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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

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## **YGM TRADING LIMITED**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 00375)**

**PROPOSALS RELATING TO  
RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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### **PRECAUTIONARY MEASURES FOR THE 2022 ANNUAL GENERAL MEETING**

To protect the attendees from the risk of infection of the Novel Coronavirus (“COVID-19”), please refer to page 1 of this circular for the measures to be implemented at the AGM by the Company against the epidemic, including:

- compulsory body temperature check
- compulsory health declaration
- compulsory wearing of surgical face mask
- no distribution of corporate gifts and no serving of refreshments
- seats will be limited to ensure appropriate social distancing and will be available on a first-come-first-served basis

Attendees who do not comply with the precautionary measures, who exhibit flu-like symptoms or are subject to any Hong Kong Government prescribed quarantine may be denied entry into the AGM venue.

**For the health and safety of Shareholders, the Company encourages Shareholders NOT to attend the AGM in person and strongly recommends Shareholders to appoint the Chairman of the meeting as their proxy to vote on the resolutions at the AGM as an alternative to attending the AGM in person.**

A notice convening the AGM of the Company to be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Friday, 23 September 2022 at 12:15 p.m. is set out on pages 11 to 13 of this circular. A form of proxy for use at the AGM is also enclosed.

Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registered office of the Company at 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

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## PRECAUTIONARY MEASURES FOR THE 2022 ANNUAL GENERAL MEETING

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In view of the ongoing COVID-19 epidemic and recent requirements for prevention and control of its spread (as per guidelines issued by the Hong Kong Government at <https://www.chp.gov.hk/en/features/102742.html>), the Company will implement necessary preventive measures at the AGM to protect attending Shareholders, proxy and other attendees from the risk of infection, including:

- (i) Compulsory body temperature check will be conducted on every Shareholder, proxy and other attendees at the entrance of the AGM venue. Any person with a body temperature of over 37 degrees Celsius, or who exhibits flu-like symptoms or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) Every attendee will be required to complete and sign a health declaration form before admission to the AGM venue.
- (iii) Attendees are required to prepare their own surgical face masks and wear the same inside the AGM venue at all times, and to maintain an appropriate social distance with others (including queuing for registration). Please note that no mask will be provided.
- (iv) No corporate gifts will be distributed and no refreshments will be provided.
- (v) Seats at the AGM venue will be arranged to ensure appropriate social distancing. As a result, there will be limited capacity for attendees. Seats will be limited at the meeting and will be available on a first-come-first-served basis.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

In the interest of all attendees' health and safety, the Company wishes to advise all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions duly completed, Shareholders may appoint the Chairman of the AGM as their proxy to vote on the resolutions at the AGM instead of attending the AGM in person.

**For the health and safety of Shareholders, the Company encourages Shareholders NOT to attend the AGM in person, and strongly recommends Shareholders to appoint the Chairman of the AGM as their proxy to vote on the resolutions at the AGM as an alternative to attending the AGM in person.**

The proxy form, which can also be downloaded from the Company's website (<https://www.ygmtrading.com>), is enclosed to this circular. If you are not a registered Shareholder (i.e., if your Shares are held via banks, brokers, custodians or Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

Subject to the development of the novel coronavirus in Hong Kong, the Company may implement further precautionary measures, and issue further announcements(s) on such measures as and when appropriate.

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## DEFINITIONS

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

<b>“AGM” or “Annual General Meeting”</b>	the annual general meeting of the Company to be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Friday, 23 September 2022 at 12:15 p.m., notice of which is set out on pages 11 to 13 of this circular, or any adjournment thereof;
<b>“Articles of Association”</b>	the articles of association of the Company as amended from time to time;
<b>“Board”</b>	the board of Directors;
<b>“Buy-back Mandate”</b>	as defined in the second paragraph in the section headed “General Mandates to Issue and Buy Back Shares” in the Letter from the Board on page 4 of this circular;
<b>“close associates”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Companies Ordinance”</b>	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended from time to time;
<b>“Company”</b>	YGM Trading Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange;
<b>“core connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Director(s)”</b>	the director(s) of the Company;
<b>“Directors Standing for Re-election”</b>	the Directors who will retire from the Board by rotation and, being eligible, will offer themselves for re-election at the AGM, namely, Madam Chan Suk Ling, Shirley, Mr. Chan Wing Kee and Mr. Choi Ting Ki;
<b>“Group”</b>	the Company and its subsidiaries;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Issue Mandates”</b>	as defined in the second paragraph in the section headed “General Mandates to Issue and Buy Back Shares” in the Letter from the Board on page 4 of this circular;
<b>“Latest Practicable Date”</b>	22 July 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange;
<b>“Main Board”</b>	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange;
<b>“SFO”</b>	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
<b>“Share(s)”</b>	ordinary share(s) in the share capital of the Company;
<b>“Shareholder(s)”</b>	holder(s) of the Share(s);
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited; and
<b>“%”</b>	per cent.

\* *The English translation of the Chinese names or words in this circular, where indicated, is included for identification purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

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## LETTER FROM THE BOARD

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# YGM TRADING LIMITED

(Incorporated in Hong Kong with limited liability)  
(Stock Code: 00375)

**Executive Directors:**

Chan Wing Sun, Samuel (*Chairman*)  
Chan Suk Ling, Shirley (*Vice Chairlady*)  
Fu Sing Yam, William (*Chief Executive Officer*)  
Andrew Chan (*Managing Director*)  
Chan Wing Fui, Peter  
Chan Wing Kee

**Registered Office:**

22 Tai Yau Street  
San Po Kong  
Kowloon  
Hong Kong

**Independent Non-executive Directors:**

Choi Ting Ki  
So Stephen Hon Cheung  
Li Guangming

29 July 2022

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS RELATING TO  
RE-ELECTION OF DIRECTORS,  
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

### INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM, including (i) the ordinary resolutions in respect of the re-election of the Directors; and (ii) the ordinary resolutions in respect of the grant of the Issue Mandates and the Buy-Back Mandate, and to give you notice of the AGM at which these resolutions as set out in the notice of the AGM will be proposed.

### RETIREMENT AND RE-ELECTION OF DIRECTORS

Pursuant to Article 105 of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being or such higher number of Directors to be determined by the Board 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. The Board has decided that four Directors, namely Mr. Andrew Chan, Madam Chan Suk Ling, Shirley, Mr. Chan Wing Kee, and Mr. Choi Ting Ki, will retire from the Board by rotation and, Madam Chan Suk Ling, Shirley, Mr. Chan Wing Kee, and Mr. Choi Ting Ki, being eligible, will offer themselves for re-election at the AGM.

Mr. Andrew Chan, after serving as an executive Director for more than 8 years since 2 July 2014, will not offer himself for re-election and will retire as an executive Director at the conclusion of the Annual General Meeting, and will cease to be the managing director of the Board. Mr. Chan has informed the Board that he would not offer himself for re-election at the Annual General Meeting due to his other business engagements which require more of his dedications. Mr. Chan has confirmed that his retirement is not due to any disagreement with the Board and there is no other matter relating to his retirement that needs to be brought to the attention of the Shareholders.

The Board would like to thank Mr. Andrew Chan for his contributions to the Company during his tenure of office.

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## LETTER FROM THE BOARD

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Among the Directors Standing for Re-election, Mr. Choi Ting Ki has served as an independent non-executive Director since 2012. In considering Mr. Choi's proposed re-election as independent non-executive Director, the Board has taken into account the fact that Mr. Choi has never held any executive or management position in the Group nor has he been employed by any member of the Group during such period. The Board also noted the positive contribution of Mr. Choi to the development of the Company's strategy and policies through his independent and constructive advice. His extensive experience in accounting and audit is a valuable asset to the Company in steering its financial reporting and internal control functions. Notwithstanding his length of tenure, Mr. Choi continues to demonstrate the attributes of being independent in character and judgment on the Company's affairs and fulfils the independence guidelines set out in Rule 3.13 of the Listing Rules as an independent non-executive Director. There is no evidence that his tenure has had any impact on his independence. The Board believes that his external experience and his tenure will continue to benefit the Company. The nomination committee of the Company has assessed and is satisfied of the independence of Mr. Choi and recommends him for re-election at the AGM.

The re-election of each of the Directors Standing for Re-election will be individually voted on by the Shareholders. Information of the Directors to be re-elected which is required to be disclosed under the Listing Rules is set out in Appendix II to this circular.

If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the printing of this circular, the Company will issue an announcement or a supplementary circular to inform the Shareholders of the details of such additional candidate proposed. If such notice is received less than 10 business days (as defined in the Listing Rules) prior to the date scheduled for the AGM, the Company will need to consider the adjournment of such meeting in order to allow Shareholders 10 business days' notice of the nomination.

### GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

At the last annual general meeting of the Company held on 17 September 2021, ordinary resolutions were passed to grant the general mandates to the Directors to issue and buy back Shares. These general mandates will lapse at the conclusion of the AGM.

The Directors believe that the renewal of such mandates is in the interest of the Company and the Shareholders. Accordingly, ordinary resolutions will be proposed at the AGM to grant to the Directors general mandates to (i) allot, issue and deal with Shares not exceeding 20% of the total number of Shares in issue as at the date of the passing of the relevant resolution; (ii) allot, issue and deal with the additional Shares bought back by the Company under the Buy-back Mandate (as defined hereinunder) (the mandates referred to in (i) and (ii) are collectively referred to as the "**Issue Mandates**"); and (iii) buy back, *inter alia*, Shares on the Stock Exchange, the aggregate number of which does not exceed 10% of the total number of Shares in issue as at the date of the passing of the relevant resolution (the "**Buy-back Mandate**"), at any time during the period ending on the earlier of (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by law or the Articles of Association to be held; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting. With reference to the Issue Mandates and the Buy-back Mandate, the Directors wish to state that they have no immediate plan to issue any new Shares or to buy back any Shares pursuant to the Issue Mandates and the Buy-back Mandate, respectively.

As at the Latest Practicable Date, the number of Shares in issue was 165,863,792 Shares. On the basis of such figure (and assuming no further Shares are issued or bought back after the Latest Practicable Date and up to the date of passing such resolutions), the Directors would be authorised to allot, issue and deal with up to 33,172,758 Shares and buy back up to 16,586,379 Shares.

An explanatory statement containing the particulars required by Chapter 10 of the Listing Rules to provide Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution for approving the Buy-back Mandate, which also constitutes the memorandum required under section 239(2) of the Companies Ordinance, is set out in Appendix I to this circular.

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## LETTER FROM THE BOARD

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### ANNUAL GENERAL MEETING

The notice of the AGM is set out on pages 11 to 13 of this circular. Ordinary resolutions in respect of the re-election of the Directors, the Issue Mandates and the Buy-back Mandate will be proposed at the AGM. A form of proxy for use at the AGM is enclosed herewith. Whether or not you are able to attend the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registered office of the Company at 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish.

Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the AGM in accordance with the instructions printed thereon.

Pursuant to Rule 13.39(4) of the Listing Rules and Article 75 of the Articles of Association, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the poll results in the manner prescribed under Rule 13.39(5) of the Listing Rules.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. 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 misleading.

### RECOMMENDATION

The Directors consider that the proposed resolutions for (i) the re-election of the Directors; and (ii) the grant of the Issue Mandates and the Buy-back Mandate are in the best interests of the Company and the Shareholders as a whole and, accordingly, recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

### GENERAL

Your attention is drawn to the further information contained in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,  
By Order of the Board  
**YGM Trading Limited**  
**Chan Wing Sun, Samuel**  
*Chairman*

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Buy-back Mandate and also constitutes the memorandum required under section 239(2) of the Companies Ordinance:

- (i) It is proposed that up to 10% of the Shares in issue as at the date of the passing of the resolution to approve the Buy-back Mandate may be bought back. As at the Latest Practicable Date, the number of Shares in issue was 165,863,792 Shares. On the basis of such figure (and assuming no further Shares are issued or bought back after the Latest Practicable Date and up to the date of passing such resolution), the Directors would be authorised to buy back up to 16,586,379 Shares.
- (ii) The Directors believe that it may be to the benefit of the Company and the Shareholders to buy back the Shares in certain circumstances. For example, depending on market conditions and funding arrangements at the time, such buy-backs may enhance the net assets and/or earnings per Share. Therefore, the Directors are seeking the grant of the Buy-back Mandate to give the Company the flexibility to do so if and when appropriate.
- (iii) The Companies Ordinance provides that the Company may only make a payment in respect of a buy-back of the Shares out of the distributable profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the buy-back. In any event, the Company will and may only apply funds legally available for such purpose in accordance with its Articles of Association and the laws of Hong Kong.
- (iv) As compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 March 2022, the Directors do not consider that the exercise in full of the Buy-back Mandate would have a material adverse impact on the working capital or gearing position of the Company. In any event, the Directors do not propose to exercise the power to make buy-backs pursuant to the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the Company's working capital requirements or gearing levels.
- (v) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, have any present intention, in the event that the Buy-back Mandate is approved by the Shareholders at the AGM, to sell Shares to the Company under the Buy-back Mandate.
- (vi) The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules, the Articles of Association and the laws of Hong Kong so far as the same may be applicable.
- (vii) As at the Latest Practicable Date and according to the records kept by the Company, Mr. Chan Wing Fui, Peter, Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Kee, Madam Chan Suk Ling, Shirley and their close associates (collectively, the "**Chan Family**") are together interested in approximately 53.92% of the issued Shares. Assuming that the shareholding interests of the Chan Family remain unchanged, upon the exercise in full of the Buy-back Mandate to buy back Shares by the Directors, the Chan Family will be interested in approximately 59.91% of the issued Shares. The Directors are not aware of any consequences which would arise under the Hong Kong Code on Takeovers and Mergers as a consequence of any buy-backs made pursuant to the Buy-back Mandate.
- (viii) No buy-back has been made by the Company of the Shares in the six months prior to the date of this circular.
- (ix) None of the core connected persons of the Company have notified it of a present intention to sell Shares to the Company or have undertaken not to sell any Shares held by them to the Company in the event that the Buy-back Mandate is granted by the Shareholders.
- (x) The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months prior to the Latest Practicable Date are as follows:



	Highest per Share <i>HK\$</i>	Lowest per Share <i>HK\$</i>
<b>2021</b>		
July	2.30	2.11
August	2.29	2.25
September	2.41	1.98
October	2.19	1.75
November	1.93	1.78
December	2.15	1.90
<b>2022</b>		
January	2.04	1.79
February	2.20	1.93
March	2.18	1.80
April	1.80	1.60
May	1.80	1.63
June	1.70	1.64
July (up to the Latest Practicable Date)	1.70	1.60

The following sets out the details of the Directors who, being eligible, will offer themselves for re-election at the AGM pursuant to the Articles of Association:

**Madam Chan Suk Ling, Shirley, BBS, JP**, aged 71, is the Vice Chairman of the board of directors of the Company. She joined Yangtzekiang Garment Limited (stock code: 294) in 1973 and was appointed as the director in 1983. Madam Chan resigned as the executive director in April 2020 and was re-appointed as an executive director with effect from 31 March 2021. Madam Chan has extensive experience in management in the garment retail and wholesale business. She is a Council Member of the Hong Kong Trade Development Council (“HKTDC”), the Chairman of Staff & Finance Committee of HKTDC, the Honorary President of the Chinese Manufacturers’ Association of Hong Kong, the Chairman Emeritus of Hong Kong Brand Development Council, the Vice President of the Guangdong Association of Enterprises with Foreign Investment, a Council Member of The Hong Kong Polytechnic University (“PolyU”), the Chairman of Advisory Committee on Textile and Clothing Industries of PolyU and the Supervisor of Yau Yat Chuen School. She received a Bachelor’s degree from Nottingham Trent University, the United Kingdom in 1973. Madam Chan is also a member of the risk management committee of the Company.

Information relating to Madam Chan’s relationship with the other Directors, senior management, substantial or controlling Shareholders of the Company, her interest in the Shares within the meaning of Part XV of the SFO and details of her compensation and length of service as a Director are set out below in this appendix.

Save as disclosed above, there are no other matters concerning Madam Chan that need to be brought to the attention of the Shareholders in connection with her re-election and there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

**Mr. Chan Wing Kee, GBM, GBS, OBE, JP**, aged 75, received a Bachelor’s degree in Industrial Engineering in 1970 and joined Yangtzekiang Garment Limited (stock code: 294) in 1970 as Production Manager and later became Sales Manager. Mr. Chan was appointed as Director of Yangtzekiang Garment Limited in 1977 and Managing Director in 1987. Mr. Chan has been an Executive Director of the Company since 1987. He is also an independent non-executive director of Kingboard Holdings Limited (stock code: 148). Mr. Chan has participated in many textile negotiations with the USA and Europe for Hong Kong and Macau. He is a Standing Committee Member of The 10th, 11th and 12th of The Chinese People’s Political Consultative Conference; Deputy of the 8th and 9th National People’s Congress of China; Ex-member of Commission on Strategic Development of HKSAR, Ex-member of Economic Council of Macau Special Administrative Region; Ex-member of the Textile Advisory Board of Hong Kong; Ex-Committee Member of the Preparatory Committee for Hong Kong Special Administrative Region and Ex-Advisor of Hong Kong Affairs.

Information relating to Mr. Chan’s relationship with the other Directors, senior management, substantial or controlling Shareholders of the Company, his interest in the Shares within the meaning of Part XV of the SFO and details of his compensation and length of service as a Director are set out below in this appendix.

Save as disclosed above, there are no other matters concerning Mr. Chan that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules.

**Mr. Choi Ting Ki**, aged 67, is a fellow member of the Hong Kong Institute of Certified Public Accountants. In 1978, Mr. Choi graduated from the Department of Accounting of the Hong Kong Polytechnic (currently known as the Hong Kong Polytechnic University). He joined KPMG in the same year and has held various positions, including partner of the audit department of KPMG Hong Kong Office, Managing Partner of KPMG Shanghai Office, Senior Partner of KPMG Huazhen Shanghai Office as well as Senior Partner of KPMG Huazhen in Eastern and Western China. Mr. Choi retired from KPMG Huazhen in April 2010. Mr. Choi has been an independent non-executive Director of the Company since December 2012. He is also an independent non-executive director of Yangtzekiang Garment Limited (stock code: 294).

Pursuant to the Code Provision B.2.3 of the Corporate Governance Code contained in Appendix 14 of the Listing Rules, if an independent non-executive Director serves more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders. Mr. Choi has served the Company as an independent non-executive Director for more than nine years. Mr. Choi has never been involved with the daily operations and business decisions of the Company. The Company has received from Mr. Choi an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board is of the opinion that Mr. Choi maintains an independent view of the Company’s affairs and is able to carry out his duties as an independent non-executive Director in an impartial manner. He has given much valuable advice to the Company during past years of services. His extensive experience in accounting and audit is a valuable asset to the Company in steering its financial reporting and internal control functions. The Board therefore recommends the re-election of Mr. Choi as an independent non-executive Director notwithstanding the fact that Mr. Choi has served the Company for more than nine years.

If Mr. Choi shall be re-elected as an independent non-executive Director at the AGM, he will continue to act as the chairman of the nomination committee, and a member of each of the audit committee and remuneration committee of the Company.

Save as disclosed above, Mr. Choi did not hold any directorship in any other Hong Kong or overseas listed public companies in the last three years and did not hold any other position with the Company or other members of the Group.

Mr. Choi does not have any other relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

Information relating to Mr. Choi's interest in the Shares within the meaning of Part XV of the SFO and details of his compensation and length of services as a Director are set out below in this appendix.

Save as disclosed above, there are no other matters concerning Mr. Choi that need to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

### **Relationship of the Directors Standing For Re-election with other Directors, senior management, substantial or controlling Shareholders of the Company**

Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Fui, Peter and Madam Chan Suk Ling, Shirley are siblings.

Mr. Chan Wing Kee is the cousin of Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Fui, Peter and Madam Chan Suk Ling, Shirley.

Mr. Fu Sing Yam, William is the cousin of Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Fui, Peter, Madam Chan Suk Ling, Shirley and Mr. Chan Wing Kee.

Save as disclosed herein, the Directors Standing for Re-election do not have any relationship with any Directors, senior management, substantial or controlling Shareholders of the Company.

### **Interests in Shares of the Directors Standing for Re-election**

As at the Latest Practicable Date, the interests in the Shares of the Directors Standing for Re-election which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, the Model Code for Securities Transactions by Directors of Listed Issuers and which were entered in the register kept by the Company under section 352 of the SFO were as follows:

Name of Director	Number of Shares			
	Personal interests (i)	Family interests	Corporate interests	Other interests
Chan Suk Ling, Shirley	8,240,608	328,000	–	(ii) & (iii)
Chan Wing Kee	9,346,776	1,012,035	–	–
Choi Ting Ki	–	–	–	–

Save as disclosed herein and as at the Latest Practicable Date, none of the Directors Standing for Re-election had any interests in the Shares within the meaning of Part XV of the SFO.

Notes:

- (i) The Shares are registered under the names of the Directors who are the beneficial owners.
- (ii) 36,791,700 Shares were held by Chan Family Investment Corporation Limited (which is owned by Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Kee, Mr. Fu Sing Yam, William, Madam Chan Suk Ling, Shirley and other members of the Chan Family) and its subsidiaries.
- (iii) 120,400 Shares were held by Hearty Investments Limited which is owned by Mr. Chan Wing Sun, Samuel, Mr. Chan Wing Kee, Madam Chan Suk Ling, Shirley and other members of the Chan Family.
- (iv) 1,597,000 shares of the Company were held by Super Team International Limited which is indirectly owned by Messrs Chan Wing Kee and other members of the Chan family.

**Directors' service contracts**

As at the Latest Practicable Date, the Directors Standing for Re-election had not entered into any service contract in writing with the Company and had not been appointed for a specific term, but they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association. All the Directors Standing for Re-election will receive a director's fee to be fixed by the Board as may be authorised by the Shareholders at the AGM.

The total emoluments for the year ended 31 March 2022 received by Madam Chan Suk Ling, Shirley, Mr. Chan Wing Kee and Mr. Choi Ting Ki were HK\$1,449,000, HK\$40,000 and HK\$130,000, respectively (as disclosed in note 8 to the audited consolidated financial statements of the Company for the year ended 31 March 2022).

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## NOTICE OF ANNUAL GENERAL MEETING

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# YGM TRADING LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00375)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of the members of YGM Trading Limited (the “Company”) will be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Friday, 23 September 2022 at 12:15 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements, the directors’ report and the independent auditor’s report for the year ended 31 March 2022;
2. To approve and declare a final dividend for the year ended 31 March 2022;
3. To re-elect the directors of the Company named below (each as a separate resolution):
  - (a) Madam Chan Suk Ling, Shirley as an executive director of the Company;
  - (b) Mr. Chan Wing Kee as an executive director of the Company; and
  - (c) Mr. Choi Ting Ki, who has already served the Company for more than nine years, as an independent non-executive director of the Company;

and to authorise the board of directors (the “Directors”) to fix the remuneration of the Directors and any members of the committees of Directors;

4. To re-appoint KPMG as the auditors of the Company and to authorise the board of Directors to fix their remuneration; and
5. To consider as special business and, if thought fit, pass with or without modification, the following resolutions as ordinary resolutions of the Company:

(A) “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined hereinbelow) of all the powers of the Company to allot, issue and otherwise deal with the unissued shares of the capital of the Company (“Shares”) and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined hereinbelow), (ii) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares, (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue to such eligible participants recognised by the Company of shares or rights to acquire Shares, or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed the aggregate of: (aa) 20% of the total number of Shares in issue as at the date of passing this Resolution plus (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of Shares bought back by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the total number of Shares in issue as at the date of passing this Resolution), and the said approval shall be limited accordingly; and

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## NOTICE OF ANNUAL GENERAL MEETING

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(d) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting;

“**Right Issue**” means the allotment, issue or grant of shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares 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 exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”;

(B) “**THAT:**

(a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined hereinbelow) of all the powers of the Company to buy back shares in the capital of the Company (the “**Shares**”) be and is hereby generally and unconditionally approved;

(b) the total number of Shares which may be bought back on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under the Hong Kong Code on Share Buy-backs pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of Shares in issue as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(c) for the purpose of this Resolution:

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

- (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 law or the articles of association of the Company to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”; and

(C) “**THAT** conditional upon the passing of resolutions set out in paragraphs (A) and (B) above, the Directors be and they are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of the resolution set out in paragraph (A) above in this notice in respect of the share capital of the Company referred to in sub-paragraph (bb) of paragraph 5(A)(c) of such resolution.”

By Order of the Board  
**YGM Trading Limited**  
**Kwok Ying Tung**  
*Company Secretary*

Hong Kong, 29 July 2022

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## NOTICE OF ANNUAL GENERAL MEETING

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*As at the date of this notice, the Board comprises six executive Directors, namely Mr. Chan Wing Sun, Samuel, Madam Chan Suk Ling, Shirley, Mr. Fu Sing Yam, William, Mr. Andrew Chan, Mr. Chan Wing Fui, Peter, and Mr. Chan Wing Kee; and three independent non-executive Directors, namely Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming.*

*Notes:*

- (a) For the purpose of ascertaining the entitlement of the shareholders to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 20 September 2022 to Friday, 23 September 2022 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for the right to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 19 September 2022.*
- (b) A member entitled to attend and vote at the above meeting may appoint more than one proxy to attend and to vote in his stead. A proxy need not be a member of the Company.*
- (c) In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be deposited at the registered office of the Company at 22 Tai Yau Street, San Po Kong, Kowloon, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.*
- (d) The register of members of the Company will also be closed from Friday, 30 September 2022 to Thursday, 6 October 2022 (both days inclusive), during which period no transfer of shares will be effected for the purpose of ascertaining the entitlement of the shareholders to the proposed final dividend. In order to qualify for the final dividend payable on or around Monday, 17 October 2022 to be approved at the forthcoming AGM, all transfers accompanied by the relevant share certificates must be lodged with the share registrar of the company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration, not later than 4:30 p.m. on Thursday, 29 September 2022.*
- (e) With regard to paragraph 5 of the above notice, attention is drawn to the circular regarding the general mandate to buy back Shares and to issue Shares which will be sent to the shareholders of the Company in due course.*
- (f) Shareholders are strongly encouraged to note the COVID-19 precautionary measures and special arrangements to be implemented at the AGM which are set out in the cover page and page 1 with heading 'PRECAUTIONARY MEASURES FOR THE 2022 ANNUAL GENERAL MEETING' in the Company's circular and that NO refreshments, drinks or gifts will be provided. Shareholders are strongly encouraged to appoint the Chairman of the AGM as their proxy and submit their form of proxy as early as possible.*