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

If you have sold or transferred all your shares in Elate Holdings Limited, you should at once hand this circular together with the enclosed form of proxy (for Shareholders only) to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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ELATE HOLDINGS LIMITED

誼礫控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 076)

PROPOSALS INVOLVING

- (1) RE-ELECTION OF RETIRING DIRECTORS**
- (2) GENERAL MANDATE TO REPURCHASE SHARES**
- (3) GENERAL MANDATE TO ISSUE SHARES**

AND

NOTICE OF ANNUAL GENERAL MEETING

A notice convening an Annual General Meeting of Elate Holdings Limited to be held at Unit 6, G/F, The Center, 99 Queen's Road Central, Hong Kong on 6 June 2022 at 11:00 a.m. (the "Meeting") is set out on pages 10 to 13 of this circular. Whether or not you are able to attend the Meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the share registrar of the Company, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and, in any event, not less than 48 hours before the time appointed for the holding of the Meeting 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 if you so desire.

26 April 2022

DEFINITIONS

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

“Board”/“Directors”	the board of directors of the Company
“Companies Ordinance”	the Companies Ordinance (Chapter 622) of the Laws of Hong Kong
“Company”	Elate Holdings Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Stock Exchange
“Latest Practicable Date”	19 April 2022, being the latest practicable date prior to the printing of this document
“Listing Rules”	the Rules Governing the Listing of Securities on Stock Exchange
“Meeting”	the annual general meeting of the Company to be held at Unit 6, G/F., The Center, 99 Queen’s Road Central, Hong Kong on 6 June 2022 at 11:00 a.m., and any adjournment thereof
“Proposals”	proposals including the re-election of retiring directors, the granting of general mandate to repurchase and to issue shares, and the extension of the general mandate
“Share(s)”	ordinary share(s) of no par value of the Company as of the Latest Practicable Date
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



ELATE HOLDINGS LIMITED

誼礫控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 076)

Executive Directors:

Mr. Feng Zhong Yun (*Managing Director*)

Ms. Zhang Xue

Independent Non-Executive Directors:

Mr. Chai Woon Chew

Mr. Ng Lai Po

Ms. Ye Yi Fan

Registered Office:

Unit 1002

10/F., Euro Trade Centre

13-14 Connaught Road Central &

21-23 Des Voeux Road Central

Hong Kong

26 April 2022

To the Shareholders

Dear Sir or Madam,

INTRODUCTION

The purpose of this circular is to provide you with details, and seek your approval at the Meeting, regarding, inter alia, the Proposals to (i) re-elect of retiring directors; (ii) grant general mandate enabling the Company to repurchase its own Shares (the “Repurchase Mandate”); (iii) grant general mandate enabling the Directors to issue and allot Shares (the “General Mandate”); and (iv) extend the General Mandate.

RE-ELECTION OF RETIRING DIRECTORS

At the Meeting, Ms. Zhang Xue (“Ms. Zhang”) and Mr. Ng Lai Po (“Mr. Ng”) will retire as Directors by rotation and they, being eligible, offer themselves for re-election as Directors in accordance with Article 95 of the articles of association of the Company. Mr. Ng has already served the Company for more than nine years as an independent non-executive Director, a separate resolution for his re-election will be proposed at the Meeting.

Particulars of Ms. Zhang and Mr. Ng are set out in Appendix I of this document.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

At the last annual general meeting held on 4 June 2021, a general mandate was granted to the Directors to exercise power to repurchase Shares of the Company. Such mandate will lapse at the conclusion of the forthcoming Meeting. An ordinary resolution will be proposed at the Meeting to give a fresh mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10 percent of the aggregate number of Shares of the Company in issue as at the date of passing the relevant resolution.

The Repurchase Mandate would then continue in force until the conclusion of the next annual general meeting unless it is renewed at such meeting or until revoked or varied by an ordinary resolution of the Shareholders of the Company in general meeting prior to the next annual general meeting.

The main features of the Listing Rules regarding share repurchases on the Stock Exchange and further details in relation to the purchases by the Company of its own Shares are contained in the Explanatory Statement set out in the Appendix II hereto.

GENERAL MANDATE TO ISSUE SHARES

At the last annual general meeting held on 4 June 2021, a general mandate was given to the Directors to exercise power to issue and otherwise deal with the Shares of the Company. Such mandate will lapse at the conclusion of the forthcoming Meeting. An ordinary resolution will be proposed at the Meeting to give a fresh mandate to the Directors to (i) issue and otherwise deal with Shares of the Company up to a maximum of 20 percent of the aggregate number of Shares of the Company in issue as at the date of passing the relevant resolution and (ii) approve the addition to the General Mandate of any Shares repurchased by the Company under the authority of the Repurchase Mandate. The Directors have no present intention to issue any new Shares under such General Mandate.

The General Mandate would then continue in force until the conclusion of the next annual general meeting unless it is renewed at such meeting or until revoked or varied by ordinary resolution of the Shareholders of the Company in general meeting prior to the next annual general meeting.

VOTE TAKEN BY POLL

Pursuant to the Listing Rules 13.39(4), vote of Shareholders will be taken by poll at the Meeting.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

Notice of the Meeting is set out on pages 10 to 13 of this circular, and a form of proxy for use at the Meeting is enclosed with this circular. Whether or not you intend to be present at the Meeting, you are requested to complete the form of proxy and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the Meeting. The completion and delivery of the form of proxy will not preclude Shareholders from attending and voting at the Meeting in person if they so wish.

ANNUAL REPORT

A copy of the Annual Report of the Company in respect of the year ended 31 December 2021 incorporating copies of the Audited Financial Statements and the Reports of the Directors and Auditors has been published on the websites of the Stock Exchange of Hong Kong Limited (www.hkex.com.hk) and the Company (www.elate.hk) and will be dispatched to the Shareholders who elected to receive the printed version of the corporate communication.

RECOMMENDATION

The Directors are of the opinion that the Proposals are in the best interests of the Company and its Shareholders and accordingly recommend that the Shareholders vote in favour of the resolutions to be proposed at the Meeting.

By order of the Board
Elate Holdings Limited
Feng Zhong Yun
Managing Director

1. MS. ZHANG XUE (EXECUTIVE DIRECTOR)

Ms. Zhang Xue, aged 44. She obtained a bachelor degree in Accountancy from Qingdao University in 1996. From 2001 to 2007, Ms. Zhang was employed as Account Manager in Beifang Mining Group Limited.

Save as being an executive director and the authorized representative, Ms. Zhang does not hold any other position in the Company or any of its subsidiaries nor did she hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas.

Ms. Zhang does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Ms. Zhang did not have any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Ms. Zhang has not entered into any service contract with the Company. Her emolument of HK\$240,000 for the year ended 31 December 2021 was determined by the Directors in due course with reference to her duties and responsibilities with the Company. She has not been appointed for a specific term and she is subject to retirement, and re-election in accordance with the articles of association of the Company.

Save as disclosed above, there are no other matters relating to her appointment that used to be brought to the attention of the shareholders and there is no other information which is required to be disclosed pursuant to rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

2. NG LAI PO (INDEPENDENT NON-EXECUTIVE DIRECTOR)

Ng Lai Po, aged 54, was appointed as an independent non-executive Director of the Company on 31 December 2012. Mr. Ng obtained his Bachelor of Social Sciences from the University of Hong Kong in 1990. Mr. Ng is a fellow member of Association of Chartered Certified Accountants since 1999. Mr. Ng has over 20 years of experience in finance, accounting and management. Mr. Ng was the Head of Finance – China of Hong Kong G2000 Group; the Head of Group Financial Control of Chow Sang Sang Holdings International Limited (HK listed stock code 116); the Chief Financial Officer of A&H Manufacturing Group – Asia Region; the Financial Controller of Brightway Petroleum Group (Holdings) Ltd. Mr. Ng is currently an executive director of M&L Holdings Group Limited (stock code: 8152).

Mr. Ng is an independent person and does not have any relationship with any director, senior management, substantial shareholders or controlling shareholders of the Company, and does not have any interest in shares of the Company within the meaning of Part XV of the Securities and Future Ordinance.

APPENDIX I PARTICULARS OF DIRECTORS SUBJECT TO RE-ELECTION

Mr. Ng has not entered into any service contract with the Company. His annual emolument of HK\$180,000 was determined by the Directors in due course with reference to his duties and responsibilities with the Company. He has not been appointed for a specific term and he is subject to retirement, and re-election in accordance with the articles of association of the Company.

Save as disclosed above, there are no other matters relating to his appointment that used to be brought to the attention of the shareholders and there is no other information which is required to be disclosed pursuant to rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

This Appendix II contains the particulars that are required by the Listing Rules 10.06(1)(b) to be included in an explanatory statement to accompany the notice of the Meeting at which a resolution is to be proposed in relation to the purchase by the Company of its own Shares.

1. SHAREHOLDERS' APPROVAL

The Listing Rules provide that all proposed repurchases of shares by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate to the directors of the company to make such repurchases or by specific approval of a particular transaction. The Listing Rules require an explanatory statement such as is contained herein to be sent to Shareholders to provide adequate information to enable them to decide whether to approve the grant of such a mandate.

2. SHARE

As at the Latest Practicable Date, the total number of Shares of the Company in issue was 7,006,631,478 Shares. Subject to the passing of the relevant resolutions and on the basis that no further Shares are issued or repurchased prior to the Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 700,663,147 Shares representing not more than 10 percent of the number of Shares of the Company in issue at the Latest Practicable Date.

3. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Proposal is in the best interest of the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per share and will only be made when the Directors believe that such a repurchase will benefit the Company and its Shareholders.

4. FUNDING OF REPURCHASES

Repurchases must be made out of funds legally available for such purpose in accordance with the Company's articles of association and the Companies Ordinance.

The Companies Ordinance provides that the amount of payment repaid in connection with a share repurchase may only be paid from the distributable profits of the Company and/or proceeds of a new issue of Shares made for the purpose of the repurchase to such extent allowable under the Companies Ordinance.

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 audited financial statements contained in the Annual Report for the year ended 31 December 2021 in the event that the proposed share repurchases were carried out in full at any time during the proposed repurchase

period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

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

	Highest Price	Lowest
	<i>HK\$</i>	<i>HK\$</i>
May 2021	0.026	0.019
June 2021	0.030	0.025
July 2021	0.027	0.022
August 2021	0.027	0.024
September 2021	0.028	0.028
October 2021	0.027	0.024
November 2021	0.042	0.024
December 2021	0.057	0.035
January 2022	0.059	0.040
February 2022	0.045	0.040
March 2022	0.043	0.032
April 2022 (as at the Latest Practicable Date)	0.039	0.035

6. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the Companies Ordinance.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

7. HONG KONG CODES ON TAKEOVERS AND MERGERS AND SHARE REPURCHASES

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Hong Kong Codes on Takeovers and Mergers ("Takeover Code"). As a result, a shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeover Code.

The Directors have no intention to exercise the Repurchase Mandate to such an extent.

8. SHARE REPURCHASES MADE BY THE COMPANY

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

NOTICE OF ANNUAL GENERAL MEETING



ELATE HOLDINGS LIMITED

誼礫控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 076)

NOTICE IS HEREBY GIVEN THAT an Annual General Meeting (the “Meeting”) of Elate Holdings Limited (“the Company”) will be held at Unit 6, G/F., The Center, 99 Queen’s Road Central, Hong Kong on 6 June 2022 at 11:00 a.m. for the following purposes:

Ordinary Business

1. To receive and adopt the Audited Financial Statements and the Reports of the Directors and Auditor for the year ended 31 December 2021.
2. (a) To re-elect Ms. Zhang Xue as an executive director.

(b) To authorize the board of directors (the “Board”) to fix the remuneration of Ms. Zhang Xue.
3. (a) To re-elect Mr. Ng Lai Po, who has already served the Company for more than nine years, as an independent non-executive Director.

(b) To authorize the Board to fix the remuneration of Mr. Ng Lai Po.
4. To re-appoint BDO Limited as auditors and authorize the Board to fix their remuneration.

To consider as special business, and if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

Special Business

5. **“THAT**
 - (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase shares of the Company on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and

NOTICE OF ANNUAL GENERAL MEETING

in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchanged as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate number of shares which may be purchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10 percent of the aggregate number of the shares of the Company in issue as at the date of the passing of this resolution; and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
 - (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
 - (3) the revocation or variation of the authority given under this resolution by ordinary resolution of the Company in general meeting.”

6. **“THAT**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares 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 of the Company 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;
- (c) aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) the exercise of any option granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of options to subscribe for, or rights to acquire, shares of the Company, (iii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company, or any other securities which are

NOTICE OF ANNUAL GENERAL MEETING

convertible into shares of the Company, and from time to time outstanding or (iv) any scrip dividend or similar arrangement providing for the allotment of shares of the Company in accordance with its articles of association, shall not exceed 20 percent of the aggregate number of shares of the Company in issue as at the date of the passing of this resolution and the said approval 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:
- (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
 - (3) the revocation or variation of the authority given under this resolution by ordinary resolution of the Company in general meeting.

“Rights Issue” means an offer of shares or other securities open for a period fixed by the directors of the Company to holders of shares on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements the directors of the Company 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).”

7. “**THAT** subject to passing of the resolution Nos. 5 and 6, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with additional shares of the Company be and is hereby extended by adding to the aggregate number of shares which may be allotted or agreed conditionally or unconditionally to be allotted and issued pursuant to such general mandate the aggregate number of shares of the Company purchased by the Company pursuant to the exercise by the directors of the Company of the powers of the Company to purchase such shares (provided that such amount shall not exceed 10 percent of the aggregate number of shares of the Company in issue as at the date of passing of this resolution).”

By Order of the Board
Elate Holdings Limited
Vivian Lam
Company Secretary

Hong Kong, 26 April 2022

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) A member entitled to attend and vote at the above Meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (ii) Where there are joint holders of any share of the Company, any one of such joint holders may vote at the Meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders be present at the Meeting 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 share shall alone be entitled to vote in respect thereof.
- (iii) 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 attorney or authority, must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not less than 48 hours before the time appointed for holding the Meeting.
- (iv) The register of members of the Company will be closed from Tuesday, 31 May 2022 to Monday, 6 June 2022, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 30 May 2022.

As at the date of this circular, the board of directors comprised of Mr. Feng Zhong Yun and Ms. Zhang Xue being executive directors; Mr. Chai Woon Chew Mr. Ng Lai Po and Ms. Ye Yi Fan being independent non-executive directors.