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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 your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in TEM Holdings Limited (the “**Company**”), 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, stockbroker, registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



**TEM Holdings Limited**

**創新電子控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8346)**

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;  
RE-ELECTION OF DIRECTORS;  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

Capitalised terms used in the lower portion of this cover page as well as the inside cover page and contents page of this circular shall have the same respective meanings as those defined in the section headed “Definitions” of this circular.

A notice convening the annual general meeting of the Company (the “**AGM**”) to be held at 7/F, Nexus Building, 77 Des Voeux Road Central, Hong Kong on Wednesday, 7 November 2018 at 11:30 a.m. is set out on pages 16 to 20 of this circular. A form of proxy for use by the shareholders at the AGM is enclosed with this circular.

Whether or not you are able to attend the AGM, you are advised to read this circular and to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar of the Company in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish and in such event, the form of the proxy shall be deemed to be revoked.

*This circular, together with a form of proxy, will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its publication and on the Company’s website at <http://ir.tem-group.com>.*

\* for identification purpose only

## CHARACTERISTICS OF GEM

*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.*

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*This circular is prepared in both English and Chinese. In the event of any inconsistency, the English text of this circular will prevail.*

## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 7/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Wednesday, 7 November 2018 at 11:30 a.m. and the notice of which is set out on pages 16 to 20 of this circular
“Articles”	the amended and restated articles of association of the Company, adopted on 20 April 2016, and as amended or supplemented from time to time
“Board”	the board of Directors
“Cayman Companies Law”	the Companies Law (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	TEM Holdings Limited (Stock Code: 8346), an exempted company incorporated in the Cayman Islands with limited liability on 22 October 2015, the issued Shares of which are listed on GEM
“Controlling Shareholder(s)”	has the meaning ascribed thereto 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
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue and deal with new Shares with the aggregate number of Shares not exceeding 20% of the number of the issued Shares as at the date of passing of the relevant resolution at the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

## DEFINITIONS

“Jumbo Planet”	Jumbo Planet Group Limited, a company incorporated in British Virgin Islands with limited liability by shares on 10 April 2015 and directly wholly-owned by Mr. Lau, a Controlling Shareholder
“Latest Practicable Date”	19 September 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Date”	18 May 2016, being the date on which dealings of the Shares on GEM of the Stock Exchange first commenced
“Memorandum”	the amended and restated memorandum of association of our Company, adopted on 20 April 2016, and as amended or supplemented from time to time
“Mr. Lau”	Mr. Lau Man Tak, our executive Director, Chairman and a Controlling Shareholder
“Register”	the register of members of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase the Shares for a total number not exceeding 10% of the number of the issued Shares as at the date of the passing of the relevant resolution at the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) with a nominal or par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Share Registrar”	Boardroom Share Registrars (HK) Limited, being the Hong Kong branch share registrar of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules

## DEFINITIONS

“Takeovers Code”

the Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time

“%”

per cent.



**TEM Holdings Limited**

**創新電子控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8346)**

*Executive Directors:*

Mr. Lau Man Tak (*Chairman*)

Mr. Vincent Ho Pang Cheng

*(Chief Executive Officer)*

Mr. Kan Wai Kee

Ms. Koay Lee Chern

*Registered Office:*

PO Box 1350, Clifton House

75 Fort Street

Grand Cayman, KY1-1108

Cayman Islands

*Independent non-executive Directors:*

Mr. Lum Chor Wah Richard

Mr. Ma Yiu Ho Peter

Mr. Lee Hon Man Eric

*Head office and principal place*

*of business in Hong Kong:*

Suite 1706, Tower 1

China Hong Kong City

33 Canton Road

Tsim Sha Tsui

Hong Kong

27 September 2018

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;  
RE-ELECTION OF DIRECTORS; AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding the following resolutions to be proposed at the AGM relating to:

- (a) the granting of the General Mandate to the Directors;
- (b) the granting of the Repurchase Mandate to the Directors;

\* for identification purpose only

## **LETTER FROM THE BOARD**

- (c) the granting of the extension mandate to extend the General Mandate by an amount representing the aggregate nominal amount of any Shares purchased or repurchased under the Repurchase Mandate; and
- (d) the re-election of the Directors.

A notice convening the AGM setting out the details of the ordinary resolutions to be proposed at the AGM is set out on pages 16 to 20 of this circular.

### **GENERAL MANDATE**

The Directors have been granted a general and unconditional mandate to allot, issue and deal with Shares pursuant to the ordinary resolution of the Shareholders passed on 6 November 2017. The general mandate would expire: (a) at the conclusion of the next annual general meeting of the Company; (b) at the expiration of the period within which the Company is required by any applicable laws or the Articles to hold its next annual general meeting; or (c) when varied, revoked or renewed by an ordinary resolution of Shareholders in general meeting, whichever is the earliest.

As at the Latest Practicable Date, the existing general mandate has not been utilised and will lapse at the conclusion of the AGM. Therefore, an ordinary resolution will be proposed at the AGM that the Directors be granted the General Mandate to allot, issue and deal with new Shares with the aggregate number of Shares not exceeding 20% of the number of issued Shares on the date of passing the relevant resolution.

### **REPURCHASE MANDATE**

The Directors have been granted a general unconditional mandate to exercise the power of the Company to repurchase Shares pursuant to the ordinary resolution of the Shareholders passed on 6 November 2017. The repurchase mandate would expire: (a) at the conclusion of the next annual general meeting of the Company; (b) at the expiration of the period within which the Company is required by any applicable laws or the Articles to hold its next annual general meeting; or (c) when varied, revoked or renewed by an ordinary resolution of Shareholders in general meeting, whichever is the earliest.

As at the Latest Practicable Date, the existing repurchase mandate has not been utilised and will lapse at the conclusion of the AGM. Therefore, an ordinary resolution will be proposed at the AGM that the Directors be granted the Repurchase Mandate to exercise the powers of the Company to purchase or repurchase Shares for a number not exceeding 10% of the number of the issued Shares on the date of passing the relevant resolution. An explanatory statement giving the particulars required under Rule 13.08 of the GEM Listing Rules in respect of the Repurchase Mandate to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision whether to vote for or against the resolution is set out in Appendix I to this circular.



## **LETTER FROM THE BOARD**

The Company had in issue an aggregate of 600,000,000 Shares as at the Latest Practicable Date. Subject to the passing of the proposed resolutions for the approval of the General Mandate and the Repurchase Mandate and in accordance with the terms therein, the Company would be allowed to allot, issue and deal with a maximum of 120,000,000 new Shares and to repurchase a maximum of 60,000,000 Shares respectively, on the basis that no further Shares will be issued or repurchased by the Company between the Latest Practicable Date to the date of the AGM.

### **EXTENSION OF GENERAL MANDATE**

In addition, subject to the passing of the resolutions to grant the General Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the AGM to authorise the Directors to extend the General Mandate to allot and issue Shares by the number of Shares purchased or repurchased by the Company pursuant to the authority granted to the Directors under the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing the resolution for approving the Repurchase Mandate.

### **RE-ELECTION OF DIRECTORS**

As at the Latest Practicable Date, the Board comprised Mr. Lau, Mr. Vincent Ho Pang Cheng, Mr. Kan Wai Kee and Ms. Koay Lee Chern as the executive Directors; and Mr. Lum Chor Wah Richard, Mr. Ma Yiu Ho Peter and Mr. Lee Hon Man Eric as the independent non-executive Directors.

Pursuant to article 108(a) of the Articles, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.

Pursuant to article 112 of the Articles, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under the Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

In accordance with the above provisions of the Articles, each of Mr. Vincent Ho Pang Cheng, Ms. Koay Lee Chern and Mr. Ma Yiu Ho Peter will retire from office and, being eligible, offers themselves for re-election at the AGM.

## **LETTER FROM THE BOARD**

The nomination committee has assessed and reviewed each of the independent non-executive directors' annual written confirmation of independence based on the independence criteria as set out in Rule 5.09 of the GEM Listing Rules and confirmed that all of them, namely Mr. Lum Chor Wah Richard, Mr. Ma Yiu Ho Peter and Mr. Lee Hon Man Eric remain independent. The Board is of the view that all the retiring Directors will make contributions to the Group in promoting the Board diversity. Therefore, with the recommendation of the nomination committee, the Board has proposed that all the retiring Directors stand for re-election as Directors at the AGM.

Biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### **AGM AND PROXY ARRANGEMENT**

The notice convening the AGM to be held at 7/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Wednesday, 7 November 2018 at 11:30 a.m. is set out on pages 16 to 20 of this circular. Ordinary resolutions will be proposed at the AGM for the purpose of considering and if thought fit, approving, inter alia, the resolutions proposed in this circular.

A form of proxy for use in connection with the AGM is enclosed herewith. Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the branch share registrar of the Company in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjourned meeting 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 thereof) should you so wish and in such event, the form of the proxy shall be deemed to be revoked.

### **VOTING BY POLL**

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at a general meeting of the Company 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. Accordingly, the resolutions to be considered and, if thought fit, approved at the AGM will be voted by way of a poll by the Shareholders. An announcement on the poll results will be made by the Company after the AGM, in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

### **RESPONSIBILITY STATEMENT**

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

## LETTER FROM THE BOARD

### RECOMMENDATION

The Directors believe that the General Mandate, the Repurchase Mandate, the extension of the General Mandate and the re-election of retiring Directors are in the interests of the Company as well as the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

### GENERAL INFORMATION

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

Yours faithfully,  
By order of the Board  
**TEM Holdings Limited**  
**Lau Man Tak**  
*Chairman and Executive Director*

*This appendix serves as an explanatory statement, as required pursuant to Rule 13.08 and other relevant provisions of the GEM Listing Rules, to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, a total of 600,000,000 Shares were in issue. As at the Latest Practicable Date, the Company did not have any outstanding options, warrants and convertible securities to subscribe for the Shares.

Assuming that no further Shares are issued or repurchased during the period from the Latest Practicable Date until the date of the AGM, exercise in full of the Repurchase Mandate, on the basis of 600,000,000 Shares in issue as at the Latest Practicable Date, could result in up to a maximum of 60,000,000 Shares being repurchased by the Company.

## **2. REASONS FOR REPURCHASE**

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company with the flexibility to make such repurchase when appropriate and beneficial to the Company. Such repurchases, depending on market conditions and funding arrangements at the time, may lead to enhancement of the net asset value of the Company and/or the earnings per share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. The number of Shares to be repurchased on any occasion and the price and other terms on which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

## **3. SOURCE OF FUNDS**

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

Any repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose or, if authorized by the Articles and subject to the Cayman Companies Law and/or other applicable laws, rules and regulations, out of capital. The premium, if any, payable on repurchase must be provided for out of the profits of the Company or out of the Company's share premium account before or at the time the Shares are repurchased or, if authorized by the Articles and subject to Cayman Companies Law and/or other applicable laws, rules and regulations, out of capital. The Shares so repurchased will be treated as cancelled but the aggregate amount of authorized share capital will not be reduced.

The Company may not repurchase its own shares on the Stock Exchange for a consideration other than cash or settlement otherwise than in accordance with the trading rules of the Stock Exchange.

#### **4. GEM LISTING RULES RELATING TO THE REPURCHASE OF SHARES**

The GEM Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

#### **5. IMPACT ON WORKING CAPITAL OR GEARING POSITION**

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 30 June 2018, being the date of its latest published audited consolidated financial statements. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

#### **6. DIRECTORS' UNDERTAKING**

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

#### **7. DISCLOSURE OF INTERESTS**

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 GEM Listing Rules) has any present intention, in the event that the Repurchase Mandate is approved by Shareholders, to sell any of their Shares to the Company or its subsidiaries pursuant to the Repurchase Mandate.

No core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any of his/her/its Shares to the Company or has undertaken not to sell any of the Shares held by him/her/it to the Company, in the event that the Company is authorized to make repurchases of the Shares.

## 8. CONSEQUENCES UNDER THE TAKEOVERS CODE

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

As at the Latest Practicable Date, to the best of the knowledge of the Directors, Jumbo Planet held 450,000,000 Shares representing 75% of the issued share capital of the Company. Jumbo Planet is legally and beneficially owned as to 100% by Mr. Lau. By virtue of the SFO, Mr. Lau is deemed, or taken to be, interested in the Shares held by Jumbo Planet in the Company. Ms. Lim Youngsook ("**Ms. Lim**") is the spouse of Mr. Lau. Under the SFO, Ms. Lim is deemed, or taken to be, interested in the same number of the Shares in which Mr. Lau is interested. In the event that the Directors will exercise in full the Repurchase Mandate, the interests in the Company of each of Mr. Lau, Ms. Lim and Jumbo Planet would be increased to approximately 83.33% of the total number of the issued Shares and such increase will not give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequence which may arise under the Takeovers Code as a consequence of any repurchase of Shares under the Repurchase Mandate.

Assuming that there is no issue of Shares in the Company after the Latest Practicable Date up to the date of a repurchase, an exercise of the Repurchase Mandate in whole or in part will result in the aggregate amount of the issued share capital of the Company in the public hands falling below the prescribed minimum percentage of 25% as required by the Stock Exchange. The Directors confirm that the Repurchase Mandate will not be exercised to the extent as may result in the amount of the Shares held by the public being reduced to less than 25% of the issued share capital of the Company.

**9. SHARE PRICES**

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

	Price per Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2017</b>		
September	0.340	0.221
October	0.300	0.235
November	0.350	0.275
December	0.315	0.265
<b>2018</b>		
January	0.345	0.280
February	0.300	0.240
March	0.345	0.255
April	0.340	0.275
May	0.340	0.290
June	0.305	0.231
July	0.230	0.170
August	0.200	0.180
September (up to the Latest Practicable Date)	0.183	0.180

**10. SHARE REPURCHASES MADE BY THE COMPANY**

No repurchase of Shares had been made by the Company in the six months preceding the Latest Practicable Date (whether on GEM or otherwise).

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

### EXECUTIVE DIRECTORS

**Mr. Vincent HO Pang Cheng (何鵬程)**, aged 61, is an executive Director and the chief executive officer of the Company and the general manager of the Group. Mr. Ho joined the Group in December 1998 and is responsible for the Group's overall management, corporate development and strategic planning. Mr. Ho obtained a master's degree in business administration from the University of Strathclyde in the United Kingdom in July 1992 through distance learning.

Mr. Ho has more than 20 years of experience in the manufacturing industry. From March 1993 to December 1998, Mr. Ho worked at Stocko Singapore Pte Ltd in Singapore, a manufacturing company set up by Stocko Metallwarenfabriken Henkels und Sohn GmbH & Co (later renamed as STOCKO CONTACT GmbH & Co KG), and his last position was the group general manager responsible for overseeing the overall operations of the group.

Mr. Ho has entered into a service contract with the Company for an initial term of three years commencing from the Listing Date but will be subject to retirement by rotation and eligible for re-election pursuant to the Articles. Mr. Ho will be entitled to a remuneration of HK\$1,007,000 per annum and discretionary bonus, which was determined by the Board on recommendation of the remuneration committee by reference to his qualification, experience, duties and responsibilities in the Group.

**Ms. KOAY Lee Chern**, aged 49, is the financial controller and an executive Director of the Company. Ms. Koay joined the Group in November 2010 and is responsible for overseeing the overall administration, human resources affairs and financial control of the Group. Ms. Koay graduated from the Association of Chartered Certified Accountants in February 1997 through distance learning.

Ms. Koay has been in the manufacturing industry for over 10 years and has over 14 years of experience in auditing and accounting. Ms. Koay has been a member and a fellow member of the Association of Chartered Certified Accountants since September 1997 and September 2002, respectively. From February 1993 to June 1994, Ms. Koay worked at BDO Binder, an audit firm in Malaysia, as an audit assistant responsible for audit assessment and maintenance of accounting records. From January 1995 to October 1999, Ms. Koay worked at PricewaterhouseCoopers in Malaysia, as an assistant manager responsible for providing auditing services and advising on internal control system. From January 2000 to June 2004, Ms. Koay worked at Uptown Alliance (M) Sdn Bhd in Malaysia, a wholly owned subsidiary of Tiffany & Co., a company listed on the New York Stock Exchange (NYSE: TIF) engaging in high-end retailing, as a finance manager responsible for overseeing the daily accounting operations and human resources affairs. From January 2006 to October 2006, Ms. Koay worked at SH Yeoh & Co., an audit firm in Malaysia, as an audit manager responsible for supervising an audit team. From December 2006 to December 2008, Ms. Koay worked at a subsidiary of Pensonic Holdings Berhad in Malaysia, a company listed on the Bursa Malaysia (stock code:



9997) engaging in manufacturing, assembly and distribution of electrical and electronics appliances, as a group financial controller responsible for overseeing the accounts department and financial control.

Ms. Koay has entered into a service contract with the Company for an initial term of three years commencing from the Listing Date but will be subject to retirement by rotation and eligible for re-election pursuant to the Articles. Ms. Koay will be entitled to a remuneration of HK\$586,000 per annum and discretionary bonus, which was determined by the Board on recommendation of the remuneration committee by reference to her qualification, experience, duties and responsibilities in the Group.

#### INDEPENDENT NON-EXECUTIVE DIRECTOR

**Mr. MA Yiu Ho Peter (馬遙豪)**, aged 53, was appointed as an independent non-executive Director on 20 April 2016. Mr. Ma is currently the financial controller of Chyau Fwu Properties Limited, a company principally engaging in property development and hospitality. Mr. Ma is currently and has been an independent non-executive director and chairman of audit committee of China Packaging Holdings Development Limited (later renamed as Mobile Internet (China) Holdings Limited) (stock code: 1439) since December 2013, a company listed on the Main Board of the Stock Exchange. He is also an independent non-executive director of Royal Catering Group Holdings Company Limited (stock code: 8300) since July 2016 and Indigo Star Holdings Limited (stock code: 8373) since October 2017, both of which are companies listed on the GEM of the Stock Exchange. From July 2014 to May 2015, Mr. Ma was an independent non-executive director of Rising Power Group Holdings Limited (later renamed as China Ocean Fishing Holdings Limited), a company listed on the GEM of Stock Exchange (stock code: 8047). Mr. Ma was also an independent non-executive director and chairman of audit committee of Huisheng International Holdings Limited (stock code: 1340) from February 2014 to July 2017 and Convoy Financial Services Holdings Limited (later renamed as Convoy Global Holdings Limited) (stock code: 1019) from March 2010 to July 2018, both of which are companies listed on the Main Board of Stock Exchange. Mr. Ma obtained a master's degree in business administration from the Hong Kong University of Science and Technology in November 1995.

Mr. Ma has over 20 years of experience in the finance and accounting industry. Mr. Ma has been a member of the Hong Kong Institute of Certified Public Accountants since February 1990, a fellow member of the Chartered Association of Certified Accountants since April 1994 and an associate member and a member of the Hong Kong Institute of Directors since July 2010 and December 2015, respectively. From June 2005 to September 2007, Mr. Ma was the chief financial officer of Superior Fastening Technology Limited, a Singapore listed company engaging in manufacturing and surface treatment business. From February 2008 to June 2008, Mr. Ma was the financial controller of VODone Limited (later renamed as V1 Group Limited), a media company listed on the Main Board of the Stock Exchange (stock code: 82). From June 2008 to August 2012, Mr. Ma was the financial controller and company secretary of Hong Kong Parkview Group Limited (later renamed as Joy City Property Limited), a company listed on the Main Board of the Stock Exchange (stock code: 207) engaging in real estate business.

Mr. Ma has entered into a letter of appointment with the Company for an initial term of three years commencing from the Listing Date but will be subject to retirement by rotation and eligible for re-election pursuant to the Articles. Mr. Ma will be entitled to receive an annual director's fee of HK\$180,000, which was determined by the Board on recommendation of the remuneration committee by reference to his qualification, experience, duties and responsibilities in the Group.

Save as disclosed above,

- (i) each of the above Directors did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years;
- (ii) as at Latest Practicable Date, each of the above Directors does not have, or is not deemed to have, any interests or short positions in the Shares or underlying Shares within the meaning of Part XV of the SFO;
- (iii) each of the above Directors (a) does not hold any other position in the Company or its subsidiaries; and (b) does not have any relationship with any other Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules) or controlling shareholders (as defined in the GEM Listing Rules) of the Company; and
- (iv) so far as the Directors were aware as at the Latest Practicable Date, there are no other matters that need to be brought to the attention of the Shareholders nor other information required to be disclosed pursuant to the requirements of Rules 17.50(2) (h) to (v) of the GEM Listing Rules in relation to re-election of the above Directors at the AGM.



**TEM Holdings Limited**

**創新電子控股有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8346)**

**NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of TEM Holdings Limited (the “**Company**”) will be held at 7/F, Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Wednesday, 7 November 2018 at 11:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions:

**ORDINARY RESOLUTIONS**

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “**Directors**”) and the independent auditor of the Company for the year ended 30 June 2018.
2. (a) To re-elect Mr. Vincent Ho Pang Cheng as an executive Director.  
(b) To re-elect Ms. Koay Lee Chern as an executive Director.  
(c) To re-elect Mr. Ma Yiu Ho Peter as an independent non-executive Director.
3. To authorise the board of Directors to fix Directors’ remuneration.
4. To re-appoint Deloitte Touche Tohmatsu as the auditor of the Company and to authorise the board of Directors to fix its remuneration.
5. To consider and, if thought fit, to pass the following resolutions (with or without amendments) as ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with new shares in the capital of the Company and to make or grant offers, agreements, options (including but not limited to bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which might require the exercise of such

\* for identification purpose only

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powers, subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (as amended from time to time) (the “**GEM Listing Rules**”) be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements, options (including but not limited to bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) or issued by the Directors pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below); (ii) the exercise of the rights of subscription or conversion under the terms of any warrants which may be issued by the Company or any securities which are convertible into shares; (iii) the exercise of options granted under any share option scheme or similar arrangement adopted by the Company for the grant or issue to the employees, officers, Directors and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for or rights to acquire shares of the Company; and (iv) any scrip dividend or similar arrangement providing for allotment and issue of shares in lieu of the whole or part of a dividend on the shares of the Company in accordance with the articles of association of the Company from time to time, shall not exceed 20% of the total number of the issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, or any applicable laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution of the shareholders of the Company in general meeting revoking or varying or renewing the authority given by the Directors by this resolution.

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“**Rights Issue**” means an offer of shares of the Company or offer or issue of warrants or options or other securities giving rights to subscribe for the shares of the Company open for a period fixed by the Directors to holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holding of such shares (subject to such exclusions or other arrangements as 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognized regulatory body or any stock exchange, in any territory outside Hong Kong, applicable to the Company).”

6. To consider and, if thought fit, to pass the following resolutions (with or without amendments) as ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to purchase or repurchase shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company on the Stock Exchange or on any other stock exchange on which the shares or securities of the Company may be listed and is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Securities and Futures Commission, the Companies Law of the Cayman Islands, the GEM Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the shares of all classes and securities which carry a right to subscribe or purchase shares issued directly or indirectly by the Company which may be purchased or repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of the issued shares of the Company 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 earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, or any applicable laws of the Cayman Islands to be held; and

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(iii) the passing of an ordinary resolution of the shareholders of the Company in general meeting revoking or varying or renewing the authority given by the Directors by this resolution.”

7. To consider and, if thought fit, to pass the following resolution (with or without amendments) as ordinary resolution:

“**THAT** conditional upon resolutions no. 5 and no. 6 above being passed (with or without amendments), the general and unconditional mandate granted to the Directors of the Company to exercise the powers of the Company to allot, issue and deal with shares of the Company pursuant to the resolution set out in resolution no. 5 above be and is hereby extended by the addition thereto a number of shares representing the aggregate number of shares of the Company purchased or repurchased by the Company pursuant to the authority granted to the Directors under resolution no. 6 above, provided that such amount shall not exceed 10% of the total number of the issued shares of the Company as at the date of the passing of this resolution.”

By order of the Board  
**TEM Holdings Limited**  
**Lau Man Tak**  
*Chairman and Executive Director*

Hong Kong, 27 September 2018

*Notes:*

1. A member of the Company entitled to attend and vote at the annual general meeting shall be entitled to appoint one or if he/she is a holder of two or more shares of the Company, more than one proxy to attend and vote in his/her stead. A proxy need not be a member of the Company but must be present in person in the annual general meeting to represent the member. Completion and return of the form of proxy will not preclude a member of the Company from attending the annual general meeting and voting in person should he/she so wish. In such event, his/her form of proxy will be deemed to have been revoked.
2. Where there are joint registered holders of any share, any one of such persons may vote at the annual general meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at the annual general 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.
3. A form of proxy for the annual general meeting is enclosed. 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 such power or authority, must be deposited at the Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, not later than 48 hours before the time for holding the annual general meeting or any adjournment thereof.
4. To ascertain the members' entitlement to attend and vote at the meeting, the register of members will be closed from Friday, 2 November 2018 to Wednesday, 7 November 2018, both days inclusive, during which period no transfer of shares can be registered. In order to be eligible to attend and vote at the meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 1 November 2018.

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5. An explanatory statement containing further details regarding resolution no. 6 above is set out in Appendix I to the circular of the Company dated 27 September 2018 (the “**Circular**”) of which this notice of AGM forms part.
6. Biographical details of the retiring Directors are set out in Appendix II to the Circular.
7. Members of the Company or their proxies shall produce documents of their proof of identity when attending the annual general meeting.
8. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning is in effect any time after 7:00 a.m. on the date of the annual general meeting, the meeting will be postponed. The Company will post an announcement on the website of Company at <http://ir.tem-group.com> and on the HKExnews website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) to notify Shareholders of the date, time and place of the rescheduled meeting.

*As at the date of this notice, the Board comprises seven Directors. The executive Directors are Mr. Lau Man Tak, Mr. Vincent Ho Pang Cheng, Mr. Kan Wai Kee and Ms. Koay Lee Chern; and the independent non-executive Directors are Mr. Lum Chor Wah Richard, Mr. Ma Yiu Ho Peter and Mr. Lee Hon Man Eric.*