
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

If you are in any doubt as to any aspect of this circular or as to the action you should take, 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 AV Promotions Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other registered dealer in securities or other agent, through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



AV PROMOTIONS HOLDINGS LIMITED

AV策劃推廣(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8419)

- (1) PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(3) PROPOSED RE-APPOINTMENT OF AUDITORS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**
-

A notice convening an annual general meeting of the Company to be held at 13/F., Shing Dao Industrial Building, No. 232 Aberdeen Main Road, Aberdeen, Hong Kong on Monday, 31 May 2021, at 2:00 p.m. (the “AGM”) is set out on pages 15 to 19 of this circular.

A form of proxy for use by the shareholders of the Company at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM and/or vote at the AGM in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible, and in any event not less than 48 hours before the time for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case maybe) should you so wish.

This circular will remain on “The Latest Company Announcement” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and the website of the Company at www.avpromotions.com.

29 March 2021

CHARACTERISTICS OF GEM

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

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

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

CONTENTS

| | <i>Page</i> |
|---|-------------|
| Definitions | 1 |
| Letter from the Board | 3 |
| Appendix I — Explanatory Statement for the Repurchase Mandate | 8 |
| Appendix II — Biographical Details of the Retiring Directors Proposed to be Re-elected | 12 |
| Notice of Annual General Meeting | 15 |

DEFINITIONS

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

| | |
|--|---|
| “AGM” | the annual general meeting of the Company to be held at 13/F., Shing Dao Industrial Building, No. 232 Aberdeen Main Road, Aberdeen, Hong Kong on Monday, 31 May 2021 at 2:00 p.m. or any adjournment thereof (as the case may be) |
| “AGM Notice” | the notice convening the AGM set out on pages 15 to 19 of this circular |
| “Articles of Association” | the articles of association of the Company adopted on 1 December 2017 and effective on 21 December 2017, as amended, supplemented or modified from time to time |
| “associate(s)” or “close associate(s)” | has the same meaning ascribed to it under the GEM Listing Rules |
| “Board” | the board of Directors |
| “Companies Act” | the Companies Act (2021 Revision), formerly known as the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time |
| “Company” | AV Promotions Holdings Limited (AV策劃推廣(控股)有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed and traded on GEM (Stock Code: 8419) |
| “core connected person” | has the meaning ascribed to it under the GEM Listing Rules |
| “Director(s)” | director(s) of the Company from time to time |
| “GEM” | GEM of the Stock Exchange |
| “GEM Listing Rules” | the Rules Governing the Listing of Securities on GEM, as amended, supplemented or otherwise modified from time to time |
| “Group” | the Company and its subsidiaries |

DEFINITIONS

| | |
|-----------------------------|---|
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Latest Practicable Date” | 26 March 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular |
| “Macau” | the Macau Special Administrative Region of the PRC |
| “Memorandum of Association” | the memorandum of association of the Company, as amended from time to time |
| “PRC” | the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, Macau and Taiwan |
| “Repurchase Mandate” | a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to purchase or repurchase the Shares for an aggregate number not exceeding 10% of the total number of Shares in issue as at the date of passing of the relevant resolution at the AGM |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| “Share(s)” | ordinary share(s) of HK\$0.01 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 |
| “Takeovers Code” | the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission, as amended, supplemented or otherwise modified from time to time |
| “%” | per cent |

LETTER FROM THE BOARD



AV PROMOTIONS HOLDINGS LIMITED

AV策劃推廣(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8419)

Executive Directors:

Mr. Wong Man Por (*Chairman*)
Mr. Wong Hon Po
Mr. Wong Chi Bor
Ms. Fu Bun Bun

Independent Non-executive Directors:

Mr. Chen Yeung Tak
Mr. Cheung Wai Lun Jacky
Mr. Chan Wing Kee

Registered office:

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

Principal place of business

in Hong Kong:

13/F., Shing Dao Industrial Building
No. 232 Aberdeen Main Road
Aberdeen
Hong Kong

29 March 2021

To the Shareholders,

Dear Sir or Madam,

- (1) PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(3) PROPOSED RE-APPOINTMENT OF AUDITORS;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with, among other things, information regarding the ordinary resolutions to be proposed at the AGM and to enable you to make an informed decision on whether to vote for or against these resolutions relating to (i) the grant of general mandates to the Directors to issue and repurchase Shares; (ii) the re-election of retiring Directors; and (iii) the re-appointment of auditors, and to give you notice of the AGM.

LETTER FROM THE BOARD

PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

The Company's existing mandate to allot, issue and deal with the Shares and to repurchase existing Shares was approved by the Shareholders at the annual general meeting of the Company held on 22 June 2020. As at the Latest Practicable Date, such general mandate has not been utilised and will lapse at the conclusion of the AGM.

At the AGM, separate ordinary resolutions will be proposed in relation to the following general mandates:

- (i) to authorise the Directors to exercise all powers of the Company to allot, issue and otherwise deal with new Shares for an aggregate number not exceeding 20% of the total number of Shares in issue as at the date of passing the resolution;
- (ii) to authorise the Directors to exercise all powers of the Company to purchase or repurchase Shares not exceeding 10% of the total number of Shares in issue as at the date of passing the resolution; and
- (iii) to authorise the addition to the mandate to issue new Shares (referred to in (i) above) of those Shares repurchased by the Company pursuant to the Repurchase Mandate (referred to in (ii) above).

As at the Latest Practicable Date, the total number of issued Shares was 400,000,000 Shares. Assuming that there is no change in the number of issued Shares during the period from the Latest Practicable Date to the date of passing of the resolution approving the mandate to issue new Shares (referred to in (i) above), the maximum number of Shares which may be allotted and issued pursuant to the mandate would be 80,000,000 Shares being 20% of the number of issued Shares of the Company as at the Latest Practicable Date, not taking into account any additional new Shares which may be issued pursuant to the mandate referred to in (iii) above. Such number of Shares referred to above shall, where applicable, be adjusted in the event that the issued Shares as at the date of passing the resolutions are, at any time thereafter, converted into a larger or smaller number of Shares.

Assuming that there is no change in the number of Shares in issue during the period from the Latest Practicable Date to the date of passing of the resolution approving the Repurchase Mandate to repurchase Shares (referred to in (ii) above), the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate would be 40,000,000 Shares representing 10% of the number of issued Shares of the Company as at the Latest Practicable Date. Such number of Shares referred to above shall, where applicable, be adjusted in the event that the issued Shares as at the date of passing the resolutions are, at any time thereafter, converted into a larger or smaller number of Shares.

In accordance with the GEM Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the proposed resolution in relation to the Repurchase Mandate. This explanatory statement is set out in Appendix I to this circular.

LETTER FROM THE BOARD

The general mandates to issue new Shares and the Repurchase Mandate, if granted at the AGM, will remain in effect until 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 law or the Articles of Association to be held; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 108(a) of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or 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 shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

Article 108(b) of the Articles of Association further provides that the Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself or herself for re-election. Any Director who has not been subject to retirement by rotation in the 3 years preceding the annual general meeting shall retire by rotation at such annual general meeting. Any further Directors so to retire shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Further, pursuant to Article 112 of the Articles of Association, the Directors shall have 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 as an addition to the existing Board. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Accordingly, Mr. Wong Hon Po, Mr. Wong Chi Bor and Mr. Chen Yeung Tak will retire from office as Directors at the AGM and, being eligible, offer themselves for re-election as Directors at the AGM.

RECOMMENDATION OF THE NOMINATION COMMITTEE

On 26 March 2021, the nomination committee of the Board (the “**Nomination Committee**”), having reviewed the composition of the Board, nominated Mr. Wong Hon Po, Mr. Wong Chi Bor and Mr. Chen Yeung Tak, to the Board for it to recommend to Shareholders for re-election at the AGM. The nominations were made in accordance with the nomination policy and the objective criteria (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and duration of service), with due regard for the benefits of diversity, as set out under the board diversity policy of the Company, details of which are set out in the 2020 annual report of the Company. The Nomination Committee had also taken into account of the respective contributions of Mr. Wong Hon Po, Mr. Wong Chi Bor and Mr. Chen Yeung Tak to the Board and their commitment to their roles. The Nomination Committee was satisfied with the independence of Mr. Chen Yeung Tak having regard to the independence criteria as set out in 5.09 of the GEM Listing Rules.

LETTER FROM THE BOARD

Mr. Chen Yeung Tak, who is proposed to be re-elected as an independent non-executive Director of the Company, confirmed to the Company that he did not, as at the Latest Practicable Date, hold seven or more directorship in any listed companies.

On 26 March 2021, the Board accepted Nomination Committee's nominations and recommended Mr. Wong Hon Po, Mr. Wong Chi Bor and Mr. Chen Yeung Tak to stand for re-election by Shareholders at the AGM. The Board considers that the re-election of Mr. Wong Hon Po, Mr. Wong Chi Bor and Mr. Chen Yeung Tak as Directors is in the best interest of the Company and Shareholders as a whole. Further information about the Board's composition and diversity (including their gender, age, expertise, skills and qualifications) and Directors' attendance record at Board and the committee meetings are disclosed in the corporate governance report of the 2020 annual report of the Company.

Save as disclosed above and in Appendix II in relation to the re-election of Directors, there is no other matters which needs to be brought to the attention of the Shareholders.

The biographical background of the retiring Directors proposed to be re-elected in the AGM are set out in Appendix II to this circular.

RE-APPOINTMENT OF THE AUDITORS

PricewaterhouseCoopers, auditors of the Company, will retire at the AGM and, being eligible, offer themselves for re-appointment.

The Board, upon the recommendation of the audit committee of the Board, proposes to re-appoint PricewaterhouseCoopers as the auditors of the Company and to hold office until the conclusion of the next annual general meeting of the Company.

CLOSURE OF REGISTER OF MEMBERS

In order to determine entitlement of Shareholders to the right to attend and vote at the AGM (or any adjournment thereof), the register of members of the Company will be closed from Monday, 24 May 2021 to Monday, 31 May 2021 (both days inclusive), during which no transfer of the Shares will be effected. All transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Friday, 21 May 2021.

AGM AND PROXY ARRANGEMENT

The notice convening the AGM at which ordinary resolutions will be proposed, *inter alia*, (1) the grant of the general mandates to issue and repurchase Shares; (2) the re-election of retiring Directors and (3) the re-appointment of auditors of the Company are set out on pages 15 to 19 of this circular.

LETTER FROM THE BOARD

A form of proxy for the AGM is enclosed herewith. Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, and in any event not less than 48 hours before the time for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

VOTING BY POLL

In accordance with Rule 17.47(4) of the GEM Listing Rules and the Articles of Association, all resolutions set out in the AGM Notice will be voted on by poll at the AGM. Article 79 of the Articles of Association provides that on a poll, every Shareholder present in person or by proxy shall have one vote for every fully paid Share held by that Shareholder. An announcement on the poll vote results will be made by the Company after the AGM.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Directors consider that the proposed grant of the general mandates to issue and repurchase Shares, the re-election of retiring Directors and the re-appointment of auditors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of all resolutions approving such matters at the AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular. The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
By order of the Board
AV Promotions Holdings Limited
Wong Man Por
Chairman and Executive Director

APPENDIX I EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

The following is the explanatory statement required to be sent to Shareholders under the GEM Listing Rules to provide requisite information to the Shareholders for their consideration of the Repurchase Mandate.

1. GEM LISTING RULES FOR THE REPURCHASE OF SHARES

The GEM Listing Rules permit companies with a primary listing on GEM to repurchase their shares on GEM subject to certain restrictions.

The GEM Listing Rules provide that all proposed share repurchase by a company with a primary listing on GEM must be approved in advance by an ordinary resolution, either by way of a general mandate or by specific approval of a particular transaction. Such authority may only continue in force during the period from the passing of the resolution until the earliest of: (i) the conclusion of the next annual general meeting of the company; (ii) the expiry of the period within which the next annual general meeting of the company is required by law to be held; or (iii) the passing of an ordinary resolution by shareholders in general meeting of the company revoking or varying such mandate.

2. SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued Shares was 400,000,000. As at the Latest Practicable Date, the Company did not have any outstanding options, warrants and convertible securities to subscribe for the Shares.

Subject to the passing of the relevant ordinary resolution granting to the Director a general mandate to repurchase Shares up to an aggregate number of Shares not exceeding 10% of the total number of Shares in issue at the date of the passing of the relevant resolution (the “**Repurchase Mandate**”), and on the basis that no further Shares are issued or repurchased following the Latest Practicable Date and up to the date of the AGM, the Directors are authorised to repurchase Shares up to a maximum of 40,000,000 Shares. The Shares bought back by the Company shall, subject to applicable laws, be automatically cancelled upon such repurchase.

3. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase the Shares on the market. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets and/or its earnings per Share, and will only be made when the Directors believe that such repurchase will benefit the Company and its Shareholders. The Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or the gearing ratio of the Company.

4. FUNDING AND EFFECT OF REPURCHASE

The Company is empowered by the Articles of Association to repurchase its Shares. In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the GEM Listing Rules, the Memorandum of Association, the Articles of Association, the Companies Act and/or other applicable laws, rules and regulations, as the case may be.

Under the GEM Listing Rules, a listed company may not repurchase its own shares listed on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange as amended from time to time.

In accordance with the Companies Act, the Memorandum of Association and the Articles of Association, Shares may only be repurchased out of the funds of the Company which are legally available for such purpose or out of the proceeds of a fresh issue of Shares made for the purposes of the purchase or, subject to a statutory test of solvency, out of capital. The premium, if any, payable on purchase must be provided for out of the profits of the Company or out of the Company's share premium account before or at the time the Shares are repurchased or, subject to the statutory test of solvency, out of capital. Under the Companies Act, the Shares so repurchased will be treated as cancelled but the aggregate amount of authorised share capital will not be reduced.

In the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period, there might be material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 31 December 2020. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the GEM Listing Rules, the Memorandum of Association, the Articles of Association and the applicable laws of the Cayman Islands.

6. TAKEOVER CODE CONSEQUENCE

If, as a result of a share repurchase pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase may be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, 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.

APPENDIX I EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

As at the Latest Practicable Date, Mega King Elite Investment Limited (“**Mega King**”) held 290,000,000 Shares, representing 72.5% of the aggregate number of Shares in issue. Mega King is wholly-owned by Jumbo Fame Company Limited (“**Jumbo Fame**”), which is in turn held by Trident Trust Company (HK) Limited (the “**Trustee**”) acting as the trustee of The WMPE Family 2017 Trust. The WMPE Family 2017 Trust is an irrevocable discretionary trust set up by Mr. Wong Man Por (“**Mr. MP Wong**”) as settlor (the “**Settlor**”) and appointer and by the Trustee as the trustee on 10 April 2017. The beneficiaries of The WMPE Family 2017 Trust are Mr. MP Wong, Ms. Kong Suet Yau (the spouse of Mr. MP Wong) (“**Mrs. Wong**”), Mr. Wong Hin Hang (the son of Mr. MP Wong and Mrs. Wong), Ms. Wong Hin Fei (the daughter of Mr. MP Wong and Mrs. Wong), and such person as may be appointed as additional member or members of the class of eligible beneficiaries pursuant to a trust deed dated 10 April 2017 entered into by Mr. MP Wong as the settlor and the appointer and by the Trustee as the trustee (“**Trust Deed**”). By virtue of the SFO, each of Jumbo Fame and the Trustee to be interested in all the Shares held by Mega King. Mrs. Wong is the spouse of Mr. MP Wong and is deemed or taken to be interested in all the Shares held by Mega King for the purpose of the SFO. Based on such interests, in the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted at the AGM, the interests in the aggregate number of Shares in issue would be increased from 72.5% to 82.5% of the issued share capital of the Company. Such increase would not give rise to any general offer obligation under the Takeovers Code as the existing aggregate shareholding of Mega King already exceeds 50% of the issued share capital of the Company.

Nevertheless, the Directors have no present intention to exercise the Repurchase Mandate and will not effect repurchases to such an extent which will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25% as required by the GEM Listing Rules.

As at the Latest Practicable Date, the Directors are not aware of any consequence which the exercise in full of the Repurchase Mandate would have under the Takeovers Code.

7. SHARE REPURCHASED BY THE COMPANY

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

8. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSON

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the GEM Listing Rules), presently intend to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate in the event that the Repurchase Mandate is approved by Shareholders.

As at the Latest Practicable Date, no core connected persons (as defined in the GEM Listing Rules) of the Company have notified the Company that they have any present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them, to the Company in the event that the Repurchase Mandate is approved by Shareholders.

APPENDIX I EXPLANATORY STATEMENT FOR THE REPURCHASE MANDATE

9. 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:

| | Price per Shares | |
|--|-------------------------------|------------------------------|
| | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
| 2020 | | |
| April | 0.500 | 0.450 |
| May | 0.510 | 0.450 |
| June | 0.485 | 0.430 |
| July | 0.490 | 0.440 |
| August | 0.480 | 0.395 |
| September | 0.460 | 0.390 |
| October | 0.410 | 0.390 |
| November | 0.405 | 0.390 |
| December | 0.400 | 0.335 |
| 2021 | | |
| January | 0.375 | 0.275 |
| February | 0.360 | 0.290 |
| March (up to and including the Latest Practicable Date) | 0.285 | 0.228 |

The following are the particulars of the retiring Directors who will retire at the conclusion of the AGM and will be proposed to be re-elected at the AGM.

Mr. Wong Hon Po (黃漢波), aged 56, is the executive Director of our Company. He was first appointed as a Director on 23 February 2017 and was redesignated as an executive Director on 5 December 2017. Mr. HP Wong attended secondary school education in Hong Kong and joined our Group in 1991 as technical manager. Since 2003, he has been mainly responsible for overseeing and monitoring the daily operation of our subsidiary in Shanghai. He is also responsible for introducing new technologies for the business of our Group, training our technical staff, evaluating the services provided by the outside contractors, implementing the management decisions. Mr. HP Wong has been in charge of providing our services to major projects of our customers in China and has over 25 years of experience in this industry.

Mr. HP Wong is the brother of Mr. MP Wong and Mr. CB Wong, who are also the executive Directors of our Company, and he is the brother-in-law of Ms. Yau Lai Ling, the General Manager of our Group.

Save as disclosed above, Mr. HP Wong did not hold any directorships in any listed public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not hold any other positions with the Company or other members of the Group.

Save as disclosed above, Mr. HP Wong does not have any other relationships with any Directors, senior management, substantial or controlling shareholders of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. HP Wong has entered into a service agreement with the Company on 1 December 2017. Mr. HP Wong's directorship in the Company shall be for a term of three years commencing on the listing date of the Company and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Mr. HP Wong's directorship is also subject to the retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles. Mr. HP Wong is entitled to an annual basic salary of HK\$387,000 for acting as the executive Director and a bonus for each financial year of the Company, which is at the discretion of the Board. The annual emolument of Mr. HP Wong and his discretionary bonus would be determined with reference to various factors such as duties and level of responsibilities of Mr. HP Wong, the available information in respect of companies of comparable business or scale, the performance of Mr. HP Wong and the Group's performance for the financial year concerned and the prevailing market conditions and based on the recommendation from the remuneration committee of the Board.

As at the Latest Practicable Date, there is no other matter concerning the re-election of Mr. HP Wong that needs to be brought to the attention of the Shareholders pursuant to Rule 17.50(2)(w) of the GEM Listing Rules, nor is there other information that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Mr. Wong Chi Bor (黃志波), aged 53, is the executive Director of our Company. He was first appointed as a Director on 23 February 2017 and was redesignated as an executive Director on 5 December 2017. Mr. CB Wong attended secondary school education in Hong Kong. He joined our Group as a technical director in 1991. Mr. CB Wong is responsible for the design and provision of the audio-visual services which are specifically tailored-made for our customers. He is also responsible for providing technical advice and supervision to the technical staff members of our Group. After he joined our Group, Mr. CB Wong has led our Group to provide services to major projects, including beauty competitions, concerts, award ceremonies and international congresses. He has over 25 years of experience in this industry.

Mr. CB Wong is the brother of Mr. MP Wong and Mr. HP Wong, who are also the executive Directors of our Company. Also, Mr. CB Wong's spouse, Ms. Yau Lai Ling, is the General Manager of our Group.

Save as disclosed above, Mr. CB Wong did not hold any directorships in any listed public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not hold any other positions with the Company or other members of the Group.

Save as disclosed above, Mr. CB Wong does not have any other relationships with any Directors, senior management, substantial or controlling shareholders of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. CB Wong has entered into a service agreement with the Company on 1 December 2017. Mr. CB Wong's directorship in the Company shall be for a term of three years commencing on the listing date of the Company and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Mr. CB Wong's directorship is also subject to the retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles. Mr. CB Wong is entitled to an annual basic salary of HK\$659,000 for acting as the executive director of the Company. The annual emolument of Mr. CB Wong and his discretionary bonus would be determined with reference to various factors such as duties and level of responsibilities of Mr. CB Wong, the available information in respect of companies of comparable business or scale, the performance of Mr. CB Wong and the Group's performance for the financial year concerned and the prevailing market conditions and based on the recommendation from the Remuneration Committee of the Board.

As at the Latest Practicable Date, there is no other matter concerning the re-election of Mr. CB Wong that needs to be brought to the attention of the Shareholders pursuant to Rule 17.50(2)(w) of the GEM Listing Rules, nor is there other information that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Mr. Chen Yeung Tak (陳仰德), aged 37, is our independent non-executive Director and was appointed to our Board on 1 December 2017. Mr. Chen has over 14 years of experience in accounting, auditing and financial management. From 2013 to 2015, he was the accounting manager of PYI Corporation Limited (stock code: 0498). From January 2018 until now, Mr. Chen is also an independent non-executive director of Gain Plus Holdings Limited (stock code: 9900). He is also an independent non-executive director of DT Capital Limited (stock code: 0356) since July 2019. He was appointed as the financial controller from March 2015 to May 2020 and the executive director since May 2020 of Kingland Group Holdings Limited (stock code: 1751). From March 2015 until presently, he is also the company secretary of Kingland Group Holdings Limited (stock code: 1751).

Mr. Chen obtained a bachelor degree in accountancy from the Hong Kong Polytechnic University in December 2006 and has been a member of the Hong Kong Institute of Certified Public Accountants since January 2011.

Save as disclosed above, Mr. Chen did not hold any directorships in any listed public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years and does not hold any other positions with the Company or other members of the Group.

Save as disclosed above, Mr. Chen does not have any other relationships with any Directors, senior management, substantial or controlling shareholders of the Company nor any interests in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Chen has entered into a service agreement with the Company on 1 December 2017 and renewed on 21 December 2020. Mr. Chen's directorship in the Company shall be for a term of three years and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Mr. Chen's directorship is also subject to the retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles. Mr. Chen is entitled to an annual basic salary of HK\$125,000 for acting as the independent non-executive director of the Company. The annual emolument of Mr. Chen would be determined with reference to various factors such as duties and level of responsibilities of Mr. Chen, the available information in respect of companies of comparable business or scale, the performance of Mr. Chen and the Group's performance for the financial year concerned and the prevailing market conditions and based on the recommendation from the remuneration committee of the Board.

As at the Latest Practicable Date, there is no other matter concerning the re-election of Mr. Chen that needs to be brought to the attention of the Shareholders pursuant to Rule 17.50(2)(w) of the GEM Listing Rules, nor is there other information that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



AV PROMOTIONS HOLDINGS LIMITED

AV策劃推廣(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8419)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of shareholders of AV Promotions Holdings Limited (the “Company”) will be held at 13/F., Shing Dao Industrial Building, No. 232 Aberdeen Main Road, Aberdeen, Hong Kong on Monday, 31 May 2021, at 2:00 p.m. for the following purposes:

ORDINARY RESOLUTIONS

As ordinary business to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolution of the Company:

1. To receive, consider and approve the audited financial statements of the Company and its subsidiaries and the reports of the directors and auditors of the Company for the year ended 31 December 2020.
2.
 - (i) To re-elect Mr. Wong Hon Po as an executive director of the Company.
 - (ii) To re-elect Mr. Wong Chi Bor as an executive director of the Company.
 - (iii) To re-elect Mr. Chen Yeung Tak as an independent non-executive director of the Company.
3. To authorise the board of directors of the Company (the “Board”) to fix the remuneration of the directors of the Company.
4. To re-appoint PricewaterhouseCoopers as the auditors of the Company and to authorise the Board to fix their remuneration for the year ending 31 December 2021.

As special business, to consider and, if thought fit, pass the following resolutions with or without amendments as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

5. “**THAT:**
 - (a) subject to paragraphs (b) and (c) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as defined hereinafter) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company, and to allot, issue or grant securities convertible into shares in the share capital of the Company, and to make or grant offers, agreements and options which might require the exercise of such power, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) such mandate shall not extend beyond the Relevant Period (as defined hereinafter) save that the Directors may during the Relevant Period make or grant offers, agreements, rights and options which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the Directors pursuant to paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined hereinafter);
 - (ii) any warrants, options or similar rights to subscribe for (a) any new shares of the Company; or (b) any securities convertible into new shares of the Company for cash consideration;
 - (iii) the exercise of the subscription rights under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company;

shall not exceed the aggregate of 20% of the number of shares of the Company in issue as at the date of passing of 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 the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by applicable laws or the Articles of Association of the Company (the “**Articles of Association**”) to be held; or
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

“**Rights Issue**” means an offer of shares of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares of the Company open for a period fixed by the Directors to holders of shares of the Company on the Company’s register of members on a fixed record date in proportion to their then holdings of shares of the Company (subject to such exclusion 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 outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

6. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares of the Company on GEM of The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on GEM or of any other stock exchange (as applicable) as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares which the Directors are authorised to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the total number of shares of Company in issue at the date of the passing of 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 the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiry of the period within which the next annual general meeting of the Company is required by applicable laws or the Articles of Association to be held; or
 - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.”
7. **“THAT** subject to the passing of ordinary resolutions numbered 5 and 6 above, the aggregate number of shares of the Company that may be allotted, issued and dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to and in accordance with the mandate granted under resolution numbered 5 above be and is hereby increased and extended by the addition of the aggregate number of shares in the share capital of the Company which may be repurchased by the Company pursuant to and in accordance with the mandate granted under resolution numbered 6 above, provided that such number of shares of the Company shall not exceed 10% of the total number of shares of the Company in issue as at the date of the passing of this resolution.”

By order of the Board
AV Promotions Holdings Limited
Wong Man Por
Chairman and Executive Director

Hong Kong, 29 March 2021

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) An eligible shareholder of the Company is entitled to appoint one or more proxies (if such shareholder is the holder of two or more shares of the Company) to attend and vote in his/her stead at the AGM (or at any adjournment thereof) provided that each proxy is appointed to represent the respective number of shares of the Company held by the shareholder as specified in the relevant forms of proxy. The proxy needs not be a shareholder of the Company.
- (2) Where there are joint registered holders of any shares, any one of such persons may vote at the AGM (or at any adjournment thereof), either personally or by proxy, in respect of such shares as if he/she were solely entitled thereto but the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- (3) A form of proxy for use at the AGM is enclosed. In order to be valid, the form of proxy must be received by the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong at least 48 hours before the time for holding the AGM or adjourned meeting (as the case may be). If a form of proxy is signed by an attorney of a shareholder who is not a corporation, the power of attorney or other authority under which it is signed or a certified copy of that power of attorney or authority (such certification to be made by either a notary public or a solicitor qualified to practice in Hong Kong) must be delivered to the Company's branch share registrar and transfer office in Hong Kong together with the form of proxy. In the case of a corporation, the form of proxy must either be executed under its common seal or be signed by an officer or agent duly authorised in writing. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the AGM or adjourned meeting. In such event, his form of proxy will be deemed to be revoked.
- (4) For the purposes of determining shareholders' eligibility to attend and vote at the AGM (or at any adjournment thereof), the register of members of the Company will be closed from Monday, 24 May 2021 to Monday, 31 May 2021 (both dates inclusive), during which period no transfer of the shares of the Company will be registered. To be eligible to attend and vote at the AGM (or at any adjournment thereof), all properly completed transfer documents accompanied by the relevant share certificate must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 21 May 2021.
- (5) In relation to the proposed resolution numbered 2 above, Mr. Wong Hon Po, Mr. Wong Chi Bor and Mr. Chen Yeung Tak will retire by rotation and, being eligible, have offered themselves for re-election at the AGM. Brief biographical details of the Directors who offer themselves for re-election at the AGM are set out in Appendix II to the circular of the Company dated 29 March 2021 (the "**Circular**").
- (6) An explanatory statement containing further details regarding resolution numbered 6 above is set out in Appendix I to the AGM circular.
- (7) According to Rule 17.47(4) of the GEM Listing Rules, the voting at the AGM will be taken by poll.
- (8) Shareholders of the Company or their proxies shall produce documents of their proof of identity when attending the AGM.
- (9) If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or at any time after 7:00 a.m. on the date of the Meeting, the Meeting will be adjourned. The Company will post an announcement on the website of the Company (www.avpromotions.com) and the HKEXnews website (www.hkexnews.hk) to notify shareholders of the date, time and place of the adjourned meeting.
- (10) The Chinese translation of this notice is for reference only, and in case of any inconsistency, the English version shall prevail.

The Meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather conditions bearing in mind their own situations.

NOTICE OF ANNUAL GENERAL MEETING

PRECAUTIONARY MEASURES FOR THE AGM

In view of the epidemic situation of novel coronavirus (“COVID-19”) pandemic, the Company will take the following precautionary measures at the AGM in the attempt to prevent and control the spread of COVID-19 at the AGM:

- (i) Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature above the reference range quoted by the Department of Health from time to time, or is exhibiting flu-like symptoms, may be denied entry into or be required to leave the venue of the AGM at the Company’s discretion, to the extent permitted by the applicable laws and regulations;
- (ii) Each attendee is required to wear a surgical face mask throughout the AGM and inside the meeting venue, and to maintain a safe distance from other attendees;
- (iii) Any person attending the AGM will be required to make a declaration as to whether they have travelled outside Hong Kong in the 14-day period prior to the AGM, and those who has travelled outside Hong Kong in the 14-day period prior to the AGM will not be permitted to attend the AGM; and
- (iv) No corporate gift will be distributed and no refreshment will be served at the AGM.

The Company reserves the right in refusing the entry of any person who does not comply with the precautionary measures to the venue of the AGM to the extent permitted by the applicable laws and regulations. As the COVID-19 outbreak continues to develop, the Company will closely monitor the situation and reserves the right to take further measures or make any changes to the arrangement of the AGM as appropriate at short notice in order to minimise any risk to the Shareholders and others attending the AGM and to comply with any requirements or recommendations of any government authorities from time to time.

In light of the outbreak of COVID-19, the Company wishes to encourage the Shareholders to exercise their right to vote at the AGM by appointing chairman of the AGM as their proxy as an alternative to attending the AGM in person, by completing and return the form of proxy enclosed in the Circular.

As at the date of this notice, the executive Directors are Mr. Wong Man Por, Mr. Wong Hon Po, Mr. Wong Chi Bor and Ms. Fu Bun Bun, and the independent non-executive Directors are Mr. Chen Yeung Tak, Mr. Cheung Wai Lun Jacky and Mr. Chan Wing Kee.

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

This notice will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.avpromotions.com.