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If you have sold or transferred all your shares in Edvance International Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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EDVANCE INTERNATIONAL HOLDINGS LIMITED
安領國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1410)

PROPOSALS FOR
(1) GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;
(2) AMENDMENTS TO THE SHARE AWARD SCHEME;
(3) ADOPTION OF THE SCHEME MANDATE LIMIT;
(4) RE-ELECTION OF RETIRING DIRECTORS;
(5) RE-APPOINTMENT OF AUDITOR;
AND
(6) NOTICE OF ANNUAL GENERAL MEETING

Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” of this circular.

A letter from the Board is set out on pages 5 to 13 of this circular. A notice convening the Annual General Meeting of the Company to be held at 25th Floor, Tower 1, The Millennity, 98 How Ming Street, Kwun Tong, Kowloon, Hong Kong on Tuesday, 5 September 2023 at 10:30 a.m. or any adjourned meeting thereof to approve matters referred to in this circular is set out on pages 31 to 36 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is also enclosed with this circular. Such form of proxy is also published on the Company’s website at www.edvanceintl.com.

Whether or not you are able or intend to attend the Annual General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

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DEFINITIONS

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

“Amendment Date”	being the date on which the Share Award Scheme is amended by the Company upon the approval by the Shareholders of the proposed amendments to the Share Award Scheme and the grant by the Shareholders of the Scheme Mandate Limit
“Annual General Meeting”	the annual general meeting of the Company to be convened and held at 25th Floor, Tower 1, The Millennity, 98 How Ming Street, Kwun Tong, Kowloon, Hong Kong on Tuesday, 5 September 2023 at 10:30 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended, supplemented and otherwise modified from time to time
“Auditor”	Deloitte Touche Tohmatsu, the independent auditor of the Company
“Award(s)”	award(s) to be granted by the Board to a Grantee pursuant to the Share Award Scheme, which vest(s) in such Grantee in the form of Awarded Shares in accordance with the Share Award Scheme
“Awarded Share(s)”	Share(s) underlying the Award(s) to be granted to the Grantee(s) under the Share Award Scheme
“Board”	the board of Directors
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Companies Act”	the Companies Act (as revised) of the Cayman Islands
“Company”	Edvance International Holdings Limited (安領國際控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the main board of the Stock Exchange (stock code: 1410)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Consultation Conclusions”	the consultation conclusions on the proposed amendments to the Listing Rules relating to share schemes of listed issuers and housekeeping rule amendment published by the Stock Exchange in July 2022
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant(s)”	includes any (i) Director or employee of the Group (including persons who are granted Awards under the Share Award Scheme as an inducement to enter into service contracts or employment contracts with the Group); and (ii) director or employee of the holding companies, fellow subsidiaries or associated companies of the Company
“General Mandates”	the Issuance Mandate and the Repurchase Mandate
“Grantee”	participant selected by the Board for Awards pursuant to the Share Award Scheme
“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
“Independent Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Issuance Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise all the power to allot, issue and otherwise deal with Shares with an aggregate amount not exceeding 20% of the total number of issued Shares as at the date of the passing of the resolution granting such mandate
“Latest Practicable Date”	27 July 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular

DEFINITIONS

“Listing Approval”	the listing committee of the Stock Exchange’s approval of the listing of, and the permission to deal in, any Shares on the Stock Exchange which may be issued by the Company pursuant to the exercise of any Awards under the Share Award Scheme
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to exercise all the power to repurchase Shares on the Stock Exchange with an aggregate amount up to 10% of the total number of issued Shares as at the date of the passing of the resolution granting such mandate
“Scheme Mandate Limit”	the total number of Shares which may be issued in respect of all options and awards to be granted under the Share Award Scheme and any other schemes of the Company, representing 10% of all the issued Shares as at the Amendment Date
“Scheme Period”	the period of ten (10) years commencing from 1 September 2020 (being the date of the Share Award Scheme initially adopted by the Company upon the approval by the Board), which the Share Award Scheme shall be valid and effective
“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
“Share Award Scheme”	the share award scheme adopted by the Company upon the approval by the Board on 1 September 2020
“Share Incentive Schemes”	the share option schemes and/or share award schemes involving issuance of new Shares adopted and to be adopted by the Company from time to time, including the Share Option Scheme and the Share Award Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 23 March 2017

DEFINITIONS

“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs as amended from time to time and approved by the Securities and Futures Commission of Hong Kong
“Vesting Date”	in respect of a Grantee, the date on which his/her/its entitlement to the Awarded Shares is vested in such Grantee in accordance with the Share Award Scheme and the conditions determined by the Board
“%”	per cent

LETTER FROM THE BOARD



EDVANCE INTERNATIONAL HOLDINGS LIMITED

安領國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1410)

Executive Directors:

Mr. Liu Yui Ting Raymond (*Chairman and
Chief Executive Officer*)
Mr. Lee Francis Sung Kei
Mr. Von John
Mr. Lam Tak Ling

Non-executive Director:

Mr. Lo Wai Ho Ashley

Independent Non-executive Directors:

Mr. Ng Tsz Fung Jimmy
Mr. Chan Siu Ming Simon
Mrs. Wong Hung Flavia Yuen Yee

Registered office:

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

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

25th Floor, Tower 1
The Millennity
98 How Ming Street
Kwun Tong, Kowloon
Hong Kong

2 August 2023

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR

- (1) GRANT OF GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES;**
- (2) AMENDMENTS TO THE SHARE AWARD SCHEME;**
- (3) ADOPTION OF THE SCHEME MANDATE LIMIT;**
- (4) RE-ELECTION OF RETIRING DIRECTORS;**
- (5) RE-APPOINTMENT OF AUDITOR;**
- AND**
- (6) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the annual general meeting of the Company held on 9 August 2022, resolutions were passed for approving, *inter alia*, the grant of general mandates to the Directors to allot, issue

LETTER FROM THE BOARD

and deal with Shares and to exercise the powers of the Company to repurchase. Pursuant to the Listing Rules, these general mandates continue to be valid and remain in force until the conclusion of the Annual General Meeting. It is therefore proposed to renew the general mandates to allot, issue and deal with Shares and to repurchase Shares at the Annual General Meeting.

The purpose of this circular is to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the matters which include, *inter alia*, (i) the Issuance Mandate and Repurchase Mandate; (ii) amendments to the Share Award Scheme; (iii) adoption of the Scheme Mandate Limit; (iv) the re-election of retiring Directors; (v) the re-appointment of Auditor; and to send you the notice of the Annual General Meeting.

GRANT OF GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to issue, allot and deal with further Shares representing up to 20% of the number of issued Shares as at the date of passing of the relevant resolution.

- (i) the Issuance Mandate to allot, issue and otherwise deal with the Shares and securities of exceeding 20% of the aggregate number of the issued share capital of the Company as at the date of passing the relevant resolution;
- (ii) the Repurchase Mandate to repurchase Shares not exceeding 10% of the number of issued Shares at the date of the passing of such resolution; and
- (iii) subject to the passing of the ordinary resolutions to approve the Issuance Mandate and the Repurchase Mandate at the Annual General Meeting, the extension of the Issuance Mandate to add the total number of Shares repurchased by the Company pursuant to the Repurchase Mandate to the Issuance Mandate.

Based on 1,012,257,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares are issued or repurchased prior to the Annual General Meeting subject to the passing of the ordinary resolution for approving the Issuance Mandate and the Repurchase Mandate, the Directors will be authorised to allot, issue and otherwise deal with up to 202,451,400 Shares pursuant to the Issuance Mandate and repurchase up to 101,225,700 Shares pursuant to the Repurchase Mandate.

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution for the grant of the Repurchase Mandate to the Directors. The explanatory statement required by the Listing Rules is set out in Appendix I to this circular.

LETTER FROM THE BOARD

Each of the Issuance Mandate and Repurchase Mandate, if approved, will continue in force until the earliest of: (i) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any other applicable laws of the Cayman Islands to be held; or (iii) the revocation and variation of the authority given under such resolution by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company following the Annual General Meeting.

AMENDMENTS TO THE SHARE AWARD SCHEME

Reference is made to the Company's announcement dated 29 June and 25 July 2023 in relation to, among others, the proposed amendments to the Share Award Scheme.

The Company adopted the Share Award Scheme on 1 September 2020, upon the approval by the Board. Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes involving the grant of new shares or options over new shares of the listed issuer with effect from 1 January 2023. In light of the Listing Rules, the Board is pleased to announce that it has resolved on 29 June and 25 July 2023 to propose the proposed amendments to be made to the Share Award Scheme (the "**Proposed Amendments to the Share Award Scheme**") to bring it in line with the Listing Rules. As disclosed in Appendix III to this circular, the specific objectives of the Share Award Scheme are (i) to recognise the contributions by certain Eligible Participants and to provide them with incentives in order to retain them for the continuous operation, development and growth of the Group; and (ii) to attract suitable personnel for further development and growth of the Group.

Based on 1,012,257,000 Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date, the maximum number of Shares issuable pursuant to the amended Share Award Scheme and any other schemes of the Company in aggregate will be 101,225,700 Shares, being 10% of the total number of Shares in issue on the Amendment Date. In the event the Proposed Amendments to the Share Award Scheme is approved by the Shareholders, the Awards granted prior to such amendment shall continue to be valid in accordance with the previous terms of the Share Award Scheme. As of the Latest Practicable Date, no Awards have been granted and outstanding under the Share Award Scheme.

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Key Changes Entailed by the Proposed Amendments to the Share Award Scheme

The key changes entailed by the Proposed Amendments to the Share Award Scheme are set out below:

- (a) to revise the scope of Eligible Participants;
- (b) to adopt the Scheme Mandate Limit, being 101,225,700 Shares excluding the share awards and/or options lapsed under the Share Incentive Schemes, on the basis that there are a total of 1,012,257,000 Shares in issue at the Latest Practicable Date and assuming that no other Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting;
- (c) to bring the requirement of independent Shareholders' approval for refreshment of the Scheme Mandate Limit;
- (d) to bring the requirement of individual limits for grant of awards to the Eligible Participants;
- (e) to elaborate on the scope of criteria for performance targets attached to the awards granted, including a mixture of key performance indicators components;
- (f) to provide the grant of awards to certain Eligible Participants may be subject to a vesting period shorter than 12 months under specific circumstances;
- (g) to bring the requirement for Shareholders' approval for any amendments to the provisions of the Share Award Scheme in line with Chapter 17 of the Listing Rules;
- (h) to include the necessary carve-outs on the transferability of the awards; and
- (i) to include other amendments for house-keeping purposes and to better align the wording of the Share Award Scheme with that of the Listing Rules.

Basis of Eligibility of the Eligible Participants under the Share Award Scheme

Eligible Participants under the Share Award Scheme, as amended, include any (i) Director of the Company or employee of the Group (including persons who are granted awards under the Share Award Scheme as an inducement to enter into employment contracts with the Group) (the "**Employee Participants**"); and (ii) director or employee of the holding companies, fellow subsidiaries or associated companies of the Company (the "**Related Entity Participants**").

The basis of eligibility of Employee Participants to the grant of any Awards shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group, the position and responsibilities, expected work performance and quality and relevant factors relevant to the potential Employee Participants, such as the level and

LETTER FROM THE BOARD

importance of the potential Employee Participants and the expected responsibilities that such potential Employee Participants shall take, as well as the key performance indicators expected to be achieved by such potential Employee Participants. In particular, the Board will take into account the Group's need to further develop and grow.

The basis of eligibility of Related Entity Participants to the grant of any Awards shall be determined by the Board from time to time on the basis of, among others, the business needs, the industry norm, their participation and contribution to the development of the Group and/or the extent of benefits and synergies brought to the Group, the length of engagement with the Group, and time commitment made in the past or to be expected in the future.

View of Independent Non-executive Directors on Inclusion of Related Entity Participants as Eligible Participants

The Directors (including the independent non-executive Directors) consider that it is beneficial to include the Related Entity Participants since a sustainable and stable relationship with them is helpful to the business development of the Group and that the grant of Awards to these Related Entity Participants will align their interests with the Group's interests, incentivising them to provide better services to, create more opportunities for and/or contribute to the development, growth and success of the Group in the long run. The Directors (including the independent non-executive Directors) consider that the grant of Awards to these Related Entity Participants fits the purpose of the Share Award Scheme and it is in the best interest of the Company and its Shareholders.

Despite the Company has not granted options or awards to any related entity participants historically, the Board (including independent non-executive Directors) consider that the proposed category of the Related Entity Participants serves for maintaining or enhancing the competitiveness of the Group, considering that it is in line with (i) the Company's business needs, i.e. despite the Related Entity Participants may not be directly appointed or employed by the members of the Group (who would otherwise be categorised as Employee Participants), they are nonetheless potential valuable human resources to the Group, given their extensive connections in the market, knowledge and expertise of the industry, close corporate and collaborative relationships with the Group, as well as their involvement in joint work projects in close connection with the Group's business, and (ii) the industry norm, and it enables the Company to preserve flexibility using share incentives to encourage the Related Entity Participants to contribute to the Group and align the mutual interests between the Related Entity Participants and the Group.

Despite the inclusion of the Related Entity Participants, the Board will take into various factors, especially their contribution to the Group, when assessing whether to grant any Awards to any Related Entity Participants. It is expected that such grants will be strictly confined to the extent necessary, and with certain contribution targets as the vesting conditions where necessary.

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Adoption Conditions for the Proposed Amendments to the Share Award Scheme

The adoption of the Proposed Amendments to the Share Award Scheme is conditional upon the fulfilment of the following conditions:

- (a) the passing of the ordinary resolutions by the Shareholders at the Annual General Meeting to (i) approve the Proposed Amendments to the Share Award Scheme; and (ii) approve the Scheme Mandate Limit; and
- (b) the Company having obtained the Listing Approval.

In relation to the condition set out in (a) above, ordinary resolutions will be proposed at the Annual General Meeting for the Shareholders to consider and, if thought fit, approve, *inter alia*, the Proposed Amendments to the Share Award Scheme and the Scheme Mandate Limit. No Shareholder is required to abstain from voting on the relevant resolution to approve the Proposed Amendments to the Share Award Scheme at the Annual General Meeting. In relation to the condition set out in (b) above, an application will be made to the listing committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may be issued by the Company pursuant to the exercise of any awards and/or share options up to 10% of the Shares in issue as at the Amendment Date.

A summary of the principal amended terms of the Share Award Scheme to be approved at the Annual General Meeting is set out in Appendix III to this circular.

In addition, the Company has previously adopted the share option schemes, the details of which are set out in the paragraph headed “D. Share Option Scheme” in Appendix IV to the prospectus of the Company dated 31 March 2017, which was conditionally approved and adopted by a resolution of the then Shareholders on 23 March 2017. The scope of the eligible persons under the Share Option Scheme includes (i) any director (whether executive or non-executive or independent non-executive), employee (whether full time or part time), officer, consultant, customer, supplier, agent, partner or adviser of or contractor to our Group or any entity in which the Company or any subsidiary holds any interest (“**Invested Entity**”); (ii) any discretionary trust the discretionary objects of which include any director (whether executive or non-executive or independent non-executive), employee (whether full time or part time), officer, consultant, customer, supplier, agent, partner or adviser of or contractor to our Group or any Invested Entity; and (iii) any corporation wholly-owned by any person mentioned in (i) above.

As of the Latest Practicable Date, options for 33,000,000 Shares were granted to eligible persons in accordance with the terms of the Share Option Scheme, including (i) options for 10,434,000 outstanding Shares which have been vested; (ii) options for 3,321,000 Shares which have not been vested yet; (iii) options for 3,937,000 Shares which have been exercised and (iv) options for 15,308,000 Shares which have lapsed/cancelled.

Pursuant to the Consultation Conclusion and the frequently asked questions No. 099-2022 with respect to the amendments to Listing Rules relating to share schemes of listed issuers

LETTER FROM THE BOARD

released by the Stock Exchange on 29 July 2022, the new definition of eligible participants as stated in Rule 17.03A (“**Defined Eligible Participants**”) shall be applied to the share schemes and any share grants after 1 January 2023, listed issuers may continue to make share grants under share option scheme adopted prior to 1 January 2023 (“**Existing Scheme**”) using existing scheme mandate only to the Defined Eligible Participants after 1 January 2023. If the listed issuer refreshes the scheme mandate of its Existing Schemes, it must follow the amended Chapter 17 and where appropriate, amend the terms of its Existing Schemes. The Directors duly noted the abovementioned rule requirements with respect to future grants under the Share Option Scheme and shall comply with such rule requirements accordingly.

ADOPTION OF THE SCHEME MANDATE LIMIT

Reference is made to the announcement of the Company dated 1 September 2020 in relation to the adoption of the Share Award Scheme and the paragraph headed “D. Share Option Scheme” in Appendix IV to the prospectus of the Company dated 31 March 2017 in relation to the Share Option Scheme. Pursuant to the revised Listing Rules and the Consultation Conclusions, the Board is required to set a Scheme Mandate Limit of not exceeding 10% of the issued Shares for Share Incentive Schemes.

In light of the above, the Board has resolved to propose the adoption of the Scheme Mandate Limit, being a scheme mandate limit of not exceeding 10% of the total number of Shares in issue as at the date of the Shareholders’ approval for the Share Incentive Schemes (which includes new Shares and options over new Shares made pursuant to the Share Incentive Schemes adopted by the Company from time to time). The Scheme Mandate Limit shall be 101,225,700 Shares excluding the share awards and/or options lapsed under the Share Incentive Schemes, on the basis that there are a total of 1,012,257,000 Shares in issue at the Latest Practicable Date and assuming that no other Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting.

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 a multiple of three (3), 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 at the annual general meeting. Accordingly, Mr. Liu Yui Ting Raymond, Mr. Chan Siu Ming Simon and Mrs. Wong Hung Flavia Yuen Yee will retire from office as Directors at the Annual General Meeting and, being eligible, offer themselves for re-election.

Details of each of the above Directors who offer themselves for re-election that are required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

The Company’s nomination committee has reviewed the qualifications, skills and experience of the retiring Directors and is of the view that they can contribute the appropriate

LETTER FROM THE BOARD

knowledge, expertise and diversity in perspectives to the Board and recommended to the Board on the proposed re-election of all the retiring Directors.

RE-APPOINTMENT OF AUDITOR

The Board (which agreed with the view of the Audit Committee of the Company) recommended that, subject to the approval of the Shareholders at the Annual General Meeting, Deloitte Touche Tohmatsu be re-appointed as the Auditor of the Company for the financial year ending 31 March 2024.

ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

A notice of the Annual General Meeting is set out on pages 31 to 36 of this circular. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the Annual General Meeting.

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the Annual General Meeting, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

DOCUMENTS ON DISPLAY

Copies of the terms and conditions for the Share Award Scheme (as proposed to be amended) will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the Annual General Meeting. In addition, such terms and conditions for the Share Award Scheme (as proposed to be amended), will be made available for inspection at the Annual General Meeting.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders of a company at a general meeting must be taken by poll. The chairman of the meeting will therefore demand a poll for every resolution put to the vote of the Annual General Meeting in accordance with the Articles of Association. Each Shareholder who has the right to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies, whether they are Shareholders or not, to attend and vote at the Annual General Meeting on his behalf.

LETTER FROM THE BOARD

The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.edvanceintl.com).

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable 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 all the proposed resolutions, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

GENERAL

Your attention is drawn to the information set out in the appendices to this circular.

Yours faithfully,

By Order of the Board

Edvance International Holdings Limited

Liu Yui Ting Raymond

Chairman, Chief Executive Officer and Executive Director

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to the Shareholders for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the Company has a total of 1,012,257,000 Shares in issue. Subject to the passing of the relevant resolution(s) as set out in the notice of the Annual General Meeting and assuming that no further Shares are issued or repurchased by the Company, the Directors will be authorised to repurchase up to 101,225,700 Shares (being 10% of the number of issued Shares as at the date of the Annual General Meeting) pursuant to the Repurchase Mandate during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date on which the next annual general meeting of the Company is required by law to be held; and (iii) the revocation and variation of the Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR REPURCHASES

The Directors believe that the grant of the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. The Repurchase Mandate will give the Company the flexibility to repurchase Shares as and when appropriate. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchase will benefit the Company and the Shareholders as a whole.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase Shares in circumstances where they consider that the repurchase would be in the best interest of the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such repurchase in accordance with the Articles of Association, the Listing Rules, the laws of the Cayman Islands and other applicable laws. Repurchases pursuant to the Repurchase Mandate will be made out of funds of the Company legally permitted to be utilised in this connection, including the funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of Shares made for such purpose.

4. IMPACT ON WORKING CAPITAL OR GEARING POSITION

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited accounts contained in the annual report of the Company for the year ended 31 March 2023) in the event

that the Repurchase Mandate were to be carried out in full at any time during the share repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

5. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, none of the Directors nor, any of their close associates have a present intention to sell Shares to the Company if the Repurchase Mandate is approved by the Shareholders.

No core connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Company is authorised to make repurchases of Shares.

6. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Takeovers Code, the Articles of Association and the applicable laws of the Cayman Islands.

7. EFFECT OF THE TAKEOVERS CODE

If, as a result of a repurchase of Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, the Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code or result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares (whether on the Stock Exchange or otherwise) have been made by the Company since the last annual general meeting up to the Latest Practicable Date.

9. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous 12 months up to the Latest Practicable Date were as follows:

	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
July	0.68	0.64
August	0.68	0.63
September	0.80	0.63
October	0.80	0.66
November	0.80	0.78
December	0.80	0.66
2023		
January	0.80	0.66
February	0.76	0.63
March	0.79	0.71
April	0.76	0.69
May	0.80	0.65
June	0.84	0.74
July (up to the Latest Practicable Date)	0.78	0.69

The biographical details of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

EXECUTIVE DIRECTOR

Mr. Liu Yui Ting Raymond (廖銳霆) (“**Mr. Raymond Liu**”), aged 54, was appointed as the chairman of the Company, re-designated as an executive Director on 21 November 2016, and was appointed as the chief executive officer of the Company on 18 September 2020. He is one of the founders of the Group and has been directors of certain subsidiaries of the Company. Mr. Raymond Liu is responsible for the overall business development, strategic planning and major decision-making of the Group. Mr. Raymond Liu is also a shareholder and director of Success Vision International Group Limited (“**Success Vision**”), the controlling shareholder of the Company, which is beneficially interested in approximately 56.31% of the total issued share capital of the Company.

Mr. Raymond Liu has over 30 years of experience in the IT industry. Mr. Raymond Liu was an analyst programmer of PowerGen Plc, a power generation company, from August 1991 to January 1994, and he was responsible for IT application development. Mr. Raymond Liu then worked at Hewlett-Packard Hong Kong Ltd (“**HP Hong Kong**”), from October 1994 to October 2000, and he last served as a consultant responsible for managing large scale IT bids and projects implementation. He was a vice president of e2 Tech Advisory Group Limited, a subsidiary of e2-Capital (Holdings) Limited (currently known as FDG Kinetic Limited) (stock code: 378) and principally engaged in financing, securities trading and asset investments, from October 2000 to March 2001, and was responsible for managing business and technology consulting projects. He was the vice president of Ebizal Consulting (Hong Kong) Limited from April 2001 to November 2001, and he was responsible for overseeing the business and technology consulting team.

Mr. Raymond Liu graduated from University of Strathclyde in the United Kingdom with a bachelor of engineering degree in information engineering in July 1991.

As at the Latest Practicable Date, Mr. Raymond Liu is deemed to be interested in (i) 570,000,000 Shares, representing approximately 56.31% of the total number of issued Shares through his 82.5% interests in Success Vision; and (ii) 5,500,000 underlying Shares, representing a total of 5,500,000 share options of the Company granted to him under the Share Option Scheme, representing approximately 0.54% of the total number of issued Shares, within the meaning of Part XV of the SFO.

Mr. Raymond Liu had entered into a service contract with the Company for a term of three (3) years commencing from 19 April 2017 and renewable automatically for successive terms of one (1) year each commencing from the day next after the expiry of the then current term of the appointment, subject to retirement and re-election in accordance to the Articles of Association and the Listing Rules and terminated by either the Company or himself giving each other one month notice in writing. Under the service contract, Mr. Raymond Liu is entitled to receive

director's emoluments and a discretionary bonus per annum which would be determined by reference to various factors such as duties and responsibilities of Mr. Raymond Liu and the Group's performance for the financial year concerned. Mr. Raymond Liu received emoluments of approximately HK\$2,598,000, equity settled share-based expenses of approximately HK\$432,000, and discretionary bonus of approximately HK\$840,000 for the financial year ended 31 March 2023 for his various management positions held in the Group. Any future emoluments to be paid to Mr. Raymond Liu shall be determined and approved by the remuneration committee of the Company based on the responsibilities and performance of Mr. Raymond Liu and prevailing market conditions and will be disclosed in due course.

Save as disclosed above, Mr. Raymond Liu does not have any relationship with any existing Directors, senior management of the Group, substantial Shareholders or controlling Shareholders. He has not held any directorship in other public listed companies in the past three years prior to the Latest Practicable Date.

There is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to Mr. Raymond Liu that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan Siu Ming Simon (陳兆銘) (“**Mr. Simon Chan**”), aged 55, was appointed as an independent non-executive Director on 23 March 2017. He is a member of our remuneration committee and audit committee and is the chairman of our nomination committee.

Mr. Simon Chan has over 19 years of experience in the legal industry. He was admitted as a solicitor in Hong Kong in November 2003. He joined Baker Mckenzie as a trainee solicitor in September 2001 and became an associate from September 2003 to January 2008. Mr. Simon Chan joined Langham Hospitality Group as the vice president of the legal department in January 2008 and become the head of the legal department since 26 February 2019.

Mr. Simon Chan graduated from The University of British Columbia in Canada with a bachelor of applied science degree in electrical engineering in May 1991. He further obtained a master of business administration degree from University of Surrey in the United Kingdom through distance learning in October 1998. He was awarded a postgraduate certificate in laws from The University of Hong Kong in June 2001, and earned a bachelor of laws degree from The Manchester Metropolitan University in the United Kingdom through part-time study in September 2002.

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

Mr. Simon Chan had entered into a letter of appointment with the Company for a term of three (3) years and renewable automatically for successive terms of one (1) year each

commencing from the day next after the expiry of the then current term of the appointment, subject to retirement and re-election in accordance to the Articles of Association and the Listing Rules and terminated by either the Company or himself giving each other a three months' notice in writing.

Mr. Simon Chan is entitled to an annual director's fee of HK\$204,000 for the financial year ended 31 March 2023, which is determined with reference to overall performance and his duties and responsibilities with the Company. The remuneration committee of the Company will review his salary and then make recommendation to the Board.

After due and careful consideration, the Board considers that Mr. Simon Chan continues to be independent and is able to carry out his duties as an independent non-executive Director for the following reasons:

- (a) Mr. Simon Chan confirmed his independence in respect of each of the factors set out in Rule 3.13 of the Listing Rules;
- (b) Mr. Simon Chan has demonstrated continued independent judgement which contributes positively to the development of the Company's strategy and policies;
- (c) Mr. Simon Chan has not had and does not have any executive or management role or functions in the Company and its subsidiaries, nor has he been employed by any member of the Group;
- (d) Mr. Simon Chan does not receive any remuneration from the Company apart from Director's fees and does not participate in the Group's staff incentive plan or pension scheme;
- (e) Mr. Simon Chan does not receive any remuneration from a third party in relation to his directorship;
- (f) Mr. Simon Chan does not have any financial, business, family or other material relationships with the Group, its management, advisers and business;
- (g) Mr. Simon Chan does not hold any cross directorships or other significant links with other directors through involvement with other companies; and
- (h) Mr. Simon Chan holds less than 1% of the total issued share capital of the Company;

After due and careful consideration, the Board considers Mr. Simon Chan suitably independent to carry out his duties as an independent non-executive Director.

Save as disclosed above, Mr. Simon Chan does not have any relationship with any existing Directors, senior management of the Group, substantial Shareholders or controlling

Shareholders. He has not held any directorship in other public listed companies in the past three years prior to the Latest Practicable Date.

There is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to Mr. Simon Chan that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Mrs. Wong Hung Flavia Yuen Yee (黃洪琬貽) (“Ms. Flavia Hung”) (also known as Ms. Hung Yat Yee Flavia 洪逸儀), aged 56, was appointed as an independent non-executive Director on 23 March 2020. She is a member of our nomination committee and audit committee and is the chairman of our remuneration committee.

Ms. Flavia Hung has around 30 years of finance and management experience. Prior to joining the Company, Ms. Flavia Hung was a financial planner of AIA International Limited from March 2018 to May 2021. Ms. Flavia Hung has worked at different Hong Kong listed companies over the years, Ms. Flavia Hung worked (i) as the chief investment officer at Combest Holdings Limited (Stock Code: 8190) from February 2010 to September 2017; (ii) as an executive director of Man Sang International Limited (stock code: 938) from August 2008 to August 2009. Ms. Flavia Hung has also worked at GCS-CIMB Securities (Hong Kong) Limited (formerly known as CIMB-GK Securities (HK) Limited), DBS Asia Capital Limited, Vickers Ballas Capital Limited, and the listing division of the Stock Exchange. Since April 2022, Ms. Flavia Hung has also been appointed as an independent non-executive director of One Media Group Limited (Stock code: 426), a company whose shares are listed on the main board of the Stock Exchange.

Ms. Flavia Hung holds a bachelor’s degree in business administration from California State University, Los Angeles, USA.

As at the Latest Practicable Date, Ms. Flavia Hung did not have any interest in the Shares within the meaning of Part XV of the SFO.

Ms. Flavia Hung had entered into a letter of appointment with the Company for a term of three (3) years and renewable automatically for successive terms of one (1) year each commencing from the day next after the expiry of the then current term of the appointment, subject to retirement and re-election in accordance to the Articles of Association and the Listing Rules and terminated by either the Company or herself giving each other a three months’ notice in writing.

Ms. Flavia Hung is entitled to an annual director’s fee of HK\$204,000 for the financial year ended 31 March 2023, which is determined with reference to overall performance and her duties and responsibilities with the Company. The remuneration committee of the Company will review her salary and then make recommendation to the Board.

After due and careful consideration, the Board considers that Ms. Flavia Hung continues to be independent and is able to carry out her duties as an independent non-executive Director for the following reasons:

- (a) Ms. Flavia Hung confirmed her independence in respect of each of the factors set out in Rule 3.13 of the Listing Rules;
- (b) Ms. Flavia Hung has demonstrated continued independent judgement which contributes positively to the development of the Company's strategy and policies;
- (c) Ms. Flavia Hung has not had and does not have any executive or management role or functions in the Company and its subsidiaries, nor has she been employed by any member of the Group;
- (d) Ms. Flavia Hung does not receive any remuneration from the Company apart from Director's fees and does not participate in the Group's staff incentive plan or pension scheme;
- (e) Ms. Flavia Hung does not receive any remuneration from a third party in relation to her directorship;
- (f) Ms. Flavia Hung does not have any financial, business, family or other material relationships with the Group, its management, advisers and business;
- (g) Ms. Flavia Hung does not hold any cross directorships or other significant links with other directors through involvement with other companies; and
- (h) Ms. Flavia Hung holds less than 1% of the total issued share capital of the Company;

After due and careful consideration, the Board considers Ms. Flavia Hung suitably independent to carry out her duties as an independent non-executive Director.

Save as disclosed above, Ms. Flavia Hung does not have any relationship with any existing Directors, senior management of the Group, substantial Shareholders or controlling Shareholders. She has not held any directorship in other public listed companies in the past three years prior to the Latest Practicable Date.

There is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to Ms. Flavia Hung that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

The following is a summary of the principal amended terms of the Share Award Scheme to be approved at the Annual General Meeting. The Directors reserve the right at any time prior to the Annual General Meeting to make such amendments to the Share Award Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix III.

1. PURPOSE OF THE SHARE AWARD SCHEME

The specific objectives of the Share Award Scheme are (i) to recognise the contributions by certain Eligible Participants and to provide them with incentives in order to retain them for the continual operation, development and growth of the Group; and (ii) to attract suitable personnel for further development and growth of the Group.

2. ADMINISTRATION

The Share Award Scheme shall be subject to the administration of the Board in accordance with the terms of the Share Award Scheme. The Board may by resolution delegate any or all of its powers in the administration of the Share Award Scheme and appoint any Director or sub-committee of the Board to form an administration committee or any other committee or sub-committee or any person(s) as may from time to time be authorised by the Board for such purpose. The decision of the Board with respect to any matter arising under the Share Award Scheme (including the interpretation of any terms) shall be final and binding.

3. ELIGIBLE PARTICIPANTS

The Eligible Participants include any of the following persons determined by the Board from time to time:

- (i) Director of the Company or employee of the Group (including persons who are granted awards under the Share Award Scheme as an inducement to enter into employment contracts with the Group) (“**Employee Participant**”) on the basis of their contribution to the development and growth of the Group, the position and responsibilities, expected work performance and quality and relevant factors relevant to the potential Employee Participant, such as the level and importance of the potential Employee Participant and the expected responsibilities that such potential Employee Participant shall take, as well as the key performance indicators expected to be achieved by such potential Employee Participant. In particular, the Board will take into account the Group’s need to further develop and grow; and
- (ii) director or employee of the holding companies, fellow subsidiaries or associated companies of the Company (“**Related Entity Participant**”) on the basis of, among others, the business needs, the industry norm, their participation and contribution to

the development of the Group and/or the extent of benefits and synergies brought to the Group, the length of engagement with the Group, and time commitment made in the past or to be expected in the future.

4. SCHEME LIMIT

The Company shall not make any further grant of Awards which will result in the aggregate number of Shares underlying all grants made pursuant to the Share Award Scheme after the Amendment Date and all other Share Incentive Schemes, to exceed 10% of the total number of Shares in issue as at the Amendment Date, namely the Scheme Mandate Limit, which shall be 101,225,700 Shares excluding the share awards and/or options lapsed under the Share Incentive Schemes, on the basis that there are a total of 1,012,257,000 Shares in issue at the Latest Practicable Date and assuming that no other Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting.

The Company may seek the approval of the Shareholders in general meeting to refresh the Scheme Mandate Limit after three years from the date of the Shareholders' approval for the last refreshment (or the date of the adoption or amendment of the Share Award Scheme, whichever is later), such that the aggregate number of Shares underlying all grants made pursuant to the Share Award Scheme and other Share Incentive Schemes shall not exceed 10% of the total number of Shares in issue as of the date of approval of the refreshed limit.

In the event that the Scheme Mandate Limit is refreshed within three years from the date of the Shareholders' approval for the last refreshment (or the Amendment Date, whichever is later), the Company may seek the approval of the Shareholders in general meeting, provided that the Controlling Shareholders and their respective associates (or if there is no Controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of such resolutions at the relevant general meeting, and the Company must comply with the relevant requirements under the Listing Rules.

The maximum number of Shares issued and to be issued in respect of all grants made under any Share Incentive Schemes (granted and proposed to be granted, whether exercised, cancelled or outstanding, excluding options or awards lapsed in accordance with any Share Incentive Schemes) to a Grantee in the 12-month period up to and including the date of grant of the relevant Awards shall not exceed 1% of the total number of Shares in issue, unless separately approved by the Shareholders in general meeting with such Grantee and his/her/its close associates (or associates if the Grantee is a connected person) abstaining from voting. The number and terms of the Awards to be granted to such Grantee must be fixed before the Shareholders' approval.

The approval of independent non-executive Directors (excluding any independent non-executive Directors who is a proposed Grantee) is required for each grant of Awards to any

Director, chief executive of the Company, or Substantial Shareholder or their respective associates.

Where any grant of Awards (excluding grant of options) to a Director (other than an independent non-executive Director) or chief executive of the Company or any of their associates would result in the total number of Shares issued and to be issued in respect of all awards granted under any share award scheme(s) of the Company (granted and proposed to be granted, whether exercised, cancelled or outstanding, excluding any awards lapsed in accordance with the respective share award scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of Shares in issue, such further grant of Awards must be approved by the Shareholders in general meeting and shall comply with the requirements of Rule 17.04 of the Listing Rules.

Where any grant of Awards and share options of the Company to a Substantial Shareholder or an independent non-executive Director, or their respective associates would result in the total number of Shares issued and to be issued in respect of all grants made under any Share Incentive Schemes (granted and proposed to be granted, whether exercised, cancelled or outstanding, excluding options or awards lapsed in accordance with any Share Incentive Schemes) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of Shares in issue, such further grant of Awards and share options of the Company must be approved by the Shareholders in general meeting and shall comply with the requirements of Rule 17.04 of the Listing Rules.

5. OPERATION

According to the Share Award Scheme, any Awarded Shares shall be new Shares to be allotted and issued to the Grantee by the Company pursuant to a valid mandate granted by the Shareholders in general meeting(s) of the Company from time to time pursuant to the Listing Rules.

The Company shall comply with the relevant Listing Rules and the Articles of Association when allotting and issuing any new Shares and application shall be made to the Stock Exchange for the grant of the approval for the listing of, and permission to deal in, the new Shares to be issued to the Grantees. Such issue and allotment of new Shares pursuant to the Share Award Scheme should only be made upon fulfilment of the following conditions: (i) the Company having obtained the Shareholders' approval in general meeting under a valid mandate to authorise the Directors to allot and issue new Shares for the Share Incentive Schemes, provided that the total number of Shares to be allotted and issued to the Grantees shall not exceed the Scheme Mandate Limit; and (ii) the listing committee of the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Shares which may be allotted and issued by the Company to the Grantees. For the avoidance of doubt, the Awards under the Share Award Scheme will be satisfied with new Shares to be allotted and issued under the Scheme Mandate Limit, and will not be satisfied with existing issued Shares.

6. GRANT

Subject to the terms of the Share Award Scheme and during the Scheme Period, the Board may, from time to time, at its absolute discretion select any Eligible Participant for participation in the Share Award Scheme as a Grantee, and grant such number of Awards to any Grantee at such consideration and in such number and on and subject to such terms and conditions as it may at its absolute discretion determine. Except for such consideration which shall be paid by the Awardee to the Company (where applicable) in such manner and on or before such deadline(s) as prescribed in the grant notice by the Grantee who accepts the offer of the Award (the “Awardee”) to the Company where applicable, no other purchase price shall be paid for the Awards or the Awarded Shares.

The grant price under the Share Award Scheme shall be determined by the Company with reference to other cases of listed companies, taking into account factors such as the implementation effect of the Company’s historical share-based incentive scheme, the trend of the Company’s Share price in recent years and the actual situation of the Company. The purpose of the above pricing method is to ensure the effectiveness of the Share Award Scheme, further stabilise and motivate the employees, and provide mechanism and talent guarantee for the long-term and stable development of the Group. The pricing shall comprehensively consider the effectiveness of the Share Award Scheme and the impact of the Company’s expenses, and will not have a negative impact on the Company’s operation, reflecting the actual incentive needs of the Company and is reasonable.

The major purpose of the Share Award Scheme is to attract, retain and incentivise outstanding talents for the Group. In order for the Share Award Scheme to achieve its objective of motivating and incentivising the participants, the grant price would necessarily be of a discount to the then current Share price of the Company.

Prior to the Vesting Date, any Award made under the terms of the Share Award Scheme shall be personal to the Awardee to whom it is made and shall not be assignable and no Awardee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Awarded Shares granted to him/her/it pursuant to such Award, unless a waiver is granted by the Stock Exchange. Any breach of the foregoing by an Awardee shall entitle the Company to cancel any outstanding Awards or part thereof of such Awardee without incurring any liability on the part of the Company.

7. VESTING SCHEDULE AND PERFORMANCE TARGETS FOR AWARDS

Vesting of the Awards shall be subject to the performance criteria to be satisfied by the Awardee as determined by the Board and/or the Remuneration Committee from time to time. The performance criteria may comprise a mixture of attaining a satisfactory key performance indicators component (including, without limitation, the business performance and financial performance of the Group and/or department by reference to annual corporate targets and/or goals attained, market capitalisation milestones and individual performance based on the

periodic performance assessment and annual review results) which may vary among the Awardees.

The Board will carefully assess the performance and contribution of a Grantee and will impose vesting conditions with performance targets at the Company level and individual level on a case-by-case basis to ensure that the vesting of the Awards would be beneficial to the Group. The performance targets at the Company level will take into account the profit, growth and development of the Group, the key performance indicators of which will tentatively tie to the phased revenue, profits, cashflow, economic value added, share price or operating development of the Group and such other goals as the Board may determine from time to time. The performance targets at the individual level will take into account position and responsibilities, work performance and quality, attitude, capabilities, teamwork and other relevant factors specific to the Grantee. For position and responsibilities, the Board will take into account the level and importance of the Grantee and the expected responsibilities that such Grantee shall take. For work performance and quality, the Board will take into account the key performance indicators expected to be achieved by such Grantee. For attitude, the Board will consider whether such Grantee is disciplined, professional and responsible. For capabilities, the Board will take into account the work capabilities and independent and creative thinking skills of such Grantee. For teamwork, the Board will take into account the communication skills of such Grantee and whether such Grantee is a team player. The Board will also take into account other relevant factors specific to the Grantee as appropriate.

There is no specified performance target which must be achieved by the Grantee under the Share Award Scheme before an Award is vested, save as otherwise imposed by the Board as it thinks fit in the relevant Award made pursuant to the Share Award Scheme.

The Awards granted shall be subject to a vesting period as determined by the Board, which shall be at least 12 months commencing from the date of the grant notice. A shorter vesting period of the Awards may be granted to an Employee Participant Grantee at the discretion of the Board and/or the Remuneration Committee as deemed appropriate at the absolute discretion of the Board and/or the Remuneration Committee if:

- (a) the Awards granted to the Grantee are grants of “make-whole” Awards to the Grantees upon joining the Group to replace the share awards they forfeited when leaving the previous employer, such that the vesting period of such Awards granted under the Share Award Scheme shall be apportioned rateably based on the vesting period applicable to such Grantee’s unvested outstanding share awards granted by his/her previous employer;
- (b) the unvested Awards granted to the Grantee may vest in the Grantee or the legal personal representatives of the Grantee (in the case of his/her death) within a period of 12 months from the date of termination of the employment of the Grantee if such termination is due to disability or death of the Grantee, provided that the Grantee had been continuously an Employee Participant from the date of the notice sent by the

Board to such Grantee in relation to the grant of Award until the date of termination of employment of such Grantee (such unvested Awards shall be deemed to be vested on the day immediately prior to such disability or death of the Grantee);

- (c) in the event that it is not practicable for the Grantee to be granted the Award in a planned grant period due to legal or regulatory restrictions, such that the Awards which should have been granted earlier (the “**Delayed Grant**”) are granted together with a subsequent batch of Awards to the remaining Grantees during a calendar year, the vesting period for the Awards under the Delayed Grant can be shorter than 12 months from the date of grant to reflect the time from which such Awards would have been granted;
- (d) grants with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months; or
- (e) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

Save for the abovementioned circumstances that a shorter vesting period of Awards may be granted to an Employee Participant, there is no other circumstances where the Board could make Awards with vesting period less than 12 months from the date of the grant notice.

Shares underlying any Awards granted under the Share Award Scheme that lapse for any reason without such Awards having been exercised and Shares underlying the unexercised portion of any Awards in case of partial exercise of such Awards will, to the extent not prohibited by applicable laws and regulations, be available for subsequent Awards to be granted under the Share Award Scheme. Subject to the terms of the Share Award Scheme and the fulfilment of all vesting conditions and vesting period applicable to the Awards on such Awardee and all requirements applicable to such Awardee as specified in the Share Award Scheme and the relevant grant notice, the respective Awards granted to the Awardee pursuant to the terms of the Share Award Scheme shall vest in such Awardee in accordance with the vesting schedule as set out in the grant notice.

8. LAPSE OF AWARDS

Upon the occurrence of any of the following events in relation to an Awardee, all the Awards to such Awardee not vested shall lapse automatically, and the Company shall clawback the gain of the Awardee derived from the Awards not vested:

- (a) the date for Clawback Events (as defined below);
- (b) the date of the commencement of the winding-up of the Company; or

- (c) the non-fulfilment of any condition of the Share Award Scheme on or before the date stated therein.

The Company shall owe no liability to any Awardee for the lapse of any Award under this paragraph.

9. CANCELLATION OF THE AWARDS

If the Company cancels the Awards granted to a Grantee and makes a new grant to the same Grantee, such new grant may only be made under the Share Award Scheme with available Scheme Mandate Limit approved by the Shareholders in accordance with the Share Award Scheme and granted in compliance with the terms of the Share Award Scheme, the Listing Rules and the applicable laws. The Awards so cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

10. DISQUALIFICATION OF GRANTEE OR AWARDEE AND CLAWBACK MECHANISM

If prior to or on the Vesting Date, an Awardee shall cease to be an Eligible Participant, as determined by the Board from time to time at its absolute discretion, due to the following circumstances (“**Clawback Event**”):

- (a) where (i) the Awardee is a director or an employee of the Group, and (ii) his/her office or employment (as the case may be) ceases for any reason other than death or becoming permanently disabled; or
- (b) where:
 - (i) the Awardee or Grantee has committed any other act of fraud or dishonesty or serious misconduct, whether or not in connection with his/her/its office or employment or engagement by any member of the Group and whether or not it has resulted in his/her/its office or employment or engagement being terminated by the relevant member of the Group, or has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his/her/it debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his/her/its creditors generally or an administrator has taken possession of any of his/her/its assets, or has been convicted of any criminal offence (other than minor offences), or has been convicted of or is being held liable for any offence under or any breach of the Securities and Futures Ordinance or other securities laws or regulations in Hong Kong or the provisions of the articles of association of the Company;
 - (ii) the Awardee has failed to perform his/her/its duties effectively or is involved in serious misconduct or malfeasance in relation to the businesses of the Group;

- (iii) the Awardee has failed to discharge, or to discharge properly, his/her/its duties and thereby resulting in serious loss to the Company and/or other serious and adverse consequences;
- (iv) the Awardee or his/her/its associate has committed any breach of any contract entered into between the Awardee or his/her/its associate on the one part and the Group on the other part, or that the Awardee has committed any act of bankruptcy or has become insolvent or is subject to any bankruptcy winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his/her/its creditors generally;
- (v) the Board at its absolute discretion determines that the Awardee has been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade or technical secrets, conducted connected transactions or other unlawful acts or misconducts, which prejudiced the interest and reputation of or caused significant negative impact to the image of the Group; or
- (vi) the Board at its absolute discretion determines that the Awardee joins a competitor of the Group after leaving the Group or forming or is otherwise be engaged or interested in a competing business,

in any of the above cases, the Award granted to such Awardee shall lapse on or after the date on which the Board shall so determine, of which notice in writing shall be given to the Awardee.

11. AMENDMENT OF THE SHARE AWARD SCHEME OR THE AWARDS

The Share Award Scheme may be amended in any respect by resolution of the Board without the approval of the Shareholders in general meeting, provided that:

- (a) any amendment to the terms of the Share Award Scheme which are of a material nature or any amendment to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantees must be approved by the Shareholders in general meeting,
- (b) any change to the terms of the Awards granted to an Awardee must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be),
- (c) if the relevant requirements of Chapter 17 of the Listing Rules shall be in conflict with any of the terms of the Share Award Scheme or the Awards, the relevant requirements of Chapter 17 of the Listing Rules shall prevail, and

- (d) any change to the authority of the Directors to amend the terms of the Share Award Scheme must be approved by the Shareholders in general meeting.

Written notice of any amendment to the Share Award Scheme shall be given to all the Grantees and/or the Awardees.

NOTICE OF ANNUAL GENERAL MEETING



EDVANCE INTERNATIONAL HOLDINGS LIMITED

安領國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1410)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Annual General Meeting**”) of Edvance International Holdings Limited (the “**Company**”) will be held at 25th Floor, Tower 1, The Millennity, 98 How Ming Street, Kwun Tong, Kowloon, Hong Kong on Tuesday, 5 September 2023 at 10:30 a.m. (or any adjournment thereof) for considering and, if through fit, passing with or without amendment, the following resolutions:

ORDINARY RESOLUTIONS

1. To receive and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Director(s)**”) and the independent auditor of the Company (the “**Auditor**”) for the year ended 31 March 2023.
2.
 - (a) To re-elect Mr. Liu Yui Ting Raymond as an executive Director of the Company.
 - (b) To re-elect Mr. Chan Siu Ming Simon as an independent non-executive Director of the Company.
 - (c) To re-elect Mrs. Wong Hung Flavia Yuen Yee as an independent non-executive Director of the Company.
 - (d) To authorise the board of Directors (the “**Board**”) of the Company to fix the respective remuneration of the Directors.
3. To re-appoint Deloitte Touche Tohmatsu as the Auditor and to authorise the Board to fix its remuneration.

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

4. **“THAT:**

- (a) subject to paragraph (c) of this resolution, pursuant to the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with ordinary shares of HK\$0.01 each in the share capital of the Company (the “**Shares**”) or to make and/or grant offers, agreements and options (including warrants, bonds, notes and debentures convertible into Shares) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make and/or grant offers, agreements and options (including warrants, bonds, notes and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted, issued or dealt with, or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given under paragraph (a) of this resolution, otherwise than pursuant to: (i) a Rights Issue (as defined below); (ii) the exercise of the subscription or conversion rights attaching to any warrants, bonds, notes or any other securities issued by the Company which are convertible into Shares; (iii) the exercise of options granted by the Company under any share option scheme or similar arrangement for the time being adopted for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible person (if any) of Shares or rights to acquire Shares; or (iv) any scrip dividend or similar arrangements providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the articles of association of the Company; shall not exceed 20 percent of the aggregate number of Shares in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly;
- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

NOTICE OF ANNUAL GENERAL MEETING

(e) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; or
- (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company (the “**Shareholders**”) in a general meeting; and

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

5. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to repurchase Shares on the Stock Exchange or on any other stock exchange on which the securities of the Company may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws and the requirements of the Listing Rules or any other stock exchange (as amended from time to time), be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10 percent of the aggregate number of Shares in issue as at the date of passing of this resolution;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution:

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

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

6. “**THAT** conditional upon the passing of resolutions no. 4 and no. 5 set out in the notice convening the Annual General Meeting, the aggregate nominal amount of the number of Shares which are repurchased by the Company under the authority granted to the Directors as mentioned in the said resolution no. 5 shall be added to the aggregate nominal amount of share capital of the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to the approval in the said resolution no. 4.”

7. “**THAT** conditional upon the passing of ordinary resolution numbered 8,

- (i) the amendments to the share award scheme (the “**Share Award Scheme**”) adopted by the Company upon the approval by the Board on 1 September 2020, a copy of which is produced to this meeting, marked “A” and initialled by the chairman of the meeting for identification purpose, be and is hereby approved and adopted in all respects, and
- (ii) the Directors be and are hereby authorised to grant the awards thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the amended Share Award Scheme.”

NOTICE OF ANNUAL GENERAL MEETING

8. “**THAT** the Scheme Mandate Limit (as defined in the Share Award Scheme) on the total number of Shares that may be issued in respect of all options and awards to be granted to the eligible participants under all the share schemes of the Company, being 10% of the issued Shares as at the date of the Shareholders’ approval of the limit, be and is hereby approved and adopted.”

By Order of the Board
Edvance International Holdings Limited
Liu Yui Ting Raymond
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 2 August 2023

Registered office:
Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

*Head office and principal place of
business in Hong Kong:*
25th Floor, Tower 1
The Millennity
98 How Ming Street
Kwun Tong, Kowloon
Hong Kong

Notes:

- (1) A shareholder of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxy(ies) (if he/she/it is the holder of two or more shares) to attend and vote on poll instead of him/her at the Annual General Meeting that the appointment shall specify the number of shares in respect of which such proxy is so appointed. A proxy need not be a member of the Company.
- (2) 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 of such power of authority, must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not later than 48 hours before the time appointed for holding of the Annual General Meeting (i.e. 10:30 a.m. on Sunday, 3 September 2023) or any adjournment thereof (as the case may be).
- (3) Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting or at any adjournment thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (4) Where there are joint registered holders of any shares, any one of such joint holders may vote, either in person or by proxy in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the Annual General Meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall be accepted to the exclusion of the votes of the other joint registered holders.
- (5) In order to determine members who are entitled to attend and vote at the Annual General Meeting to be held on Tuesday, 5 September 2023, the register of members of the Company will be closed from Wednesday, 30 August 2023 to Tuesday, 5 September 2023, both days inclusive, during which period no transfer of shares can be registered. All transfers accompanied by the relevant share certificates must be lodged with the Company’s

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branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Tuesday, 29 August 2023.

- (6) Save for resolutions approving the procedural and administrative matters, any voting of the Annual General Meeting should be taken by poll.

- (7) If Typhoon Signal No. 8 or above is expected to be hoisted or a Black Rainstorm Warning Signal or “extreme conditions after super typhoons” announced by the Hong Kong Government is/are in force any time after 7:00 a.m. on the date of the Annual General Meeting, then the Annual General Meeting will be postponed. The Company will post an announcement on the website of the Company (www.edvanceintl.com) and the website of the Stock Exchange (www.hkexnews.hk) to notify shareholders of the date, time and place of the rescheduled meeting. The Annual General 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 Annual General Meeting under bad weather condition bearing in mind their own situations.