
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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, a bank manager, solicitor, professional accountant or other professional adviser.

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

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

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief 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.

VERTICAL INTERNATIONAL HOLDINGS LIMITED

弘浩國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8375)

PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS, GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of the Company to be held at 1/F., China Building, 29 Queen's Road Central, Central, Hong Kong on Monday, 7 May 2018 at 10:30 a.m. is set out on pages 18 to 22 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular. Such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.verticaltech.com.cn).

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but 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 will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

This circular will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of posting and on the website of the Company at www.verticaltech.com.cn.

28 March 2018

CHARACTERISTICS OF GEM

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

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

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

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	4
2. Proposed Re-election of Retiring Directors	5
3. Proposed Granting of General Mandates to Repurchase and Issue Shares	5
4. Annual General Meeting and Proxy Arrangement	6
5. Recommendation	7
Appendix I — Details of the Retiring Directors Proposed to be Re-elected at the Annual General Meeting	8
Appendix II — Explanatory Statement on the Share Repurchase Mandate	15
Notice of Annual General Meeting	18

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 1/F., China Building, 29 Queen’s Road Central, Central, Hong Kong on Monday, 7 May 2018 at 10:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 22 of this circular, or any adjournment thereof;
“Articles of Association”	the articles of association of the Company currently in force;
“Board”	the board of Directors;
“close associates”	has the meaning ascribed to it under the GEM Listing Rules;
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as revised and consolidated) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time;
“Company”	Vertical International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM;
“Controlling Shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules, and in the context of this circular, means collectively Mr. Boon and Vertical Investment;
“core connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules;
“Director(s)”	the director(s) of the Company;
“GEM”	GEM of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended, supplemented or otherwise modified from time to time;
“Group”	the Company and its subsidiaries;
“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;

DEFINITIONS

“Latest Practicable Date”	21 March 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Date”	13 November 2017, the date on which dealing in the Shares commenced on the Stock Exchange;
“Mr. Boon”	Mr. Boon Ho Yin Henry, an executive Director, chairman and chief executive officer of the Company, one of the Controlling Shareholders;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Share Issue Mandate”	the general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 10 of the notice of the Annual General Meeting as set out on pages 18 to 22 of this circular;
“Share Repurchase Mandate”	the general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting as set out on pages 18 to 22 of this circular;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholders”	has the meaning ascribed to it under the GEM Listing Rules;
“Takeovers Code”	The Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time;

DEFINITIONS

“Vertical (BVI)”	Vertical Technology (B.V.I.) Limited, a company incorporated under the laws of the British Virgin Islands with limited liability on 23 December 2015, a direct wholly-owned subsidiary of the Company;
“Vertical Engineering”	Vertical Engineering Company Limited (弘峰工程有限公司), a company incorporated under the laws of Hong Kong with limited liability on 16 January 2015 and an indirect wholly-owned subsidiary of the Company;
“Vertical Investment”	Vertical Technology Investment Limited, a company incorporated under the laws of the British Virgin Islands with limited liability on 19 December 2016, which is wholly-owned by Mr. Boon and is one of the Controlling Shareholders;
“Vertical Technology”	Vertical Technology Company Limited (弘峰科技有限公司), a company incorporated under the laws of Hong Kong with limited liability on 7 June 2006 and an indirect wholly-owned subsidiary of our Company;
“%”	per cent.

LETTER FROM THE BOARD

VERTICAL INTERNATIONAL HOLDINGS LIMITED

弘浩國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8375)

Executive Directors:

Mr. Boon Ho Yin Henry

Ms. Chow Cheung Chu

Independent Non-executive Directors:

Mr. Liu Kwan

Mr. Chik Kin Man Paul

Mr. Wong Wai Leung

Registered Office:

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

*Head Office and Principal Place of
Business in Hong Kong:*

Unit 9, 27/F

W50

50 Wong Chuk Hang Road

Hong Kong

28 March 2018

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR
RE-ELECTION OF RETIRING DIRECTORS,
GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting for (i) the re-election of retiring Directors; and (ii) the granting to the Directors of the Share Repurchase Mandate and the Share Issue Mandate to repurchase Shares and to issue Shares respectively.

LETTER FROM THE BOARD

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 83(3) of the Articles of Association, Mr. Boon, Ms. Chow Cheung Chu, Mr. Liu Kwan, Mr. Chik Kin Man Paul and Mr. Wong Wai Leung shall retire at the Annual General Meeting and shall be eligible for re-election at the Annual General Meeting.

Pursuant to Rule 17.46A of the GEM Listing Rules, a listed issuer shall disclose the details required under Rule 17.50(2) of the GEM Listing Rules of any director(s) proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting. The requisite details of the above retiring Directors are set out in Appendix I to this circular.

Mr. Liu Kwan, Mr. Chik Kin Man Paul and Mr. Wong Wai Leung, independent non-executive Directors, have confirmed their independence with reference to the factors set out in Rule 5.09 of the GEM Listing Rules. The Company considers Mr. Liu Kwan, Mr. Chik Kin Man Paul and Mr. Wong Wai Leung are still independent in accordance with the independence guidelines as set out in the GEM Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

3. PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

On 24 October 2017, an ordinary resolution was passed by the sole shareholder to give a general mandate to the Directors to repurchase and issue Shares respectively. Such mandates will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase and issue Shares if and when appropriate, the following ordinary resolutions will be proposed at the Annual General Meeting to approve:

- (a) the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting as set out on pages 18 to 22 of this circular (i.e. a total of 80,000,000 Shares on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting);
- (b) the granting of the Share Issue Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution contained in item 10 of the notice of the Annual General Meeting as set out on pages 18 to 22 of this circular (i.e. a total of 160,000,000 Shares on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting); and

LETTER FROM THE BOARD

- (c) extension of the Share Issue Mandate by adding the aggregate number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate.

Each of the Share Repurchase Mandate and Share Issue Mandate, if granted, will continue in force until (i) the conclusion of the next annual general meeting of the Company; 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 applicable laws to be held; or (iii) the date on which the Share Repurchase Mandate or the Share Issue Mandate, as the case may be, is revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever is the earlier.

With reference to the Share Repurchase Mandate and Share Issue Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any new Shares pursuant thereto.

An explanatory statement required by the GEM Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 18 to 22 of this circular.

Pursuant to the GEM Listing Rules and the Articles of Association, any vote of shareholders at a general meeting must be taken by poll. An announcement on the poll results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.verticaltech.com.cn). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and granting of the Share Repurchase Mandate and the Share Issue Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of the Board
Vertical International Holdings Limited
Boon Ho Yin Henry
Chairman

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting:

- (1) **Mr. Boon Ho Yin Henry (溫浩然)**, aged 42, was appointed as a Director on 3 January 2017 and re-designated as an executive Director, the chairman and the chief executive officer of the Company on 7 April 2017. Mr. Boon is also the chairman of the nomination committee and a member of the remuneration committee of the Company. Mr. Boon is responsible for the Group's major decision-making, overall strategic planning, determining corporate policies and daily operations and management of the Group. As one of the founders of the Group, Mr. Boon has over 10 years of experience in the industry of trading and manufacturing electronic components. Mr. Boon is also a director of Vertical (BVI), Vertical Technology, and Vertical Engineering.

Prior to co-founding the Group, Mr. Boon was a finance professional. From September 2000 to September 2003 he worked as a financial analyst of the personal computing division of IBM China/Hong Kong Limited and was mainly responsible for financial review, budgeting, cash flow forecasting, accounting and project management. After his resignation in September 2003, Mr. Boon had been preparing the business plan of Vertical Technology which commenced business in 2006.

Mr. Boon graduated in June 1997 from the University of Toronto in Canada with a degree of Bachelor of Commerce. He is a member of the CFA Institute (formerly known as the Association for Investment Management and Research), and was designated as chartered financial analyst in September 2001. Mr. Boon is also a member of the Hong Kong Society of Financial Analysts.

Mr. Boon has entered into a service agreement with the Company for an initial term of three years commencing on 13 November 2017 (subject to rotation requirements according to the Articles of Association) renewable automatically for successive terms of one year each commencing from the day immediately after the expiry of the then current term of his appointment, unless terminated by not less than three months' notice in writing served by either party. Mr. Boon is entitled to an annual remuneration of HK\$558,000.00 under the service agreement, subject to such increase as the Board may determine from time to time in its absolute discretion. Mr. Boon may be entitled to a management bonus in respect of each financial year of the Company in an amount to be determined by the Board in its absolute discretion provided that the total amount of the management bonus payable to all Directors should not exceed 15% of the net profit before tax of each year.

Mr. Boon is the sole beneficial owner of Vertical Investment, a Controlling Shareholder. As such, as at the Latest Practicable Date, Mr. Boon is deemed to be interested in 600,000,000 Shares held by Vertical Investment, within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Boon (i) has not held any other positions with any members of the Group; (ii) is not related to any director, senior management, substantial shareholder or Controlling Shareholder; and (iii) has not held any other directorships in any public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other matter concerning Mr. Boon that needs to be brought to the attention of the Shareholders nor is Mr. Boon involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

- (2) **Ms. Chow Cheung Chu (周祥珠)**, aged 33, was appointed as an executive Director of the Group on 7 April 2017 and is principally responsible for the overall management of the Company and supervising of financial activities and internal control of the Group. Ms. Chow joined the Group in January 2015 as the finance manager of Vertical Technology. Since January 2015, Ms. Chow has been managing the Group's financial activities and overseeing the Group's back office functions including finance and accounting, and general administration, from which she has obtained an extensive experience in the management and operation of the Group's business and the industry. She is also responsible for the internal control of the Group and has been monitoring and ameliorating the Group's business workflow.

Prior to joining the Group, Ms. Chow was an auditor and was mainly responsible for accounting, auditing and providing assurance services. She was an audit junior at East Asia Sentinel Limited from May 2009 to May 2010 and an audit semi-senior at Raymond Y.L. Lai & Co. from July 2010 to July 2011, and from January 2012 to December 2012. She was later promoted to the position of audit senior in January 2013 until she resigned in January 2015. She was mainly responsible for handling audit assignments along with related tax and secretarial works.

Ms. Chow obtained her degree of Bachelor of Business Administration with a major in accountancy and a minor in financial services from The Hong Kong Polytechnic University in October 2008. Ms. Chow became a member of the HKICPA in May 2013.

Ms. Chow has entered into a service agreement with the Company for an initial term of three years commencing on 13 November 2017 (subject to rotation requirements according to the Articles of Association) renewable automatically for successive terms of one year each commencing from the day immediately after the expiry of the then current term of her appointment, unless terminated by not

less than three months' notice in writing served by either party. Ms. Chow is entitled to an annual remuneration of HK\$558,000.00 under the service agreement, subject to such increase as the Board may determine from time to time in its absolute discretion. Ms. Chow may be entitled to a management bonus in respect of each financial year of the Company in an amount to be determined by the Board in its absolute discretion provided that the total amount of the management bonus payable to all Directors should not exceed 15% of the net profit before tax of each year.

As at the Latest Practicable Date, Ms. Chow was not interested or deemed to be interested in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Chow (i) has not held any other positions with any members of the Group; (ii) is not related to any director, senior management, substantial shareholder or Controlling Shareholder; and (iii) has not held any other directorships in any public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other matter concerning Ms. Chow that needs to be brought to the attention of the Shareholders nor is Ms. Chow involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

- (3) **Mr. Liu Kwan (劉筠)**, aged 46, was appointed as an independent non-executive Director on 24 October 2017. Mr. Liu is also a member of the audit committee, the remuneration committee and the nomination committee of the Company. He is mainly responsible for overseeing the management of the Group independently and providing independent judgement on the issues of strategy, performance, resources and standard of conduct of the Company.

Mr. Liu has over 18 years of experience in accounting and auditing. He worked at Deloitte & Touche LLP in Canada from September 1997 to October 2000 with the last held position as senior staff accountant, and was primarily responsible for auditing and due diligence review. He was a financial analyst at the TD Securities Division of the Toronto Dominion Bank in Canada from October 2000 to March 2001 and was primarily responsible for business and market analysis. He was at American International Assurance Company, Limited in Hong Kong from October 2001 to November 2005, where he worked as a staff auditor from October 2001 to December 2003, and as a senior auditor from January 2004 to November 2005. He was primarily responsible for auditing and compliance review. He was at New York Life International, LLC in Hong Kong from November 2005 to November 2010, where he worked as a director of audits in the internal audit department from November 2005 to September 2009, and as an assistant general auditor in the internal audit department from October 2009 to

November 2010. He was primarily responsible for auditing and risk review. From November 2010 to July 2011, he was at KPMG in Hong Kong with his last held position as senior manager in the risk and compliance division, and was primarily responsible for providing assurance, risk, compliance and business promotion services. From August 2011 to November 2014, he worked as an audit manager at Prudential Services Limited in Hong Kong and was primarily responsible for development, execution and management of audit work. From December 2014 and until now, he has become the regional anti-money laundering manager of Prudential Services Limited and is primarily responsible for drafting and implementing regional anti-money laundering standards and overseeing the sanctions screening operations in Asia.

Mr. Liu obtained his Bachelor of Arts degree and his Bachelor of Administrative Studies degree from York University in Canada in June 1994 and June 1997 respectively. Mr. Liu became a chartered accountant and a chartered professional accountant of the Institute of Chartered Accountants of Ontario (now known as Chartered Professional Accountants of Ontario) in November 2000 and November 2012, respectively. He became a certified internal auditor of the Institute of Internal Auditors in Hong Kong in August 2009 and a certified anti-money laundering specialist of Association of Certified Anti-Money Laundering Specialists in Hong Kong in May 2016.

Mr. Liu has entered into a letter of appointment with the Company for an initial term of three years commencing on 13 November 2017, unless terminated by not less than three months' notice in writing served by either party. He is subject to retirement by rotation pursuant to the Articles of Association. The annual remuneration of Mr. Liu under the letter of appointment is HK\$60,000.00.

As at the Latest Practicable Date, Mr. Liu was not interested or deemed to be interested in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liu (i) has not held any other positions with any members of the Group; (ii) is not related to any director, senior management, substantial shareholder or Controlling Shareholder; and (iii) has not held any other directorships in any public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other matter concerning Mr. Liu that needs to be brought to the attention of the Shareholders nor is Mr. Liu involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

- (4) **Mr. Chik Kin Man Paul (戚健民)**, aged 43, was appointed as an independent non-executive Director on 24 October 2017. Mr. Chik is also the chairman of the remuneration committee and a member of the audit committee and the nomination committee of the Company. He is mainly responsible for overseeing the management of the Group independently and providing independent judgement on the issues of strategy, performance, resources and standard of conduct of the Company.

Mr. Chik has over 19 years of experience in the IT industry. He has been working at IBM China/Hong Kong Limited in Hong Kong since July 1998, where he is currently an infrastructure architect in global technology services department and he is primarily responsible for IT consulting as well as services design and integrated technology delivery.

Mr. Chik obtained his degree of Bachelor of Science from the University of Hong Kong in November 1996, and his Master degree of practicing accounting from Monash University in Australia in November 2001. He then obtained a degree of Bachelor of Laws from University of London in August 2005. Mr. Chik was qualified as a certified practising accountant of CPA Australia in September 2005. He was also a certified information systems auditor from August 2006 to January 2010. He was awarded the Information Technology Infrastructure Library (ITIL) Expert in IT service management in June 2010 and he was also qualified as an ISO/IEC 20000 practitioner in June 2012.

Mr. Chik has entered into a letter of appointment with the Company for an initial term of three years commencing on 13 November 2017, unless terminated by not less than three months' notice in writing served by either party. He is subject to retirement by rotation pursuant to the Articles of Association. The annual remuneration of Mr. Chik under the letter of appointment is HK\$60,000.00.

As at the Latest Practicable Date, Mr. Chik was not interested or deemed to be interested in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Chik (i) has not held any other positions with any members of the Group; (ii) is not related to any director, senior management, substantial shareholder or Controlling Shareholder; and (iii) has not held any other directorships in any public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other matter concerning Mr. Chik that needs to be brought to the attention of the Shareholders nor is Mr. Chik involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

- (5) **Mr. Wong Wai Leung (黃偉樑)**, aged 40, was appointed as an independent non-executive Director on 24 October 2017. Mr. Wong is also the chairman of the audit committee of the Company. He is mainly responsible for overseeing the management of the Group independently and providing independent judgement on the issues of strategy, performance, resources and standard of conduct of the Company.

Mr. Wong worked at Ernst & Young in audit assurance from September 2000 to July 2009 with his last held position as senior manager in the assurance and advisory business services department. He was subsequently seconded to the assurance and advisory business services department of the New York office of Ernst & Young in the United States as a senior accountant from November 2004 to March 2006. Mr. Wong worked at Lianjie Capital (Hong Kong) Limited from September 2009 to March 2012 with his last held position as chief financial officer. He was subsequently transferred to Lianjie Sports Investments Limited, a private company which manages investments and trusts for a family office, between April 2012 and December 2015 with his last position as chief financial officer. He was appointed as a director of Lianjie Sports Investments Limited in January 2016. Mr. Wong has become an executive director, chief financial officer and company secretary of Qinqin Foodstuffs Group (Cayman) Company Limited, as company principally engaging in the manufacturing, distribution and sale of food and snacks products in the PRC, since June 2016 up to the present and is responsible for corporate development, investment, accounting and financial matters.

Mr. Wong received a degree of Bachelor of Business Administration in Accounting from The Hong Kong University of Science and Technology in November 2000. He has also been a member of the HKICPA since July 2004, and a fellow member of the Association of Chartered Certified Accountants since September 2010.

Mr. Wong has been appointed as an executive director of Qinqin Foodstuffs Group (Cayman) Company Limited (親親食品集團(開曼)股份有限公司) (Stock code: 1583) since 22 March 2016, and has been appointed as an independent non-executive director of MediNet Group Limited (醫匯集團有限公司) (Stock code: 8161) since 19 May 2016, the shares of both companies are listed on the Stock Exchange.

Mr. Wong has entered into a letter of appointment with the Company for an initial term of three years commencing on 13 November 2017, unless terminated by not less than three months' notice in writing served by either party. He is subject to retirement by rotation pursuant to the Articles of Association. The annual remuneration of Mr. Wong under the letter of appointment is HK\$120,000.00.

As at the Latest Practicable Date, Mr. Wong was not interested or deemed to be interested in the Shares or underlying Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wong (i) has not held any other positions with any members of the Group; (ii) is not related to any director, senior management, substantial shareholder or Controlling Shareholder; and (iii) has not held any other directorships in any public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas in the past three years.

Save as disclosed above, there is no other matter concerning Mr. Wong that needs to be brought to the attention of the Shareholders nor is Mr. Wong involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules.

The following is an explanatory statement required by the GEM Listing Rules to provide the Shareholders with requisite information reasonably necessary 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 Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 800,000,000 Shares.

Subject to the passing of the ordinary resolution set out in item 9 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 80,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders.

Repurchase of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

3. FUNDING OF SHARE REPURCHASE

The company may only apply funds legally available for share repurchase in accordance with its Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

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 accounts contained in the annual report of the Company for the year ended 31 December 2017) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share 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. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have been traded on the Stock Exchange during the period from the Listing Date up to and including the Latest Practicable Date were as follows:

Month	Highest HK\$	Lowest HK\$
November 2017	0.800	0.231
December 2017	0.280	0.208
January 2018	0.250	0.200
February 2018	0.219	0.185
March 2018 (<i>up to the Latest Practicable Date</i>)	0.230	0.185

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), 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, to the best knowledge and belief of the Company, Vertical Investment, a Controlling Shareholder, was interested in 600,000,000 Shares representing 75% of the total issued share capital of the Company. Mr. Boon is the sole beneficial owner of Vertical Investment. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Share Repurchase Mandate (if the shareholdings of Vertical Investment and Mr. Boon in the

Company and the capital structure of the Company otherwise remain the same), the interests of Vertical Investment and Mr. Boon would be increased to approximately 83.33% of the total issued share capital of the Company. The Directors are not aware of any consequence which will arise under the Takeovers Code as a result of any repurchase to be made under the Share Repurchase Mandate.

The Directors do not propose or intend to repurchase any shares which will result in the number of Shares held by the public being reduced to less than 25% of the total issued Shares.

8. SHARE REPURCHASE MADE BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING

VERTICAL INTERNATIONAL HOLDINGS LIMITED

弘浩國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8375)

Notice is hereby given that an annual general meeting of Vertical International Holdings Limited (the “**Company**”) will be held at 1/F., China Building, 29 Queen’s Road Central, Central, Hong Kong on Monday, 7 May 2018 at 10:30 a.m. for the following purposes:

1. To consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditors for the year ended 31 December 2017.
2. To re-elect Mr. Boon Ho Yin Henry as an executive director of the Company.
3. To re-elect Ms. Chow Cheung Chu as an executive director of the Company.
4. To re-elect Mr. Liu Kwan as an independent non-executive director of the Company.
5. To re-elect Mr. Chik Kin Man Paul as an independent non-executive director of the Company.
6. To re-elect Mr. Wong Wai Leung as an independent non-executive director of the Company.
7. To authorize the board of directors of the Company to fix the remuneration of directors of the Company.
8. To re-appoint Deloitte Touche Tohmatsu as the auditors of the Company and to authorize the board of directors of the Company to fix their remuneration.
9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) of this resolution, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and

NOTICE OF ANNUAL GENERAL MEETING

if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

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

“**THAT:**

- (a) subject to paragraph (c) of this resolution, a general mandate be and is hereby generally and unconditionally given to the directors of the Company during the Relevant Period (as hereinafter defined) 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 powers;
- (b) the mandate in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of options under a share option scheme of the Company; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed 20% of the total number of issued shares of the Company on the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company 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 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 any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** conditional upon the passing of the resolutions set out in items 9 and 10 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 10 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 9 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board
Vertical International Holdings Limited
Boon Ho Yin Henry
Chairman

Hong Kong, 28 March 2018

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Company’s Articles of Association. The results of the poll will be published on the website of Hong Kong Exchanges and Clearing Limited and of the Company in accordance with the GEM Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy (who must be an individual) to attend and vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the above meeting, the Register of Members of the Company will be closed from Wednesday, 2 May 2018 to Monday, 7 May 2018, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the annual general meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 30 April 2018.