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

If you have sold or transferred all your shares in Yorkey Optical International (Cayman) Ltd., you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) 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.

**YORKEY OPTICAL INTERNATIONAL (CAYMAN) LTD.****精熙國際(開曼)有限公司****(Incorporated in the Cayman Islands with limited liability)***(Stock code: 2788)**

**PROPOSALS FOR
GRANT OF GENERAL MANDATES TO ISSUE AND
TO REPURCHASE SHARES,
DECLARATION OF SPECIAL DIVIDEND,
RE-ELECTION OF DIRECTORS AND
APPOINTMENT OF AN
INDEPENDENT NON-EXECUTIVE DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Yorkey Optical International (Cayman) Ltd. to be held at 21/F-7, No. 282, Shizheng North 2nd Road, Xitun District, Taichung City, Taiwan as the principal place of meeting ("Principal Meeting Place") and electronic facilities for accessing to the Principal Meeting Place will be made available at ATLASPACE (Hong Kong) Limited, 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong as a meeting location ("Meeting Location") on Wednesday, 23rd June 2021 at 10:00 a.m. ("Annual General Meeting") is set out on pages 24 to 29 of this circular. For the arrangement and the preventive measures of the Annual General Meeting, please refer to pages 1 to 2 of this circular.

Whether or not you are able to attend and vote at the Annual General Meeting in Taiwan or in Hong Kong in person, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, 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 of the Annual General Meeting (i.e. 10:00 a.m. on Monday, 21st June 2021) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish. A form of proxy for use at the Annual General Meeting (or any adjournment thereof) is also enclosed. Such form of proxy is also published on the respective websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.yorkey-optical.com>).

ARRANGEMENT AND PREVENTIVE MEASURES FOR THE ANNUAL GENERAL MEETING

Please refer to pages 1 to 2 of this Circular for the measures to be implemented at the Annual General Meeting by the Company against the COVID-19 Pandemic to protect the attendees from the risk of infection of the novel coronavirus including:

- compulsory body temperature check
- compulsory wearing of surgical face mask
- no serving of refreshments or drinks and no gift will be distributed to attendees at Annual General Meeting

Any person who does not comply with the precautionary measures may be denied entry into the Annual General Meeting venue. The Company wishes to advise Shareholders that you may appoint the Chairman of the meeting as your proxy to vote on the relevant resolutions at the Annual General Meeting as an alternative to attending the Annual General Meeting in person.

* For identification purposes only

30th April 2021

CONTENTS

	<i>Page</i>
Arrangement and Preventive Measures for the Annual General Meeting	1
Definitions	3
Letter from the Board	6
Appendix I – Explanatory Statement of the Repurchase Mandate	13
Appendix II – Details of Directors proposed for re-election and appointment	19
Notice of Annual General Meeting	24

ARRANGEMENT AND PREVENTIVE MEASURES FOR THE ANNUAL GENERAL MEETING

MEETING ARRANGEMENT

Due to the outbreak of the respiratory disease caused by coronavirus (“**COVID-19 pandemic**”), local governments have implemented various preventive measures to combat the COVID-19 pandemic, including travel restrictions and guidance on public gathering. The Company has been actively monitoring the development of the COVID-19 pandemic and the guidelines issued by the relevant government authorities to ensure the Annual General Meeting can be held as scheduled while taking care of the health and safety of the Shareholders, our Directors, our employees and the public.

(i) Venues in Taiwan and Hong Kong

Annual General Meeting will be held at the Principal Meeting Place, i.e. 21/F-7, No. 282, Shizheng North 2nd Road, Xitun District, Taichung City, Taiwan and electronic facilities for accessing to the Principal Meeting Place will be made available at ATLASPACE (Hong Kong) Limited, 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong as a Meeting Location for attendance by Shareholders who are unable to attend the Principal Meeting Place (as permitted by the Articles of Association of the Company), on Wednesday, 23rd June 2021 at 10:00 a.m.. Shareholders participating through the electronic facilities available at the venue in Hong Kong are deemed to be present at and shall be counted in the quorum of the Annual General Meeting. Shareholders can attend, speak and vote in the venues in Taiwan and Hong Kong. Hong Kong is in the same time zone as Taiwan.

(ii) Voting arrangement

In order to comply with the COVID-19 pandemic prevention and control measures imposed by the relevant government authorities and safeguard the health, safety and rights of the Shareholders, the Company strongly recommends the Shareholders to complete the enclosed form of proxy in accordance with the instructions printed thereon, appoint the chairman of the Annual General Meeting as his/her proxy (instead of attending the Annual General Meeting in person) to vote in accordance with the instructions on the form of proxy, and return the same to the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, 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 of the Annual General Meeting (i.e. 10:00 a.m. on Monday, 21st June 2021)** or any postponement or adjournment thereof.

ARRANGEMENT AND PREVENTIVE MEASURES FOR THE ANNUAL GENERAL MEETING

PREVENTIVE MEASURES

Shareholders or proxies who intend to attend the Annual General Meeting to be held in Taiwan or Hong Kong in person are specifically reminded to take personal protective measures and comply with the COVID-19 pandemic preventive and control requirements. In light of the current COVID-19 pandemic prevention and control and the consideration of protecting the life safety and health of the Shareholders and other participants, the Company will take a series of preventive and control measures at the venues, including but not limited to the following:

- (i) Shareholders and other participants are required to wear masks on their own to enter each of the venues in Taiwan and Hong Kong and wear masks throughout the meeting;
- (ii) each Shareholder and participant must undergo hand sanitisation and mandatory temperature checking at the entrance of each of the venues in Taiwan and Hong Kong, and any person who has been recorded a body temperature of higher than 37.4 degrees Celsius will not be allowed to enter the venue;
- (iii) no refreshment or drinks will be provided and no gift will be distributed to attendees at each of the venues in Taiwan and Hong Kong; and
- (iv) if the number of Shareholders and other participants present in the venues in Taiwan or Hong Kong reached the upper limit stipulated by the relevant government authorities on the date of the Annual General Meeting, Shareholders or proxies will have to enter into the venues on a “first sign in, first enter” basis.

Notwithstanding the foregoing, the Board has the absolute discretion to change or cancel the venue in Hong Kong if the Board considers that is not safe for the Shareholders to gather together in one place or in order to comply with relevant law or regulations, including but not limited to Hong Kong Prevention and Control of Disease (Prohibition on Group Gathering) Regulation. For the health and safety of all stakeholders, and in compliance with the recent guidelines for COVID-19 pandemic prevention and control, the Company reminds the Shareholders that it is not necessary to attend the Annual General Meeting in person for exercising the voting rights. Instead, the Shareholders may submit the proxy form with voting instructions printed thereon to appoint the chairman of the Annual General Meeting as his/her proxy to vote on the relevant resolutions at the Annual General Meeting in his/her stead.

If there are any questions regarding the Annual General Meeting and the business of the Annual General Meeting that you would like to be addressed, the Shareholders are welcome to contact the Company by post to the Company Secretary’s office at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, or by email to ir@yorkey-optical.com.

Shareholders are reminded to keep track of the Company’s announcements on the Company’s website or Stock Exchange’s website for any update.

DEFINITIONS

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

“AGM Notice”	the notice of the Annual General Meeting set out on pages 24 to 29 of this circular
“Annual General Meeting”	the annual general meeting of the Company to be held at 21/F-7, No. 282, Shizheng North 2nd Road, Xitun District, Taichung City, Taiwan (as Principal Meeting Place) and ATLASPACE (Hong Kong) Limited, 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong (as Meeting Location) concurrently via electronic facilities on Wednesday, 23rd June 2021 at 10:00 a.m., or, where the context so admits, at any adjournment thereof
“Articles”	the existing articles of association of the Company as amended, supplemented or otherwise modified from time to time and duly adopted by the Company
“Board”	the board of Directors
“close associate(s)”	has the same meaning as ascribed to it under the Listing Rules
“Companies Law”	Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	Yorkey Optical International (Cayman) Ltd., a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange
“core connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Issue Mandate”	the general and unconditional issue mandate proposed to be granted to the Directors at the Annual General Meeting to exercise the power of the Company to allot, issue or otherwise deal with the unissued Shares in the capital of the Company up to a maximum of 20% of the aggregate number of issued Shares as at the date of passing of the ordinary resolution described in resolution no. 5 in the AGM Notice
“Latest Practicable Date”	22nd April 2021, being the latest practicable date prior to printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as may be amended, modified and supplemented from time to time
“Meeting Location”	has the meaning ascribed to it in Article 64A
“Principle Meeting Place”	has the meaning ascribed to it in Article 59(2)
“Relevant Period”	in respect of the Issue Mandate, has the meaning ascribed to it in paragraph (d) of resolution no. 5 in the AGM Notice, and in respect of the Repurchase Mandate, has the meaning ascribed to it in paragraph (c) of resolution no. 6 in the AGM Notice
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares up to a maximum of 10% of the aggregate number of issued Shares as at the date of passing of the ordinary resolution described in resolution no. 6 in the AGM Notice
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as may be amended, supplemented and modified from time to time

DEFINITIONS

“Share(s)”	ordinary share(s) in the share capital of the Company, presently with a par value of HK\$0.01 each, or with such other par value or no par value as adopted by the Company from time to time, or if there has been a subdivision, consolidation, reclassification of or reconstruction of the share capital of the Company, shares forming part of the ordinary share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Code on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong as may be amended, modified and supplemented from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



YORKEY OPTICAL INTERNATIONAL (CAYMAN) LTD.

精熙國際(開曼)有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2788)

Executive Directors:

LAI I-Jen (*Chairman*)

KURIHARA Toshihiko (*Chief Executive Officer*)

Non-executive Director:

WU Shu-Ping

Independent non-executive Directors:

LIN Meng-Tsung

LIU Wei-Li

WANG Yi-Chi

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:*

Workshops 1-2, 6th Floor

Block A, Goldfield Industrial Centre

1 Sui Wo Road

Shatin, New Territories

Hong Kong

30th April 2021

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GRANT OF GENERAL MANDATES TO ISSUE AND
TO REPURCHASE SHARES,
DECLARATION OF SPECIAL DIVIDEND,
RE-ELECTION OF DIRECTORS AND
APPOINTMENT OF AN
INDEPENDENT NON-EXECUTIVE DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with details of these proposals in respect of the resolutions to be proposed at the Annual General Meeting to enable the Shareholders to make an informed decision on whether to vote for or against the resolutions. The Directors will seek the approval of the Shareholders at the Annual General Meeting for, among other things: (i) the grant of the Issue Mandate and the extension of the Issue Mandate to the Directors; (ii) the grant of the Repurchase Mandate; (iii) the declaration of the special dividend, (iv) the re-election of retiring Directors, and (v) the appointment of an independent non-executive Director.

* *For identification purposes only*

LETTER FROM THE BOARD

ISSUE MANDATE

At the last annual general meeting of the Company held on 18th June 2020, general mandates were granted to the Directors to allot, issue and deal with Shares and to exercise the powers of the Company to repurchase Shares. Such general mandates will lapse at the conclusion of the Annual General Meeting. Therefore, an ordinary resolution will be proposed for the Shareholders at the Annual General Meeting to consider and, if thought fit, to grant the Issue Mandate to the Directors. The Shares which may be allotted and issued pursuant to the Issue Mandate are up to a maximum of 20% of the aggregate number of Shares in issue as at the date of passing the resolution approving the Issue Mandate. In addition, a separate ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, to approve the extension of the Issue Mandate by adding to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate, the aggregate number of Shares repurchased by the Company under the Repurchase Mandate, if granted. If the Company conducts a Share consolidation or subdivision after the Issue Mandate has been approved at the Annual General Meeting, the maximum number of Shares that may be issued under the Issue Mandate as a percentage of the total number of Shares in issue as at the date immediately before and after such consolidation or subdivision shall be the same.

Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in resolutions nos. 5 and 7 in the AGM Notice on pages 25 to 27 of this circular. The Issue Mandate shall continue in force during the period from the passing of the ordinary resolution until whichever is the earliest 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 to be held by the Articles or by any applicable laws of the Cayman Islands; or (c) the date on which the authority given under the ordinary resolution approving the Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, to grant the Repurchase Mandate to the Directors. The Shares which may be repurchased pursuant to the Repurchase Mandate are up to a maximum of 10% of the aggregate number of Shares in issue at the date of passing of the resolution approving the Repurchase Mandate at the Annual General Meeting, subject to adjustment for each consolidation or sub-division of Shares the record date of which shall fall before the expiration of such Repurchase Mandate by multiplying such number of Shares with a fraction (“**Adjustment Fraction**”), the numerator of which is the number of issued Shares immediately after the consolidation or sub-division of Shares and the denominator of which is the number of issued Shares immediately prior to the consolidation or sub-division of Shares.

LETTER FROM THE BOARD

The Repurchase Mandate shall continue in force during the period from the passing of the ordinary resolution until whichever is the earliest 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 to be held by the Articles or by any applicable laws of the Cayman Islands; or (c) the date on which the authority given under the ordinary resolution approving the Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

On the basis of 817,900,000 Shares in issue as at the Latest Practicable Date and assuming that (i) the resolutions approving the Issue Mandate and the Repurchase Mandate are passed at the Annual General Meeting, and (ii) no further Shares are allotted, issued or repurchased between the Latest Practicable Date and the date of the Annual General Meeting, the Company is allowed to allot and issue a maximum of additional 163,580,000 Shares under the Issue Mandate and repurchase a maximum of 81,790,000 Shares under the Repurchase Mandate.

Details of the Repurchase Mandate is set out in resolution no. 6 in the AGM Notice. An explanatory statement as required by the Listing Rules containing all relevant information relating to the Repurchase Mandate is set out in Appendix I to this circular. The information in the explanatory statement is to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate at the Annual General Meeting.

DECLARATION AND PAYMENT OF SPECIAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT

The Board recommended the declaration and payment of a special dividend of HK\$0.035 per Share out of the share premium account. As at the Latest Practicable Date, there was a total of 817,900,000 Shares in issue. On the assumption that no Shares are issued or repurchased after the Latest Practicable Date and up to the date of Annual General Meeting, the special dividend, if declared and paid, will amount to an aggregate amount of approximately HK\$28,626,500 (approximately US\$3,693,000). Subject to the fulfilment of the conditions set out in the section headed “Conditions of the Payment of Special Dividend out of Share Premium Account” below, the special dividend is intended to be paid out of the share premium account of the Company pursuant to articles 136 and 137 of the Articles and in accordance with the laws of the Cayman Islands.

According to the audited consolidated financial statements of the Company, the amount standing to the credit of the share premium account of the Company as at 31st December 2020 was approximately US\$41,699,000. Upon the payment of the special dividend, the remaining balance of the amount standing to the credit of the share premium account of the Company will be approximately US\$38,006,000.

LETTER FROM THE BOARD

CONDITIONS OF THE PAYMENT OF SPECIAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT

The payment of the special dividend out of the share premium account of the Company is conditional upon the satisfaction of the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting approving the declaration and payment of the special dividend out of the share premium account of the Company pursuant to articles 136 and 137 of the Articles and the applicable laws of the Cayman Islands; and
- (ii) the Directors being satisfied that there are no reasonable grounds for believing that immediately following the payment of the special dividend, the Company will be unable to pay its debts as they fall due in the ordinary course of business.

The conditions set out above cannot be waived. If such conditions are not satisfied, the special dividend will not be paid. Subject to the fulfilment of the above conditions, it is expected that the special dividend will be paid on or before 6th August 2021.

REASONS FOR AND EFFECT OF THE PAYMENT OF SPECIAL DIVIDEND OUT OF SHARE PREMIUM ACCOUNT

The Board considers it appropriate to distribute the special dividend to reward the Shareholders for their continuing support.

The payment of the special dividend out of share premium account of the Company does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or result in any change in the trading arrangements in respect of the Shares.

After taking into consideration of the existing cashflow of the Group, the Board considers that the Company has sufficient cashflow to pay the special dividend. The payment of the special dividend out of share premium account of the Company will not have any material adverse effect on the financial position of the Group.

The Directors consider that the proposed declaration and payment of the special dividend out of share premium account of the Company is in the interests of the Company and the Shareholders as a whole.

RE-ELECTION OF DIRECTORS AND APPOINTMENT OF AN INDEPENDENT NON-EXECUTIVE DIRECTOR

Pursuant to article 87(1) of the Articles, at each annual general meeting of the Company, not less than one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. The

LETTER FROM THE BOARD

Directors to retire each year shall be those who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Accordingly, Mr. Lai I-Jen (“**Mr. Lai**”) and Mr. Kurihara Toshihiko (“**Mr. Kurihara**”) will retire from office as Directors at the Annual General Meeting and Mr. Lai and Mr. Kurihara, being eligible, will offer themselves for re-election. In addition, pursuant to the letters of appointment of the non-executive Director, namely Ms. Wu Shu-Ping, and the two independent non-executive Directors, namely Mr. Lin Meng-Tsung and Mr. Liu Wei-Li, they will retire and being eligible, will offer themselves for re-election at the Annual General Meeting. Mr. Wang Yi-Chi (“**Mr. Wang**”) will retire from office at the Annual General Meeting. Mr. Wang has expressed his intention to retire as an independent non-executive Director upon conclusion of the Annual General Meeting, and will not offer himself for re-election, as Mr. Wang would like to devote more time to his other personal affairs and commitments. Mr. Wang had confirmed that he had no disagreement with the Board. The Board and Mr. Wang also respectively confirmed that there was no matter regarding the retirement of Mr. Wang that needed to be brought to the attention of the Shareholders. The Board would like to take this opportunity to thank Mr. Wang for his valuable contributions and services to the Group during his tenure of office. In addition, following Mr. Wang’s retirement, he will cease to be a member of each of the audit committee, the nomination committee and the remuneration committee of the Company.

Details of the above-mentioned Directors proposed for re-election at the Annual General Meeting are set out in Appendix II to this circular.

The nomination committee made recommendation to the Board on the election of Mr. Lin Yi-Min (“**Mr. Lin**”) as an independent non-executive Director to fill up the vacancy as a result of the retirement of Mr. Wang with effect from the conclusion of the Annual General Meeting. The Board will also appoint Mr. Lin as a member of the audit committee, nomination committee and remuneration committee of the Company if the appointment of Mr. Lin as an independent non-executive Director is approved by the Shareholders at the Annual General Meeting.

Pursuant to Article 88 of the Articles, the Board has resolved to recommend Mr. Lin to be elected as an independent non-executive Director with effect from the date of the Annual General Meeting. The biographical details of Mr. Lin are set out in Appendix II to this circular.

After considering board diversity with regard to factors set out in the Company’s Board Diversity Policy including, but not limited to, gender, age, culture, race, educational background, expertise and experience, knowledge and skills, and the nomination principles set out in the Director Nomination Policy of the Company, the nomination committee made recommendations to the Board on the re-election of Mr. Lai and Mr. Kurihara as executive Directors, Ms. Wu Shu-Ping as a non-executive Director, Mr. Lin Meng-Tsung and Mr. Liu Wei-Li as independent non-executive Directors.

LETTER FROM THE BOARD

The Company has received a written confirmation of independence from each of Mr. Lin Meng-Tsung, Mr. Liu Wei-Li and Mr. Lin of his independence pursuant to Rule 3.13 of the Listing Rules. The Board is of the view that Mr. Lin Meng-Tsung, Mr. Liu Wei-Li and Mr. Lin are independent and will bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity.

ANNUAL GENERAL MEETING

A notice of the Annual General Meeting is set out on pages 24 to 29 of this circular. A form of proxy for use in connection with the Annual General Meeting is also enclosed. At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other things, the Issue Mandate and the extension thereof, the Repurchase Mandate, the declaration of the special dividend out of share premium account of the Company, the re-election of Directors and the appointment of an independent non-executive Director.

Whether or not you are able to attend and vote at the Annual General Meeting in **Taiwan** or in **Hong Kong** in person, you are requested to complete the enclosed form of proxy and return the same to the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, 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 of the Annual General Meeting (i.e. 10:00 a.m. on Monday, 21st June 2021). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

For the arrangement and the preventive measures of the Annual General Meeting, please refer to pages 1 to 2 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Annual General Meeting will 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 of the Annual General Meeting in accordance with Rule 13.39(5) of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Friday, 18th June 2021 to Wednesday, 23rd June 2021, both days inclusive, during which no transfer of Shares will be registered. In order to be entitled to attend and vote at the Annual General Meeting, unregistered holders of Shares should ensure that all transfers of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 17th June 2021.

LETTER FROM THE BOARD

On the assumption that the resolution for declaring the special dividend is duly passed at the Annual General Meeting, the register of members of the Company will be closed from Wednesday, 14th July 2021 to Friday, 16th July 2021, both days inclusive, during which no transfer of shares will be registered. In order to qualify for entitlement to the proposed special dividend, all transfers of Shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 13th July 2021.

RESPONSIBILITY STATEMENT

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

RECOMMENDATIONS

The Directors are of the opinion that (i) the Issue Mandate and the extension thereof; (ii) the Repurchase Mandate; (iii) the declaration of the special dividend, (iv) the re-election of retiring Directors; and (v) the appointment of an independent non-executive Director, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

GENERAL

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

MISCELLANEOUS

The English text of this circular, the notice of the Annual General Meeting and the accompanying form of proxy shall prevail over the Chinese text for the purpose of interpretation.

By order of the Board of
YORKEY OPTICAL INTERNATIONAL (CAYMAN) LTD.
KURIHARA Toshihiko
Executive Director and Chief Executive Officer

This appendix serves as an explanatory statement, as required by the Listing Rules, to enable the Shareholders to make an informed decision on whether to vote for or against the Repurchase Mandate.

LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their fully-paid up shares on the Stock Exchange subject to certain restrictions.

SHAREHOLDERS' APPROVAL

The Listing Rules provide that all on-market share repurchases by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution by the shareholders, either by specific approval of a particular transaction or by a general mandate to the directors of a company to make such repurchases.

SHARE CAPITAL

As at the Latest Practicable Date, there was an aggregate of 817,900,000 Shares in issue.

Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further new Shares will be allotted, issued or repurchased and there is no consolidation or sub-division of Shares between the Latest Practicable Date and the date of Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 81,790,000 Shares, being 10% of the existing issued Shares as at the Latest Practicable Date. The Repurchase Mandate shall, unless revoked or varied by the Company in general meeting, take effect upon approval by the Shareholders until the next annual general meeting of the Company.

If the Company conducts a Share consolidation or subdivision after the Repurchase Mandate is granted, the maximum number of Shares that may be repurchased under such mandate as a percentage of the aggregate number of issued Shares as at the date immediately before and after such consolidation or subdivision shall be the same.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market.

Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and/or its earnings per Share. Shareholders can be assured that the Directors would only make such repurchases in circumstances where they consider them to be in the best interests of the

Company and the Shareholders as a whole. The Company may not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the Listing Rules from time to time.

FUNDING OF REPURCHASES

Any repurchase of securities of the Company would be funded entirely from the cash flow or working capital facilities available to the Company, and will, in any event be made out of funds legally available for such purpose in accordance with the Articles and the applicable laws of the Cayman Islands and the Listing Rules. Such funds include, but are not limited to, profits available for distribution. Purchases may only be effected out of the profits or share premium of the Company or out of the proceeds of a fresh issue of Shares made for the purpose. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account. Subject to the provisions of the Companies Law, a purchase may also be paid out of the Company's capital.

GENERAL

There might be a material adverse impact on the working capital and/or gearing position of the Company as disclosed in the audited financial statements of the Company for the year ended 31st December 2020 in the event that the Repurchase Mandate were to be carried out in full. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances have a material adverse effect on the working capital position or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date are as follows:

Month	Shares prices (per Share)	
	Highest HK\$	Lowest HK\$
2020		
April	0.64	0.52
May	0.64	0.51
June	0.70	0.59
July	0.79	0.64
August	0.65	0.54
September	0.65	0.52
October	0.62	0.54

Month	Shares prices (per Share)	
	Highest	Lowest
	HK\$	HK\$
November	0.57	0.52
December	0.58	0.52
2021		
January	0.55	0.50
February	0.61	0.50
March	0.53	0.50
April (up to the Latest Practicable Date)	0.64	0.52

UNDERTAKING OF THE DIRECTORS

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

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

As at the Latest Practicable Date, none of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, their respective close associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if the same is approved by the Shareholders.

As at the Latest Practicable Date, no core connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

EFFECT OF TAKEOVERS CODE

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

As at the Latest Practicable Date and on the date assuming that the Repurchase Mandate had been exercised in full, to the best of the knowledge and belief of the Directors, the Shareholders who were interested in 5% or more of the issued share capital of the Company, according to the register of interests required to be kept by the Company under the SFO, or as otherwise notified to the Company and the Stock Exchange, are as follows:

Name of Shareholder	Current Percentage interest in the issued share capital of the Company	Percentage interest in the issued share capital of the Company in the event the Repurchase Mandate is exercised in full	Number of Shares beneficially held
Asia Optical International Ltd.	22.84%	25.38%	186,833,000
Asia Optical Co., Inc.	27.73%	30.81% (Note 1)	226,833,000
Ability Enterprise (BVI) Co., Ltd.	17.58%	19.53%	143,817,000
Ability Enterprise Co., Ltd.	17.58%	19.53% (Note 2)	143,817,000
Fortune Lands International Limited	13.81%	15.34% (Note 3)	112,990,000
Mr. Chan Sun-Ko	13.81%	15.34% (Note 4)	112,990,000
Ms. Wu Bo-Yan	13.81%	15.34% (Note 5)	112,990,000
Mr. David Michael Webb	5.02%	5.57% (Note 6)	41,022,000

Notes:

1. Asia Optical Co., Inc. holds 100% direct interest in the issued capital of Asia Optical International Ltd. (“AOIL”) and Richman International Group Co., Ltd. (“Richman”), which holds 186,833,000 Shares and 40,000,000 Shares of the Company, respectively, and therefore is taken to be interested in an aggregate of 226,833,000 Shares held by AOIL and Richman.

2. Ability Enterprise Co., Ltd. holds 100% direct interest in the issued capital of Ability Enterprise (BVI) Co., Ltd. (“**Ability Enterprise BVI**”), and therefore is taken to be interested in an aggregate of 143,817,000 Shares held by Ability Enterprise BVI.
3. Fortune Lands International Limited (“**Fortune Lands**”) is the founder of The Yorkey Employee’s Trust and is the registered owner of 112,990,000 Shares which it holds as trustee of The Yorkey Employees’ Trust.
4. Mr. Chan Sun-Ko (“**Mr. Chan**”), being the sole shareholder of Fortune Lands, is taken to be interested in an aggregate of 112,990,000 Shares held by Fortune Lands.
5. Ms. Wu Bo-Yan, the spouse of Mr. Chan, is taken to be interested in an aggregate of 112,990,000 Shares in which Mr. Chan is interested in.
6. Mr. David Michael Webb (“**Mr. Webb**”) holds 100% direct interest in the issued capital of Preferable Situation Assets Limited (“**Preferable Situation**”), which holds 24,690,037 Shares of the Company, and therefore is taken to be interested in 24,690,037 Shares held by Preferable Situation. Mr. Webb, being a beneficial owner, also holds 16,331,963 Shares.

As at the Latest Practicable Date, Asia Optical is beneficially interested in 226,833,000 Shares, representing 27.73% in the issued share capital of the Company (without taking into account the effect of the Issue Mandate). If the Repurchase Mandate is exercised in full, the percentage interest of Asia Optical will be increased by 3.08% to 30.81%. Asia Optical will become obliged to make a general offer to Shareholders under Rules 26 and 32 of the Takeovers Code as a result of repurchase of Shares.

Save as disclosed above, the Directors are not aware of any Shareholder, or group of Shareholders acting in concert, who will become obliged to make a mandatory offer to Shareholders under Rules 26 and 32 of the Takeovers Code as a result of repurchase of Shares.

In any event, the Directors have no intention to exercise the Repurchase Mandate to an extent that would give rise to the mandatory offer requirement pursuant to the Takeovers Code if the Repurchase Mandate is approved by Shareholders at the Annual General Meeting.

Further, in any event, the Directors have no intention to exercise the Repurchase Mandate to such an extent that would result in the number of Shares in hands of public falling below the prescribed minimum percentage of 25% of the total number of issued Shares if the Repurchase Mandate is approved by Shareholders at the Annual General Meeting.

SHARE REPURCHASE MADE BY THE COMPANY

During the year ended 31st December 2020 and in the six months immediately preceding the Latest Practicable Date, the Company repurchased its ordinary shares through the Stock Exchange as follows:

Date of repurchase	No. of ordinary shares	Price per share	
		Highest HK\$	Lowest HK\$
2020			
8th May	60,000	0.61	0.60
11th May	50,000	0.61	0.61
13th May	26,000	0.62	0.62
14th May	2,000	0.62	0.62
15th May	30,000	0.62	0.62
18th May	70,000	0.62	0.62
19th May	60,000	0.62	0.62
20th May	48,000	0.63	0.62
21st May	32,000	0.63	0.62
22nd May	70,000	0.62	0.61
25th May	150,000	0.58	0.55
26th May	100,000	0.59	0.58
27th May	80,000	0.59	0.58
28th May	198,000	0.58	0.58
29th May	124,000	0.60	0.58
1st June	110,000	0.61	0.59
2nd June	50,000	0.61	0.60
8th September	138,000	0.63	0.62
9th September	164,000	0.63	0.62
10th September	10,000	0.62	0.62
11th September	20,000	0.62	0.62
14th September	98,000	0.62	0.62
16th September	150,000	0.62	0.62
17th September	100,000	0.62	0.62
	<u>1,940,000</u>		

The above ordinary shares were cancelled upon repurchase.

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31st December 2020 and in the six months immediately preceding the Latest Practicable Date.

The following are the particulars of the Directors proposed for re-election at the Annual General Meeting:

Mr. LAI I-Jen (賴以仁), aged 72, joined the Group in December 2005 and is an executive Director and the chairman of the Company. He is also the chairman of Yorkey Optical Technology Limited, a direct wholly-owned subsidiary of the Company. He has over 40 years of experience in the manufacturing and sales of optical and opto-electronic products. Mr. Lai is currently the chairman of Asia Optical Co., Inc. (“**Asia Optical**”, an indirect substantial shareholder of the Company), a company listed on the Taiwan Stock Exchange. Asia Optical is principally engaged in the design, manufacturing and sales of a wide range of optical and opto-electronic products.

Mr. Lai is also currently the chairman and chief operating manager of Asia Tech Image Inc. (“**Asia Tech**”), a company listed on the Taipei Exchange and holds directorship in various companies. Asia Tech is held by Asia Optical as to 26.2%, and is principally engaged in the trading of image sensor and electronic related parts and components.

Mr. Lai has substantial experiences and international vision in business management, marketing and global logistics.

Mr. Lai entered into a letter of appointment with the Company for an initial term of one year commencing from 7th June 2013 and shall continue thereafter until terminated by either party giving to the other not less than three months’ prior notice in writing served on the other side. Based on the letter of appointment, the amount of remuneration is HK\$120,000 per annum determined with reference to his duties and responsibilities within the Company.

Save as disclosed herein, Mr. Lai has no relationships with any Director, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lai had no interests in Shares, underlying Shares or debentures of the Company which would fall to be disclosed under Part XV of the SFO.

Save as disclosed above, Mr. Lai has not held any other directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, other major appointment or professional qualification and there is no other information which is required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or to be brought to the attention of the Shareholders.

Mr. KURIHARA Toshihiko (栗原俊彦), aged 67, joined the Group in July 2016 and is an executive Director and the Chief Executive Officer of the Company. He is also a member of the nomination committee, a director of Yorkey Optical Technology Limited, a direct wholly-owned subsidiary of the Company and the chairman of Dongguan Yorkey Optical Machinery Components Ltd, an indirect wholly-owned subsidiary of the Company. Mr. Kurihara graduated from Sophia University with a major in mechanical engineering and has

over 30 years of experience in the optical disk pickup industry. Prior to joining the Group, Mr. Kurihara has served various positions in Pioneer Corporation (“**Pioneer**”), a company listed in Japan which manufactures and sells audio and video equipment for household, industrial, and automobile use. Mr. Kurihara joined Pioneer in 1977 and had served in many managerial positions in the pickup development and sales department of Pioneer from April 1992 to September 2009. Subsequently, from October 2009 to April 2012, Mr. Kurihara served as the chief executive officer of Pioneer Digital Design and Manufacturing Corporation, a joint venture of Pioneer and Sharp. He was an executive officer of Pioneer from June 2012 to June 2015. Mr. Kurihara was a consultant of Pioneer from June 2015 to June 2016. He had served as a director of Fortune Lands International Limited (“**Fortune Lands**”), the trustee of The Yorkey Employees’ Trust, since June 2017 and resigned in February 2018.

Mr. Kurihara entered into a service agreement and letter of appointment with the Company in respect of his appointment as executive Director and Chief Executive Officer, respectively, both of which for an initial term of one year commencing from 10th March 2017 and shall continue thereafter until terminated by either party giving to the other not less than three months’ prior notice in writing served on the other side. Pursuant to his service agreement and letter of appointment, Mr. Kurihara is entitled to a director’s fee of and a salary of chief executive officer of HK\$120,000 and JPY15,000,000 per annum respectively, which were determined by the Board with reference to the opinion from the remuneration committee of the Company based on his responsibilities as well as the remuneration benchmark in the industry and the prevailing market conditions. Furthermore, Mr. Kurihara will be eligible for a discretionary bonus which may be payable to him in recognition of his contribution to the Company which is determined at the Company’s sole discretion with reference to the accomplishment of important tasks and the Company’s business performance, as well as the remuneration benchmark in the industry and the prevailing market conditions.

Save as disclosed herein, Mr. Kurihara has no relationships with any Director, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Kurihara had no interests in Shares, underlying Shares or debentures of the Company which would fall to be disclosed under Part XV of the SFO.

Save as disclosed above, Mr. Kurihara has not held any other directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, other major appointment or professional qualification and there is no other information relating to Mr. Kurihara that needs to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or to be brought to the attention of the Shareholders.

Ms. WU Shu-Ping (吳淑品), aged 58, joined the Group in December 2005 and is a non-executive Director of the Company. Ms. Wu is currently a director of Asia Optical and a director and an executive manager of Asia Tech and holds directorship in various companies. She had been successfully involved in the listing, overseas financing and merger & acquisition projects of Asia Optical.

Ms. Wu entered into a letter of appointment with the Company for an initial term of one year commencing from 20th December 2005 and shall continue thereafter until terminated by either party giving to the other not less than three months' prior notice in writing served on the other side. Based on the letter of appointment and current arrangements, the amount of remuneration is HK\$120,000 per annum determined with reference to her duties and responsibilities within the Company.

Save as disclosed herein, Ms. Wu has no relationships with any Director, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Ms. Wu had no interests in Shares, underlying Shares or debentures of the Company which would fall to be disclosed under Part XV of the SFO.

Save as disclosed above, Ms. Wu has not held any other directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, other major appointment or professional qualification and there is no other information relating to Ms. Wu that needs to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or to be brought to the attention of the Shareholders.

Mr. LIN Meng-Tsung (林孟宗), aged 47, was appointed as an independent non-executive Director of the Company in June 2017. Mr. Lin is also the chairman of the audit committee, nomination committee and remuneration committee of the Company. Mr. Lin graduated from Feng Chia University in Taiwan majoring in accounting and is a qualified accountant and bookkeeper in Taiwan. Mr. Lin had served in an international accounting firm from July 1997 to August 2011, during which he was mainly responsible for providing auditing and taxation services to listed companies and corporations. He is currently a certified public accountant and the director of Kung Long Certified Public Accountants (廣隆會計師事務所) in Taiwan. Mr. Lin had served as a director of Fortune Lands since June 2017 and resigned in October 2017.

Mr. Lin entered into a letter of appointment with the Company for an initial term of one year commencing from 15th June 2017 and shall continue thereafter until terminated by either party giving to the other not less than three months' prior notice in writing served on the other side. The amount of remuneration as set out in the letter of appointment is HK\$120,000 per annum determined with reference to his duties and responsibilities within the Company.

Save as disclosed herein, Mr. Lin has no relationships with any Director, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lin had no interests in Shares, underlying Shares or debentures of the Company which would fall to be disclosed under Part XV of the SFO.

Save as disclosed above, Mr. Lin has not held any other directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, other major appointment or professional qualification and there is no other information relating to Mr. Lin that needs to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or to be brought to the attention of the Shareholders.

Mr. Lin is a qualified accountant and bookkeeper in Taiwan and his areas of expertise are accounting and finance. The Board believes that the strengths of Mr. Lin complement other Directors and broaden the skills and experience of the Board as a whole.

Mr. LIU Wei-Li (劉偉立), aged 40, was appointed as an independent non-executive Director of the Company in June 2017. Mr. Liu is also a member of the audit committee, nomination committee and remuneration committee of the Company. Mr. Liu received a master of laws for science and technology and a bachelor of science degree in engineering from National Tsing Hua University of Taiwan, as well as an LL.M. degree from Stanford University. Mr. Liu is a lawyer qualified in both Taiwan and the New York State, and is a patent agent of Taiwan. He had many years of experience with international law firms. Mr. Liu is now a counsel at LCC Partners Law Office. Mr. Liu's areas of expertise are intellectual property, cross-border investment, venture capital and commercial litigation. With an engineering background, he has extensive experience in providing solutions for technology companies as well as for start-up companies.

Mr. Liu entered into a letter of appointment with the Company for an initial term of one year commencing from 15th June 2017 and shall continue thereafter until terminated by either party giving to the other not less than three months' prior notice in writing served on the other side. The amount of remuneration as set out in the letter of appointment is HK\$156,000 per annum determined with reference to his duties and responsibilities within the Company.

Save as disclosed herein, Mr. Liu has no relationships with any Director, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Liu had no interests in Shares, underlying Shares or debentures of the Company which would fall to be disclosed under Part XV of the SFO.

Save as disclosed above, Mr. Liu has not held any other directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, other major appointment or professional qualification and there is no other information relating to Mr. Liu that needs to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or to be brought to the attention of the Shareholders.

Mr. Liu is a lawyer qualified in both Taiwan and the New York State, and is a patent agent of Taiwan. His areas of expertise are intellectual property, cross-border investment, venture capital and commercial litigation. The Board believes that the strengths of Mr. Liu complement other Directors and broaden the skills and experience of the Board as a whole.

Set out below are details of Mr. LIN Yi-Min who is proposed to be appointed as an independent non-executive Director at the Annual General Meeting:

Mr. LIN Yi-Min (林益民), aged 54, received a master's degree in EMBA from National Changhua University of Education in Taiwan and is a qualified accountant and bookkeeper and a tax return filing agent in Taiwan. He is currently the director of Full-go Certified Public

Accountants* (富國聯合會計師事務所) in Taiwan, an independent director of Fine Blanking & Tool Co., Ltd., a company listed on the Taipei Exchange, and a supervisor of Flavor Full Foods Inc., an emerging stock company listed on the Taipei Exchange. He also served as an adjunct lecturer in National Changhua University of Education and Providence University in Taiwan.

Mr. Lin is proposed to be appointed as an independent non-executive Director with effect from the date of Annual General Meeting. Subject to the Shareholders' approval of Mr. Lin's appointment as an independent non-executive Director at the Annual General Meeting, he will enter into a letter of appointment with the Company for an initial term of one year commencing from the date of the Annual General Meeting and shall continue thereafter until terminated by either party with three months' notice in writing served on the other side. Mr. Lin's appointment is however subject to normal retirement and re-election by Shareholders pursuant to the Articles. The amount of his remuneration is proposed to be HK\$120,000 per annum by the Board with reference to the recommendation of the remuneration committee of the Company.

Mr. Lin has confirmed his independence with reference to the independence guidelines set out in Rule 3.13 of the Listing Rules.

As at the Latest Practicable Date, Mr. Lin has no relationships with any Director, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Lin had no interests in Shares, underlying Shares or debentures of the Company which would fall to be disclosed under Part XV of the SFO.

Save as disclosed above, Mr. Lin has not held any other directorship in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas, other major appointment or professional qualification and there is no other information relating to Mr. Lin that needs to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or to be brought to the attention of the Shareholders.

Mr. Lin is a qualified accountant and a tax return filing agent in Taiwan and has the experience of serving as an independent director and a supervisor. The Board believes that the strengths of Mr. Lin could complement other Directors and broaden the skills and experience of the Board as a whole.

* *For identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING



YORKEY OPTICAL INTERNATIONAL (CAYMAN) LTD.

精熙國際(開曼)有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2788)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Yorkey Optical International (Cayman) Ltd. (the “**Company**”) will be held at 21/F-7, No. 282, Shizheng North 2nd Road, Xitun District, Taichung City, Taiwan as the principal place of meeting (“**Principal Meeting Place**”) and electronic facilities for accessing to the Principal Meeting Place will be made available at ATLASPACE (Hong Kong) Limited, 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong as a meeting location (“**Meeting Location**”) on Wednesday, 23rd June 2021 at 10:00 a.m. (“**Annual General Meeting**”) for the purposes of considering and, if thought fit, passing (with or without amendments) the following resolutions:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and the independent auditors of the Company for the year ended 31st December 2020.
2. To declare a special dividend out of share premium account of the Company for the year ended 31st December 2020 of HK\$0.035 per share of HK\$0.01 each in the capital of the Company.
3.
 - (a) To re-elect Mr. Lai I-Jen as an executive Director;
 - (b) To re-elect Mr. Kurihara Toshihiko as an executive Director;
 - (c) To re-elect Ms. Wu Shu-Ping as a non-executive Director;
 - (d) To re-elect Mr. Lin Meng-Tsung as an independent non-executive Director;
 - (e) To re-elect Mr. Liu Wei-Li as an independent non-executive Director;
 - (f) To appoint Mr. Lin Yi-Min as an independent non-executive Director; and
 - (g) To authorise the board of directors of the Company (the “**Board**”) to fix the remuneration of Directors.
4. To re-appoint Deloitte Touche Tohmatsu as auditors of the Company and to authorise the Board to fix their remuneration.

* *For identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING

As special business, to consider and if thought fit, to pass with or without modifications, the following resolutions which will be proposed as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

5. “**THAT:**

- (a) subject to the following provisions of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company, and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers during or after the end of the Relevant Period, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period and to make such allotment, issue and dealing under such offers, agreements and options;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the exercise of the power by the Directors described in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue 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 20% of the aggregate number of issued Shares at the date of passing of this resolution, subject to adjustment for each consolidation or sub-division of Shares the record date of which shall fall within the Relevant Period by multiplying such aggregate number of issued Shares with a fraction (the “**Adjustment Fraction**”), the numerator of which is the aggregate number of issued Shares immediately after such sub-division or consolidation of Shares, and the denominator of which is the aggregate number of issued Shares immediately before such sub-division or consolidation of Shares, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution,

“**Relevant Period**” means the period from the time of 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 its articles of association or the applicable laws of the Cayman Islands 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 in general meeting of the Company.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

6. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which Shares may be listed and recognized 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 the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other recognised stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares to be repurchased by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate number of Shares in issue as at the date of passing of this resolution, subject to adjustment for each consolidation or sub-division of Shares the record date of which falls within the Relevant Period by multiplying such aggregate number of Shares by the Adjustment Fraction and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose of this resolution,

“**Relevant Period**” means the period from the time of 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 the applicable laws of the Cayman Islands to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.

“**Adjustment Fraction**” shall have the same meaning as assigned to it under resolution no. 5(c) in this notice.”

7. “**THAT** conditional upon the passing of resolutions nos. 5 and 6 set out in the notice convening this Annual General Meeting, the aggregate number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 5 above be and is hereby extended by the addition thereto of the number of Shares repurchased by the Company under the authority granted to the Directors pursuant to resolution no. 6 above, subject to adjustment for each consolidation or sub-division of Shares the record date of which falls within the Relevant Period and after the date of such repurchase by multiplying the number of Shares repurchased with the Adjustment Fraction, provided that such extended amount shall not exceed 10% of the aggregate number for each consolidation or sub-division of Shares the record date of which falls within the Relevant Period by multiplying such aggregate number of shares with the Adjustment Fraction.”

By order of the Board
Yorkey Optical International (Cayman) Ltd.
KURIHARA Toshihiko
Executive Director and Chief Executive Officer

Hong Kong, 30th April 2021

Principal Place of Business in Hong Kong:

Workshops 1-2, 6th Floor
Block A, Goldfield Industrial Centre
1 Sui Wo Road
Shatin, New Territories
Hong Kong

Registered Office:

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Due to the outbreak of the respiratory disease caused by coronavirus (“COVID-19 pandemic”), local governments have implemented various preventive measures to combat the COVID-19 pandemic, including travel restrictions and guidance on public gathering. The Company has been actively monitoring the development of the COVID-19 pandemic and the guidelines issued by the relevant government authorities to ensure the Annual General Meeting can be held as schedule while taking care of the health and safety of the Shareholders, our Directors, our employees and the public.

(i) Venues in Taiwan and Hong Kong

Annual General Meeting will be held at the Principal Meeting Place, i.e. 21/F-7, No. 282, Shizheng North 2nd Road, Xitun District, Taichung City, Taiwan and electronic facilities for accessing to the Principal Meeting Place will be made available at ATLASPACE (Hong Kong) Limited, 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong as a Meeting Location for attendance by Shareholders who are unable to attend the Principal Meeting Place (as permitted by the Articles of Association of the Company), on Wednesday, 23rd June 2021 at 10:00 a.m.. Shareholders can attend, speak and vote in the venues in Taiwan and Hong Kong. Hong Kong is in the same time zone as Taiwan.

Attendees in Hong Kong will be connected to the attendees in Taiwan via electronic facilities available at ATLASPACE (Hong Kong) Limited, 16/F, Tower 5, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong as a Meeting Location on Wednesday, 23rd June 2021 at 10:00 a.m.. Shareholders participating through the electronic facilities available at the venue in Hong Kong are deemed to be present at and shall be counted in the quorum of the Annual General Meeting.

(ii) Voting arrangement

In order to comply with the COVID-19 pandemic prevention and control measures imposed by the relevant government authorities and safeguard the health, safety and rights of the Shareholders, the Company strongly recommends the Shareholders to complete the enclosed form of proxy in accordance with the instructions printed thereon, appoint the chairman of the Annual General Meeting as his/her proxy (instead of attending the Annual General Meeting in person) to vote in accordance with the instructions on the form of proxy, and return the same to the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, 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 of the Annual General Meeting (i.e. 10:00 a.m. on Monday, 21st June 2021)** or any postponement or adjournment thereof.

2. A form of proxy for use at the Annual General Meeting is enclosed.
3. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Friday, 18th June 2021 to Wednesday, 23rd June 2021, both days inclusive, during which no transfer of shares will be registered. In order to be entitled to attend and vote at the Annual General Meeting, unregistered holders of shares should ensure that all transfers of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 17th June 2021.
4. A member of the Company who is entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and to vote in his stead. A proxy need not be a member of the Company but must attend in person to represent the member. If more than one proxy is appointed, the appointment shall specify the number of Shares in respect of which each such proxy is appointed.
5. Where there are joint registered holders of any share(s), any one of such joint holders may vote at the meeting, either in person or by proxy in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and, for this purpose, seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.

NOTICE OF ANNUAL GENERAL MEETING

6. To be valid, the form of proxy together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of authority, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the Annual General Meeting (i.e. 10:00 a.m. on Monday, 21st June 2021) or any postponement or adjournment thereof.
7. With regard to resolution No. 3 in this notice, the Board proposes that the retiring Directors, namely Mr. Lai I-Jen, Mr. Kurihara Toshihiko, Ms. Wu Shu-Ping, Mr. Lin Meng-Tsung and Mr. Liu Wei-Li be re-elected as directors of the Company. The Board has recommended Mr. Lin Yi-Min for appointment at the Annual General Meeting as a new independent non-executive Director of the Company. Details of the directors of the Company proposed for re-election and appointment are set out in Appendix II to the circular to shareholders of the Company dated 30th April 2021 of which this notice forms part.
8. Pursuant to Rule 13.39(4) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the voting on the above resolutions at the Annual General Meeting will be conducted by way of poll.
9. The translation into Chinese language of the notice convening the Annual General Meeting is for reference only. In case of any inconsistency, the English version shall prevail.
10. As at the date hereof, the Board comprises Mr. Lai I-Jen and Mr. Kurihara Toshihiko as executive Directors; Ms. Wu Shu-Ping as non-executive Director; and Mr. Lin Meng-Tsung, Mr. Liu Wei-Li and Mr. Wang Yi Chi as independent non-executive Directors.
11. Shareholders or proxies who intend to attend the Annual General Meeting in Taiwan or in Hong Kong in person are specifically reminded to take personal protective measures and comply with the COVID-19 pandemic preventive and control requirements. In light of the current COVID-19 pandemic prevention and control and the consideration of protecting the life safety and health of the Shareholders and other participants, the Company will take a series of preventive and control measures at the venues, including but not limited to the followings:
 - (i) Shareholders and other participants are required to wear masks on their own to enter each of the venues in Taiwan and Hong Kong and wear masks throughout the meeting;
 - (ii) each Shareholder and participant must undergo hand sanitisation and mandatory temperature checking at the entrance of each of the venues in Taiwan and Hong Kong, and any person who has been recorded a body temperature of higher than 37.4 degrees Celsius will not be allowed to enter the venue;
 - (iii) no refreshment or drinks will be provided and no gift will be distributed to attendees at both venues in Taiwan and Hong Kong; and
 - (iv) if the number of Shareholders and other participants present in any of the venues reached the upper limit stipulated by the relevant government authorities on the date of the Annual General Meeting, Shareholders or proxies will have to enter into the relevant venue on a "first sign in, first enter" basis.
12. Notwithstanding the foregoing, the Board has the absolute discretion to change or cancel the venue in Hong Kong if the Board considers that it is not safe for the Shareholders to gather together in one place or in order to comply with relevant law or regulations, including but not limited to Hong Kong Prevention and Control of Disease (Prohibition on Group Gathering) Regulation. For the health and safety of all stakeholders, and in compliance with the recent guidelines for COVID-19 pandemic prevention and control, the Company reminds the Shareholders that it is not necessary to attend the Annual General Meeting in person for exercising the voting rights. Instead, the Shareholders may submit the proxy form with voting instructions printed thereon to appoint the chairman of the Annual General Meeting as his/her proxy to vote on the relevant resolutions at the Annual General Meeting in his/her stead.
13. If there are any questions regarding the Annual General Meeting and the business of the Annual General Meeting that you would like to be addressed, the Shareholders are welcome to contact the Company by post to the Company Secretary's office at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, or by email to ir@yorkey-optical.com.
14. Shareholders are reminded to keep track of the Company's announcements on the Company's website or Stock Exchange's website for any update.