Financial Year

~~228~~ Unless the Directors otherwise prescribe, the financial year of the Company shall begin on
225 1 April and end on 31 March in each year. Financial
year

Amendment of Memorandum and Articles

~~229~~ Subject to the Act, the Company may at any time and from time to time by special
226 resolution alter or amend its Memorandum of Association and Articles of Association in
whole or in part. Amendment
of
Memorandum
and Articles
App ~~3A1~~ r.16

NOTICE OF ANNUAL GENERAL MEETING



PACIFIC TEXTILES HOLDINGS LIMITED

互太紡織控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01382)

NOTICE IS HEREBY GIVEN that the annual general meeting of the Company will be held at Unit B1, 7th Floor, Block B, Eastern Sea Industrial Building, 48–56 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong on Thursday, 15 August 2024 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and auditor for the year ended 31 March 2024.
2. To consider and declare a final dividend for the year ended 31 March 2024.
3. To re-elect the following retiring directors and authorize the board of directors to fix the remuneration of directors:
 - (a) Mr. Masaru Okutomi as an executive Director;
 - (b) Dr. Chan Yue Kwong, Michael as an independent non-executive Director; and
 - (c) Mr. Ng Ching Wah as an independent non-executive Director.
4. To re-appoint PricewaterhouseCoopers as auditor of the Company and authorize the board of directors to fix the remuneration of the auditor.
5. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company with or without modifications:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (“**Shares**”) and to sell or transfer Shares repurchased and held by the Company in treasury (“**Treasury Shares**”) and to make or grant offers, agreements, options or warrants which would or might require Shares to be issued, allotted or disposed of or Treasury Shares to be acquired or transferred be and is hereby generally and unconditionally approved;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options or warrants which would or might require Shares to be issued, allotted or disposed of or Treasury Shares to be acquired or transferred whether during the continuance of the Relevant Period or after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares upon the exercise of the subscription or conversion rights attaching to any warrants or any securities which are convertible into shares of the Company; or (iii) an issue of shares upon the exercise of options which may be granted under any option scheme or similar arrangement for the time being adopted for the issue of shares or rights to acquire shares of the Company; or (iv) any scrip dividend or other similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue (excluding Treasury Shares) at the date of passing this resolution, and the said approval 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 its Articles of Association or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;

and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company appearing on its register of members on a fixed record date in proportion to their then holdings of such 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 any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company with or without modifications:

ORDINARY RESOLUTION

“**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its own shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Stock Exchange and the Securities and Futures Commission for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or equivalent rules or regulations of such other stock exchange, as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the share capital of the Company to be purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue (excluding shares of the Company repurchased and held by the Company in treasury) at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its Articles of Association or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

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

ORDINARY RESOLUTION

“**THAT** conditional upon resolutions numbered 5 and numbered 6 set out in the notice convening this meeting being passed, the exercise by the directors of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to sell or transfer treasury shares in accordance with the general mandate granted pursuant to resolution numbered 5 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 shares of the Company purchased by the Company under the authority granted pursuant to resolution numbered 6 set out in the notice convening this meeting, provided that the amount of share capital repurchased by the Company shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue (excluding shares of the Company repurchased and held by the Company in treasury) at the date of passing this resolution.”

8. To consider and, if thought fit, pass the following resolution as a special resolution of the Company with or without modifications:

SPECIAL RESOLUTION

“**THAT:**

- (a) the proposed amendments (the “**Proposed Amendments**”) to the existing Memorandum of Association and Articles of Association of the Company (the “**Existing Memorandum and Articles of Association**”), the details of which are set out in Appendix III to the circular of the Company dated 16 July 2024, be and are hereby approved;
- (b) the new Memorandum of Association and Articles of Association of the Company (the “**New Memorandum and Articles of Association**”), which contains all the Proposed Amendments and a copy of which has been produced to this meeting and marked “A” and initialled by the chairman of the meeting for the purpose of identification, be and is hereby approved and adopted in substitution for and to the exclusion of the Existing Memorandum and Articles of Association with immediate effect after the close of this meeting; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) any director or company secretary of the Company be and is hereby authorised to do all such acts, deeds and things and execute all such documents and make all such arrangements that he shall, in his absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the New Memorandum and Articles of Association, including without limitation, attending to the necessary registration and/or filings for and on behalf of the Company.”

By order of the Board
Pacific Textiles Holdings Limited
Tou Kit Vai
Chief Financial Officer and Company Secretary

Hong Kong, 16 July 2024

Notes:

- (i) Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
- (ii) In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof shall be deposited at the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time for holding the annual general meeting or any adjourned meeting.
- (iii) The Register of the Members of the Company will be closed from 12 August 2024 to 15 August 2024 (both days inclusive) for the purpose of determining the identity of members who are entitled to attend and vote at the AGM, during which period no transfer of shares of the Company will be registered. In order to qualify for attending the AGM, all transfers accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 9 August 2024.
- (iv) The Register of Members of the Company will be closed from 22 August 2024 to 26 August 2024 (both days inclusive) for the purpose of determining the identity of members who are entitled to the final dividend for the year ended 31 March 2024, during which period no transfer of shares of the Company will be registered. In order to qualify for the final dividend, all transfers accompanied by the relevant share certificates, must be lodged with the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17/F., Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 21 August 2024.
- (v) With regard to resolutions numbered 3 and 5 to 7, details of the re-election of Directors and general mandates to issue and to repurchase shares are set out in the circular to shareholders dated 16 July 2024.
- (vi) The translation into Chinese language of this notice is for reference only. In case of inconsistency, the English version shall prevail.