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If you have sold or transferred all your shares in **COSMOS MACHINERY ENTERPRISES LIMITED**, you should at once hand this circular together with the enclosed form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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大同機械企業有限公司

COSMOS MACHINERY ENTERPRISES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 118)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
CHANGE OF AUDITOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of annual general meeting of Cosmos Machinery Enterprises Limited to be held at Conference Room, 31/F., Billion Plaza, No. 8 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong on Wednesday, 29 May 2024 at 10:00 a.m. is set out on pages 13 to 16 of this circular. Whether or not you are able to attend the meeting, you are requested to duly complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting (i.e. at or before 10:00 a.m. on Monday, 27 May 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish. No gifts, food or beverages will be provided at the AGM.

25 April 2024

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DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Conference Room, 31/F., Billion Plaza, No. 8 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong on Wednesday, 29 May 2024 at 10:00 a.m. or any adjournment thereof, the notice of which is set out on pages 13 to 16 of this circular
“Articles”	the articles of association of the Company
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of the Company
“Committee of Executive Directors”	the committee of executive Directors of the Company
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Cosmos Machinery Enterprises Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 118)
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	19 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Nomination Committee”	the nomination committee of the Company

DEFINITIONS

“Remuneration Committee”	the remuneration committee of the Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) 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
“%”	per cent.

References to times and dates in this circular are to Hong Kong times and dates.

LETTER FROM THE BOARD



大同機械企業有限公司
COSMOS MACHINERY ENTERPRISES LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 118)

Executive Directors:

Mr. Tang To (*Chairman*)
Mr. Tang Yu, Freeman (*Chief Executive Officer*)

Non-executive Director:

Mr. Kan Wai Wah

Independent Non-executive Directors:

Ms. Yeung Shuk Fan
Mr. Lam Kwok Ming
Mr. Lee Wai Yip, Alvin

Registered Office:

10th Floor, Billion Plaza 2
No. 10 Cheung Yue Street
Cheung Sha Wan
Kowloon, Hong Kong

25 April 2024

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
CHANGE OF AUDITOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM relating to granting of general mandates to the Directors for the issuance of Shares and Shares buy-backs, re-election of retiring Directors and change of auditor, and to give you the notice of the AGM.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

Give that the general mandates to issue and buy back Shares granted at the annual general meeting of the Company held on 21 June 2023 will lapse at the conclusion of the AGM, separate ordinary resolutions will be proposed at the AGM to renew the general mandates given to the Directors (i) to allot, issue and otherwise deal with additional Shares not exceeding 20% of the total number of Shares in issue at the date of passing of such resolution; (ii) to buy back Shares not exceeding 10% of the total number of Shares in issue at the date of passing of such resolution (“**Share Buy-back Mandate**”); and (iii) to add the aggregate number of the Shares bought back by the Company to the general mandate to the Directors to allot additional Shares of up to 20% of the total number of Shares in issue.

Details of these general mandates are respectively set out in Resolutions 4 and 5 in the notice of AGM. With reference to these resolutions, the Directors wish to state that they have no present intention to buy back any Shares or to issue any additional Shares pursuant to the relevant mandates.

Based on 861,930,692 Shares in issue as at the Latest Practicable Date and assuming that there is no change to the number of issued Shares prior to the AGM, subject to the passing of the relevant ordinary resolutions to approve the mandate to issue Shares at the AGM, the Directors will be authorised to allot, issue or deal with up to a limit of 172,386,138 Shares under the general mandate to issue Shares. If approved by the Shareholders at the AGM, the general mandate to issue Shares will continue in force for the period from the passing of the resolution until the earlier of the dates as stated in Resolutions 4 and 5 in the notice of AGM.

An explanatory statement, as required by the Listing Rules to be sent to the Shareholders in connection with the proposed Share Buy-back Mandate, is set out in the Appendix I to this circular, which contains the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolutions.

3. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 102 of the Articles, Messrs. Tang To and Tang Yu, Freeman will retire from office by rotation at the AGM and, being eligible, offer themselves for re-election.

The Nomination Committee, having reviewed the Board’s composition, nominated Messrs. Tang To and Tang Yu, Freeman to the Board for it to recommend to the Shareholders for re-election at the AGM. The nominations were made in accordance with the nomination policy and the board diversity policy of the Company, after having considered a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Nomination Committee and the Board have also taken into account their respective contributions to the Board and their commitment to their roles.

LETTER FROM THE BOARD

Accordingly, with the recommendation of the Nomination Committee, the Board recommended all the retiring Directors, namely Messrs. Tang To and Tang Yu, Freeman, to stand for re-election at the AGM. Each of them had abstained from voting at the relevant meetings of the Nomination Committee and the Board regarding their own nomination.

Re-election of these retiring Directors will be individually voted on by Shareholders at the AGM. Details of each of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

4. CHANGE OF AUDITOR

As disclosed in the Company's announcement dated 25 April 2024, the Board announced that Ting Ho Kwan & Chan ("THKC") will retire as the auditor of the Company upon expiration of its current term of office at the conclusion of the AGM and will not seek for re-appointment. The Board and the Audit Committee confirmed that, to the best of their understanding and knowledge, there is no other disagreement between the Company and THKC and there is no matter regarding the retirement of THKC which needed to be brought to the attention of the Shareholders. THKC has also provided its confirmation to the Board and the Audit Committee to confirm that from their perspective, there is no matter that need to be brought to the attention of the Shareholders.

Upon the recommendation of the Audit Committee, the Board has resolved to propose the appointment of HLB Hodgson Impey Cheng Limited as the new auditor of the Company to hold office until the next annual general meeting of the Company, which is subject to the approval by the Shareholders at the AGM.

5. AGM

A notice of the AGM is set out on pages 13 to 16 of this circular. At the AGM, in addition to the ordinary businesses of the meeting, resolutions will be proposed to approve the general mandates for the issuance of Shares and buy-back by the Company of its own Shares.

A form of proxy for the AGM is enclosed herewith. Whether or not you are able to attend the AGM, you are requested to duly complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM (i.e. at or before 10:00 a.m. on Wednesday, 27 May 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

LETTER FROM THE BOARD

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, each of the resolutions set out in the notice of the AGM will be taken by way of poll. The chairman of the AGM would explain the detailed procedures for conducting a poll at the AGM. The results of the poll will be published on the websites of the Company and the Stock Exchange pursuant to the Listing Rules.

6. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 22 May 2024 to Wednesday, 29 May 2024, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Tuesday, 21 May 2024 for registration.

7. 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.

8. RECOMMENDATION

The Board is of the opinion that the proposals referred to above are in the best interests of the Company and the Shareholders as a whole and therefore recommends you to vote in favour of all resolutions to be proposed at the AGM.

Yours faithfully,

For and on behalf of the Board

TANG To

Chairman

This appendix serves as an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Share Buy-back Mandate and also constitutes the memorandum required by Section 239(2) of the Companies Ordinance.

1. SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued Shares was 861,930,692 shares. Subject to the passing of the ordinary resolution approving the Share Buy-back Mandate and on the basis that no further Shares are issued or bought back prior to the AGM, the Company would be allowed to buy back up to a total of 86,193,069 Shares, representing 10% of the total number of Shares in issue.

2. REASONS FOR SHARE BUY-BACKS

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have a general authority from Shareholders to enable the Company to buy back Shares on the market. Such buy-back 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 buy-backs will benefit the Company and the Shareholders as a whole.

3. SOURCE OF FUNDS

In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles and the applicable laws of Hong Kong. The Companies Ordinance provides that payment in respect of a Share buy-back may be made out of the distributable profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the buy-back.

4. IMPACT ON THE WORKING CAPITAL OR GEARING POSITION

The exercise in full of the Share Buy-back Mandate might have a 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 Company's annual report for the year ended 31 December 2023. However, the Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. GENERAL

- (i) The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Buy-back Mandate pursuant to the proposed resolution in accordance with the Listing Rules and the applicable laws of Hong Kong.
- (ii) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) presently intends to sell any Shares to the Company or its subsidiaries, in the event that the Share Buy-back Mandate is granted by the Shareholders.
- (iii) No core connected persons (as defined in the Listing Rules) 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 Share Buy-back Mandate is granted by the Shareholders.
- (iv) If as a result of a buyback of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase in the Shareholders' interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Tang To and his associates (as defined in the Takeovers Code), including but not limited to Saniwell Holding Inc., Cosmos Machinery (Holdings) Limited and its indirect wholly-owned subsidiary, Tai Shing Agencies Limited, and Ginta Company Limited, held 450,813,463 Shares, representing approximately 52.30% of the total number of Shares in issue. In the event that the Directors exercise in full the Share Buy-back Mandate which is to be approved by the Shareholders and no further Shares are issued during the proposed buy-back period, the aggregate shareholding in the Company of such Shareholders will increase to approximately 58.11% of the total number of Shares in issue. The Directors are not aware of such an increase would give rise to an obligation to make a mandatory offer under the Takeovers Code if the Share Buy-back Mandate was to be exercised in full.

- (v) During the six months immediately preceding the Latest Practicable Date, the Company had not bought back any Shares (whether on the Stock Exchange or otherwise).

6. SHARE PRICES

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

Month	Share Prices (per share)	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
April	0.325	0.260
May	0.275	0.260
June	0.295	0.240
July	0.280	0.237
August	0.250	0.221
September	0.250	0.220
October	0.270	0.207
November	0.290	0.236
December	0.270	0.241
2024		
January	0.265	0.230
February	0.250	0.189
March	0.230	0.200
April (up to the Latest Practicable Date)	0.190	0.170

The following are the particulars of each of the retiring Directors proposed to be re-elected at the AGM:

Executive Directors

1. **Mr. Tang To**, aged 75, was appointed as an executive Director and the chairman of the Board on 14 July 1988 and 18 September 1997, respectively. He is the chairman of each of the Nomination Committee and the Committee of Executive Directors, and a member of the Remuneration Committee. He also acts as a director of certain subsidiaries of the Company. On 28 May 2010, he was appointed as the director of Suzhou Sanguang Science & Technology Co., Ltd., a company listed on the National Equities Exchange and Quotations and an associated company of the Company. Mr. Tang has over 50 years of experience in manufacturing and trading businesses.

Mr. Tang is the father of Mr. Tang Yu, Freeman. As at the Latest Practicable Date, Mr. Tang is a director of certain substantial Shareholders within the meaning of Part XV of the SFO.

Other than disclosed above, Mr. Tang has not held any position with the Group, and is independent of and not connected with the directors, chief executives and substantial shareholders or controlling shareholders of the Company or its subsidiaries or an associate of any of them. He does not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Tang was interested in 450,813,463 Shares within the meaning of Part XV of the SFO, including (i) beneficial interest of 4,970,005 Shares; (ii) 226,000 Shares held by him and his spouse jointly; and (iii) 445,617,458 Shares in which he was deemed to be interested under the SFO, comprising (a) 3,460,406 Shares held by Ginta Company Limited which is approximately 99.999% owned by Fullwin Limited, which in turn is owned as to 50% by Mr. Tang and 50% by his spouse respectively; (b) 405,907,052 Shares held by Codo Development Limited through its wholly-owned subsidiaries, Tai Shing Agencies Limited, Hung Cheong Realty Limited and Cosmos Machinery (Holdings) Limited; and (c) 36,250,000 Shares held by Saniwell Holding Inc. (as the trustee of The Saniwell Trust, the beneficiaries of which include Mr. Tang and certain of his family members) which in turn is owned as to approximately 57.14% by Mr. Tang. Apart from this, he does not have any interests in securities of the Company within the meaning of Part XV of the SFO.

A letter of appointment was entered into between the Company and Mr. Tang in respect of his appointment as an executive Director. Mr. Tang has not been appointed for any specific or proposed length of service with the Company but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. The letter of appointment may be terminated by either party by giving to other party not less than six months' notice without payment of any compensation (other than statutory compensation). At present, he is entitled to receive the monthly salary of HK\$120,000, which was determined by the Board based on the recommendation of the Remuneration Committee, with reference to individual performance, qualifications and experience, his duties and responsibilities in the Company, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

Save as disclosed above, Mr. Tang confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

2. **Mr. Tang Yu, Freeman**, aged 46, joined the Group in 2006 and was appointed as an executive Director and the chief executive officer of the Company on 18 March 2011 and 1 July 2013, respectively. He is a member of each of the Nomination Committee and the Committee of Executive Directors. He also acts as a director of certain subsidiaries of the Company. Prior to joining the Group, Mr. Tang had worked in various commercial banks. Mr. Tang graduated from The University of Western Ontario in Canada and holds a Bachelor of Arts degree in Economics and a Diploma in Financial Planning.

Mr. Tang is the son of Mr. Tang To. As at the Latest Practicable Date, Mr. Tang is a director of certain substantial Shareholders within the meaning of Part XV of the SFO.

Other than disclosed above, Mr. Tang has not held any position with the Group, and is independent of and not connected with the directors, chief executives and substantial shareholders or controlling shareholders of the Company or its subsidiaries or an associate of any of them. He does not hold any directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

As at the Latest Practicable Date, Mr. Tang was deemed to be interested in 442,157,052 Shares within the meaning of Part XV of the SFO, including (i) 405,907,052 Shares held by Codo Development Limited through its wholly-owned subsidiaries, Tai Shing Agencies Limited, Hung Cheong Realty Limited and Cosmos Machinery (Holdings) Limited; and (ii) 36,250,000 Shares held by Saniwell Holding Inc. (as the trustee of The Saniwell Trust, the beneficiaries of which include Mr. Tang To and certain of his family members) which in turn is owned as to approximately 42.86% by Mr. Tang Yu, Freeman. Apart from this, he does not have any interests in securities of the Company within the meaning of Part XV of the SFO.

A letter of appointment was entered into between the Company and Mr. Tang in respect of his appointment as an executive Director. Mr. Tang has not been appointed for any specific or proposed length of service with the Company but is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. The letter of appointment may be terminated by either party by giving to other party not less than three months' notice without payment of any compensation (other than statutory compensation). At present, he is entitled to receive the monthly salary of HK\$190,000, which was determined by the Board based on the recommendation of the Remuneration Committee, with reference to individual performance, qualifications and experience, his duties and responsibilities in the Company, the Group's performance and profitability, remuneration benchmark in the industry and prevailing market condition.

Save as disclosed above, Mr. Tang confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



大同機械企業有限公司

COSMOS MACHINERY ENTERPRISES LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 118)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of Cosmos Machinery Enterprises Limited (the “Company”) will be held at Conference Room, 31/F., Billion Plaza, No. 8 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong on Wednesday, 29 May 2024 at 10:00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To consider and adopt the audited financial statements, the report of the directors and the independent auditor’s report of the Company for the year ended 31 December 2023.
2. (a) To re-elect Mr. Tang To as an executive director of the Company.
(b) To re-elect Mr. Tang Yu, Freeman as an executive director of the Company.
(c) To authorise the board (the “Board”) of directors (“Directors”) of the Company to fix the remuneration of Directors.
3. To appoint HLB Hodgson Impey Cheng Limited as the auditor of the Company and to authorize the Board to fix their remuneration.

AS SPECIAL BUSINESS

4. To consider and, if thought fit, pass with or without modification the following resolutions as ordinary resolutions:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares in the 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;
- (b) the approval in paragraph (a) above shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate number of issued shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue; (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares of the Company; (iii) the exercise of options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares in the Company; or (iv) any scrip dividend on shares of the Company in accordance with the articles of association of the Company (the “**Articles**”), shall not exceed 20% of the total number of shares in issue of the Company as at the date of passing this resolution; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 or any applicable laws or rules to be held; and
- (iii) the revocation or variation of the authority given to the Directors under this resolution by an ordinary resolution of the shareholders of the Company (the “**Shareholders**”) in general meeting.

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

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without modification the following resolution as an ordinary resolution:

A. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period of all the powers of the Company to buy back shares in issue of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), and that the exercise by the Directors of all the powers of the Company to buy back such shares subject to and in accordance with all applicable laws or the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved;
- (b) in addition, the approval in paragraph (a) above shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to buy back shares at a price determined by the Directors;
- (c) the aggregate number of issued shares to be bought back or agreed conditionally or unconditionally to be bought back by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the aggregate number of shares in issue of the Company as at the date of passing this resolution, and the authority pursuant to paragraph (a) shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 or any applicable laws or rules to be held; and
- (iii) the revocation or variation of the authority given to the Directors under this resolution by an ordinary resolution of the Shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- B. “**THAT** conditional upon the passing of ordinary resolution 5A above, the aggregate number of issued shares in the Company which are bought back by the Company pursuant to and in accordance with the said ordinary resolution 5A shall be added to the aggregate number of issued shares in the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with ordinary resolution 4 above.”

By order of the Board
WONG Lai Tong
Company Secretary

Hong Kong, 25 April 2024

Notes:

1. Any Shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on his/her/its behalf. A proxy need not be a Shareholder. In the case of joint Shareholders, if more than one joint Shareholders be present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
2. Forms of proxy together with the power of attorney or other authority, if any, under which it is signed or a notorially certified copy thereof, must be deposited at the Company’s share registrar, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the AGM (i.e. at or before 10:00 a.m. on Monday, 27 May 2024) or any adjournment thereof.
3. The register of members of the Company will be closed from Wednesday, 22 May 2024 to Wednesday, 29 May 2024, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Tuesday, 21 May 2024 for registration.
4. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning or the post-super typhoon “extreme conditions” announcement is in effect any time after 8:00 a.m. on the date of the AGM, the AGM will be postponed. The Company will post an announcement on the websites of the Company at <http://www.cosmel.com> and the Stock Exchange at <https://www.hkexnews.hk> to notify Shareholders of the date, time and place of the rescheduled meeting. Shareholders should make their own decision as to whether they would attend the AGM under bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.
5. No gifts, food or beverages will be provided at the AGM.

As at the date of this notice, the Board comprises six Directors, of which two are executive Directors, namely Mr. Tang To and Mr. Tang Yu, Freeman, one is non-executive Director, namely Mr. Kan Wai Wah, and three are independent non-executive Directors, namely Ms. Yeung Shuk Fan, Mr. Lam Kwok Ming and Mr. Lee Wai Yip, Alvin.