

EMERSON RADIO CORP  
Form DEF 14A  
February 22, 2019  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**SCHEDULE 14A INFORMATION**  
**Proxy Statement Pursuant to Section 14(a) of the**  
**Securities Exchange Act of 1934**  
**(Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

**EMERSON RADIO CORP.**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if other than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**EMERSON RADIO CORP.**

**35 WATERVIEW BLVD.**

**PARSIPPANY, NEW JERSEY 07054**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD MARCH 21, 2019**

Dear Stockholder:

As a stockholder of Emerson Radio Corp., you are hereby given notice of and invited to attend in person or by proxy our Annual Meeting of Stockholders to be held at the law offices of Orrick, Herrington & Sutcliffe LLP located at 43rd Floor, Gloucester Tower, The Landmark, 15 Queen's Road Central, Hong Kong, on Thursday, March 21, 2019, at 10:00 a.m., local time (Wednesday, March 20, 2019, at 10:00 p.m., Eastern Daylight Time). A proxy card and a proxy statement for the annual meeting are enclosed.

At this year's stockholders' meeting, you will be asked to consider and act on the following proposals: (i) to elect the five nominees named in the accompanying proxy statement as directors to serve until the next annual meeting of stockholders and until their respective successors shall have been duly elected and qualified, (ii) to ratify the appointment of MSPC Certified Public Accountants and Advisors, A Professional Corporation (MSPC) as our independent registered public accountants for the fiscal year ending March 31, 2019, (iii) to approve, on an advisory basis, the compensation of our named executive officers for the fiscal year ended March 31, 2018, as set forth in the accompanying proxy statement, (iv) to approve, on an advisory basis, the frequency of future advisory votes to approve the compensation of our named executive officers and (v) to consider such other business as may properly come before the meeting and any adjournment(s) thereof. Our Board of Directors unanimously recommends that you vote FOR each of the proposals listed. Accordingly, please give careful attention to these proxy materials.

Only holders of record of our common stock as of the close of business on February 11, 2019, are entitled to notice of and to vote at our annual meeting and any adjournment(s) thereof. Our transfer books will not be closed.

**You are cordially invited to attend the annual meeting. Whether you expect to attend the annual meeting or not, please vote, sign, date and return in the self-addressed envelope provided the enclosed proxy card as promptly as possible. If you attend the annual meeting, you may vote your shares in person, even though you have previously signed and returned your proxy.**

By Order of the Board of Directors,

/s/ Michael Binney  
Michael Binney  
Secretary

Parsippany, New Jersey

February 22, 2019

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**YOUR VOTE IS IMPORTANT.**

**PLEASE EXECUTE AND RETURN PROMPTLY THE  
ENCLOSED PROXY CARD IN THE ENVELOPE PROVIDED HEREIN.**

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**EMERSON RADIO CORP.**  
**35 WATERVIEW BLVD.**  
**PARSIPPANY, NEW JERSEY 07054**  
**PROXY STATEMENT**  
**FOR THE ANNUAL MEETING OF STOCKHOLDERS**  
**TO BE HELD MARCH 21, 2019**

**To Our Stockholders:**

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors ( Board of Directors or Board ) of Emerson Radio Corp., a Delaware corporation ( Emerson or the Company ), to be used at our Annual Meeting of Stockholders to be held at the law offices of Orrick, Herrington & Sutcliffe LLP located at 43rd Floor, Gloucester Tower, The Landmark, 15 Queen s Road Central, Hong Kong, on Thursday, March 21, 2019, at 10:00 a.m., local time (Wednesday, March 20, 2019, at 10:00 p.m., Eastern Daylight Time), or at any adjournment or adjournments thereof. Our stockholders of record as of the close of business on February 11, 2019, which is the record date, are entitled to vote at our annual meeting. We expect to begin mailing this proxy statement and the enclosed proxy card to our stockholders on or about February 22, 2019.

The Annual Meeting of Stockholders is being held to consider and act upon the following proposals:

1. To elect the five nominees named in this proxy statement as directors to serve until the next annual meeting of stockholders and until their respective successors shall have been duly elected and qualified.
2. To ratify the appointment of MSPC Certified Public Accountants and Advisors, A Professional Corporation ( MSPC ) as our independent registered public accountants for the fiscal year ending March 31, 2019.
3. To approve, on an advisory basis, the compensation of our named executive officers for the fiscal year ended March 31, 2018, as set forth in this proxy statement.
4. To approve, on an advisory basis, the frequency of future advisory votes to approve the compensation of our named executive officers.
5. To consider such other business as may properly come before the Annual Meeting and any adjournment(s) thereof.

**Important Notice of Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on March 21, 2019.**

**Our proxy materials, including our Proxy Statement for the Annual Meeting, 2018 Annual Report to Stockholders (which contains our Annual Report on Form 10-K for the fiscal year ended March 31, 2018) and proxy card, are available on the Internet at <http://www.astproxyportal.com/ast/02008>.**

### **VOTING PROCEDURES AND REVOCABILITY OF PROXIES**

The accompanying proxy card is designed to permit each of our stockholders as of the record date to vote on each of the proposals properly brought before the annual meeting. As of the record date, there were 21,042,652 shares of our common stock, par value \$.01 per share, outstanding and entitled to vote at the annual meeting. Each outstanding share of our common stock is entitled to one vote.

The holders of a majority of our outstanding shares of common stock, present in person or by proxy, will constitute a quorum for the transaction of business at the annual meeting. If a quorum is not present, the annual meeting may be adjourned from time to time until a quorum is obtained.



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Abstentions and broker non-votes will be counted for the purpose of determining whether a quorum is present. Abstentions, but not broker non-votes, are treated as shares present and entitled to vote, and will be counted as a no vote on all matters other than the election of directors and the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers. Broker non-votes are treated as not entitled to vote, and so reduce the absolute number, but not the percentage of votes needed for approval of a matter. Broker non-votes occur when nominees, such as banks and brokers holding shares on behalf of beneficial owners, do not receive voting instructions from the beneficial holders at least ten days before the meeting. If that happens, the nominees may vote those shares only on matters deemed routine by the New York Stock Exchange (NYSE), such as the ratification of auditors. Nominees cannot vote on non-routine matters unless they receive voting instructions from beneficial holders, resulting in so-called broker non-votes.

Assuming that a quorum is present, directors will be elected by a plurality vote (Proposal 1). There is no right to cumulate votes in the election of directors. As a result, abstentions and broker non-votes will not affect the outcome of the vote on this proposal. The election of directors is not considered to be a routine matter and brokers are not permitted to vote on this matter if the broker has not received instructions from the beneficial owner. Accordingly, it is important that beneficial owners instruct their brokers how they wish to vote the shares.

Assuming that a quorum is present, the approval of the proposals regarding ratification of the appointment of MSPC Certified Public Accountants and Advisors, A Professional Corporation ( MSPC ), as our independent registered public accountants for the fiscal year ending March 31, 2019 (Proposal 2), approval, on an advisory basis, the compensation of our named executive officers for the fiscal year ended March 31, 2018, as set forth in this proxy statement (Proposal 3), and approval of any other matter that may properly come before the annual meeting will require that an affirmative vote of a majority of the total votes be cast on these proposals, in person or by proxy, to approve these proposals. As a result, abstentions will have the same practical effect as a negative vote on these proposals, and broker non-votes , if any, will not affect the outcome of the vote on these proposals. The proposal for the ratification of our independent registered public accounting firm is considered to be a routine matter, and hence the Company does not expect that there will be a significant number of broker non-votes on such proposal.

Assuming that a quorum is present, with respect to the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers (Proposal 4), the option of every year, every two years or every three years that receives the highest number of votes cast will be the frequency of that vote that has been approved by the Company's stockholders on an advisory basis. Abstentions and broker non-votes will not have an effect on the vote for this proposal.

As of the record date, S&T International Distribution Ltd. ( S&T ), which is a wholly owned subsidiary of Grande N.A.K.S. Ltd. ( N.A.K.S. ), which is a wholly owned subsidiary of Nimble Holdings Company Limited (formerly known as The Grande Holdings Limited) ( Nimble ), collectively have the shared power to vote and direct the disposition of 15,243,283 shares, or approximately 72.4%, of the Company's outstanding common stock. Accordingly, the Company is a controlled company as defined in Section 801(a) of the NYSE American Company Guide.

The accompanying proxy card provides space for you to instruct the designated individuals how to vote your shares. You may vote in favor of, against, or abstain from voting on any proposal except for Proposals 1 and 4. With respect to Proposal 1 (the election of directors), you may, if you desire, indicate on the proxy card that you are not authorizing the designated individuals to vote your shares for one or more of the nominees. With respect to Proposal 4 (the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers), votes may be cast for one, two or three years, or abstain from voting, and the result will be determined by a plurality of the votes cast. The Company's Board of Directors urges you to complete, sign, date and return the proxy card in the accompanying envelope, which is postage prepaid for mailing in the United States.



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The Company's Board of Directors recommends that you vote **FOR** each of the proposals presented in this proxy statement. Specifically, the Board of Directors recommends you vote:

**FOR** the election of the nominees for director identified herein;

**FOR** the ratification of the appointment of MSPC as the Company's independent registered public accountants for the fiscal year ending March 31, 2019;

**FOR** the approval of the compensation of our named executive officers; and

**FOR** conducting future advisory votes to approve the compensation of our named executive officers every Three Years.

When a signed proxy card is returned with choices specified with respect to voting matters, the individuals designated on the proxy card will vote the shares in accordance with the stockholder's instructions. The Company has designated Duncan Hon and Michael Binney as proxies for the stockholders. If you desire to name another person as your proxy, you may do so by crossing out the names of the designated proxies and inserting the names of the other persons to act as your proxies. In that case, it will be necessary for you to sign the proxy card and deliver it to the person named as your proxy and for the named proxy to be present and vote at the annual meeting. Proxy cards so marked should not be mailed to us.

If no specific instructions are given, the shares will be voted in accordance with the recommendations of the Board of Directors as described in the second preceding paragraph. If any matters not described in this proxy statement are properly presented at the annual meeting, the proxies will use their own judgment to determine how to vote your shares.

You have the unconditional right to revoke your proxy at any time prior to the voting at the annual meeting by taking any act inconsistent with the proxy. Acts inconsistent with the proxy include notifying our Secretary in writing of your revocation, executing a subsequent proxy, or personally appearing at the annual meeting and casting a contrary vote. However, no revocation shall be effective unless at or prior to the annual meeting we have received notice of such revocation.

At least ten (10) days before the annual meeting, the Company will make a complete list of the stockholders entitled to vote at the annual meeting open to the examination of any stockholder for any purpose germane to the meeting. The list will be open for inspection during ordinary business hours at the Company's offices located at 35 Waterview Blvd., Parsippany, New Jersey 07054, and will also be made available to stockholders present at the meeting.

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Five directors are proposed to be elected at the annual meeting. If elected, each director will hold office until the next annual meeting of stockholders or until his successor is elected and qualified. The election of directors will be decided by a plurality vote.

On January 16, 2019, the Board of Directors nominated the following individuals, each of whom currently serves as a member of the Company's Board of Directors, for election as directors to serve until the next annual meeting of stockholders and until their successors have been duly elected and qualified: Christopher Ho, Duncan Hon, Michael Binney, Kareem E. Sethi, and Kin Yuen. The Company has appointed Mr. Ho to serve as Chairman of the Board. All nominees have consented to serve if elected and the Company has no reason to believe that any of the nominees named will be unable to serve. If any nominee becomes unable to serve, (i) the shares represented by the designated proxies will be voted for the election of a substitute as the Company's Board of Directors may recommend, (ii) the Company's Board of Directors may reduce the number of directors to eliminate the vacancy or (iii) the Company's Board of Directors may fill the vacancy at a later date after selecting an appropriate nominee.

The current Board of Directors nominated the individuals named below for election to our Board of Directors, and information regarding the background and qualifications of each of the nominees as of February 11, 2019, is set forth below. See Security Ownership of Certain Beneficial Owners and Management for additional information about the nominees, including their ownership of securities issued by Emerson.

<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Principal Occupation or Employment</b>
Christopher Ho	68	2016	Christopher Ho, a director of the Company and the Chairman of the Board since June 2016, brings his extensive knowledge of the Company and experience in consumer electronics, international trade and corporate finance to the Board of Directors. Mr. Ho served as the Company's Chairman of the Board from July 2006 through November 2013 and he currently serves as Chairman of Lafe Corporation Limited, a company listed on the Singapore Exchange. Since May 2018, Mr. Ho. has served as a director of S&T International Distribution Ltd. and Grande N.A.K.S. Ltd., which are wholly owned subsidiaries of Nimble Holdings Company Limited. Mr. Ho previously was a director of The Grande Holdings Limited (now known as Nimble Holdings Company Limited), a Hong Kong-based group of companies engaged principally in the licensing of trademarks and distribution of consumer electronics products, from October 1991 to February 2016. Mr. Ho graduated from the University of Toronto in 1974. He is a Chartered Professional Accountant, Chartered Accountant and Chartered Management Accountant of Canada. He is also a Certified Public Accountant in Hong Kong and a member of the Hong Kong Institute of Certified Public Accountants. He was a partner in an international accounting firm before joining The Grande Holdings Limited and has extensive experience in distribution, licensing, manufacturing, international trade and corporate finance.

Based on Mr. Ho's experience in consumer electronics, international trade and corporate finance, the Board of Directors believes that he is well qualified to serve as a director of the Company.

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<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Principal Occupation or Employment</b>
Duncan Hon	58	2009	Duncan Hon, a director of the Company since February 2009, has been the Company's Chief Executive Officer since August 2011 and, prior to that, was the Company's Deputy Chief Executive Officer since November 2009. From June 2016 to July 2017, Mr. Hon also served as the Company's Secretary. Since May 2016, Mr. Hon has served as a director of S&T International Distribution Ltd. and, from May 2016 through September 2018, Grande N.A.K.S. Ltd., which are wholly owned subsidiaries of Nimble Holdings Company Limited. From May 2016 to December 2017, Mr. Hon served as the Chief Executive Officer and an executive director of The Grande Holdings Limited (now known as Nimble Holdings Company Limited). Mr. Hon also served as a director of The Grande Holdings Limited from January 2011 until March 2013. In addition to his employment with the Company, Mr. Hon is also an employee of a subsidiary of Nimble which is engaged in trademark licensing. He is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

Based on Mr. Hon's role as Chief Executive Officer of the Company and his experience in consumer electronics, management and accounting, the Board believes that he is well qualified to serve as a director of the Company.

Michael Binney	59	2016	Michael Binney, the Chief Financial Officer of the Company since March 2017 and the Company's Secretary since July 2017, has also served as a director of the Company since June 2016, bringing extensive public company accounting experience in addition to his knowledge of the Company to the Board of Directors. Since August 2016, Mr. Binney has served as a director of S&T International Distribution Ltd. and Grande N.A.K.S. Ltd., which are wholly owned subsidiaries of Nimble Holdings Company Limited. From November 2016 to December 2017, Mr. Binney served as an Executive Director and Group Chief Financial Officer of The Grande Holdings Limited (now known as Nimble Holdings Company Limited). He is a fellow member of the Institute of Chartered Accountants in England and Wales, a fellow member of the Association of Chartered Certified Accountants and a fellow member of the Hong Kong Institute of Certified Public Accountants. From June 2016 through November 2016, Mr. Binney served as Deputy Chief Executive Officer (Finance Accounting & Company Secretarial) of The Grande Holdings Limited. From 2010 to March 2016, Mr. Binney served as an Executive Director and Chief Financial Officer of the Vinarco International Group of Companies, an upstream supplier to the oil and gas industry in the Asia-Pacific region. Mr. Binney previously served as a non-executive director of The Grande Holdings Limited from 2009 to 2010, and as an Executive Director of The Grande Holdings Limited from 2001 to 2009.
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He also was a member of the Board of Directors of Lafe Corporation

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<b>Name</b>	<b>Age</b>	<b>Director Since</b>	<b>Principal Occupation or Employment</b>
			<p>Limited, a company listed on the Singapore Exchange, as a non-executive director from 2009 to 2010 and as Executive Director from 2001 until 2009. Mr. Binney was a member of the Board of Directors of the Company from 2005 to 2008. Previous to the above appointments, Mr. Binney worked for over 10 years at major international accounting firms including KPMG and PricewaterhouseCoopers.</p> <p>Based on Mr. Binney's experience in management, accounting and public company reporting, the Board believes that he is well qualified to serve as a director of the Company.</p>
Kareem E. Sethi (1)	41	2007	<p>Kareem E. Sethi has been a director since December 2007. Mr. Sethi has served as Managing Director of Streetwise Capital Partners, Inc. since 2003. From 1999 until 2003, Mr. Sethi was Manager, Business Recovery Services for PricewaterhouseCoopers LLP.</p> <p>Based on Mr. Sethi's experience in accounting, corporate finance and portfolio management, the Board believes that he is well qualified to serve as a director of the Company.</p>
Kin Yuen (1)	64	2016	<p>Mr. Yuen, a director of the Company since June 2016, brings extensive experience in corporate finance, financial planning, public company reporting and management to the Board of Directors. Since April 2016, Mr. Yuen has served as an independent non-executive director of Lufe Corporation Limited, a company listed on the Singapore Exchange engaged in real property development. Since 2004, Mr. Yuen has also served as an independent non-executive director of Huayi Tencent Entertainment Co. Ltd., a company listed on the Stock Exchange of Hong Kong Limited and engaged in entertainment and media businesses. In September 2017, Mr. Yuen was appointed an executive director of Culturecom Holdings Limited, a company listed on the Hong Kong Stock Exchange and engaged in publishing businesses. From 2009 to 2014, Mr. Yuen was the Chief Financial Officer and an Executive Director of Varitronix International Ltd., a Hong Kong-listed company and manufacturer of LCD and related products. Mr. Yuen holds a Master of Business Administration degree from the University of Toronto, Canada. He is a Chartered Professional Accountant in Canada and he is a fellow member of the Hong Kong Institute of Certified Public Accountants, and of the Association of Chartered Certified Accountants.</p>



Based on Mr. Yuen's experience in corporate finance, financial planning, public company reporting and management, the Board of Directors believes that he is well qualified to serve as a director of the Company.

(1) Member of the Audit Committee

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**Family Relationships**

There are no family relationships among the nominees for director, the officers and key employees of the Company.

**Involvement in Certain Legal Proceedings**

On March 25, 2013, The Stock Exchange of Hong Kong Limited ( HKEX ) published a news release announcing the censure of The Grande Holdings Limited (now known as Nimble Holdings Company Limited) and certain of its then-existing and former directors, including Messrs. Ho and Binney, by the Listing Appeals Committee of the HKEX. The censure was related to the breach by The Grand Holdings Limited of certain disclosure obligations pursuant to Rule 13.09(1) of the HKEX listing rules in 2007-2008 regarding the company's 2007 financial performance and the directors for their breach of the director's undertaking under the HKEX listing rules to use best endeavors to procure the company's compliance with Rule 13.09(1). The HKEX required Mr. Ho to undergo training on listing rules compliance, which training requirement Mr. Ho completed in June 2013. Mr. Binney was also directed to attend training on listing rules compliance as a prerequisite to any future appointment as a director of an HKEX-listed company, which training requirement Mr. Binney completed in September 2016.

**Vote Required**

Directors will be elected by a plurality of the votes cast by the holders of Emerson common stock voting in person or by proxy at the annual meeting. Abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum, but will have no effect on the vote for election of directors.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR  
EACH OF THE NOMINEES FOR DIRECTOR SET FORTH ABOVE.**

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**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL  
OWNERS AND MANAGEMENT**

The following table sets forth, as of February 11, 2019, the beneficial ownership of (i) each current director and director nominee; (ii) each of the Company's named executive officers; (iii) the Company's current directors and executive officers as a group; and (iv) each stockholder known by the Company to own beneficially more than 5% of the Company's outstanding shares of common stock. Common stock beneficially owned and percentage ownership as of February 11, 2019, was based on 21,042,652 shares outstanding. Except as otherwise indicated and based upon the Company's review of information as filed with the SEC, the Company believes that the beneficial owners of the securities listed have sole or shared investment and voting power with respect to such shares, subject to community property laws where applicable. Except as otherwise noted, the address of each of the following beneficial owners is c/o Emerson Radio Corp., 35 Waterview Blvd., Parsippany, New Jersey 07054.

Name and Address of Beneficial Owners	Amount and Nature of Beneficial Ownership	Percent of Class
Christopher Ho	0	0%
Duncan Hon	0	0%
Michael Binney	0	0%
Kareem E. Sethi	0	0%
Kin Yuen	0	0%
All Directors and Executive Officers as a Group (5 persons)	0	0%
S&T International Distribution Ltd.	15,243,283 (1)	72.4%

- (1) Based, in part, upon disclosures filed on a Schedule 13D/A on February 15, 2019, by S&T International Distribution Ltd. ( S&T ) and on a Schedule 13D/A on February 15, 2019, by Wealth Warrior Global Ltd. ( Wealth Warrior ), these shares are owned directly by S&T, which is a wholly owned subsidiary of N.A.K.S., which is a wholly owned subsidiary of Nimble. On September 26, 2017, Wealth Warrior acquired approximately 65.9% of the outstanding share capital of Nimble from Sino Bright Enterprises Co., Ltd., a company related to the Company's Chairman of the Board, Mr. Christopher Ho, pursuant to a sale and purchase agreement dated September 22, 2017, for consideration of HK\$0.180 per share (the Nimble Acquisition ). Wealth Warrior financed the Nimble Acquisition through a combination of debt forgiveness of HK\$63,117,255 and the balance to be paid on or prior to the second anniversary of the closing, which payment was secured by a pledge of 1,000,000,000 of the acquired Nimble shares. As the owners of approximately 73.9% in the aggregate of Nimble, Wealth Warrior, Merchant Link Holdings Limited ( ML ), and Rise Vision Global Limited ( RV ) share the indirect power to vote and dispose of the shares of the Company's common stock held for the account of S&T and, accordingly, a change of control of the Company was deemed to have occurred. ML is wholly owned by Aurizon Enterprises Limited ( AE ), AE is wholly owned by Omen Charm Limited ( OC ), and OC is wholly owned by Splendid Brilliance (PTC) Limited ( SB ). RV is wholly owned by Ocean Rose Global Limited ( OR ), OR is wholly owned by Praisewise Limited ( PL ), and PL is wholly owned by SB. Mr. Bingzhao Tan is the sole director of each of AE, ML, OR and RV, and the sole director and sole shareholder of Wealth Warrior. Ms. Guichai He is the sole director of OC and PL, and is sole director and sole shareholder of SB. SB holds the shares of OC and PL in trust, and serves as the sole trustee over such shares. Accordingly, AE and OR share the indirect power to vote and dispose of these shares held for the account of S&T. Mr. Tan is the settlor and a discretionary beneficiary of the shares of OC and PL held in trust by SB. Accordingly, Mr. Tan and Ms. He may be deemed to share power to

direct the voting and disposition of these shares held for the account of S&T and may be deemed to be a beneficial owner of such shares. The address of Nimble, N.A.K.S. and S&T is Unit C01, 32/F, TML Tower, 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong. The address of Mr. Tan and Ms. He, and of Wealth Warrior, ML, RV and the above affiliated entities (collectively, the Wealth Warrior Reporting Persons ), is Unit C, 32/F., TML Tower, No. 3 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong.

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**SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Section 16(a) of the Exchange Act requires the Company's directors, officers, and stockholders who beneficially own more than 10% of any class of its equity securities registered pursuant to Section 12 of the Exchange Act, to file initial reports of ownership and reports of changes in ownership with respect to the Company's equity securities with the SEC and the NYSE American. All reporting persons are required to furnish the Company with copies of all reports that such reporting persons file with the SEC pursuant to Section 16(a) of the Exchange Act.

Based solely upon a review of Forms 3 and 4 and amendments to these forms furnished to the Company, and Forms 5, along with amendments thereto, all parties subject to the reporting requirements of Section 16(a) timely filed all such required reports during and with respect to Fiscal 2018, except that the Wealth Warrior Reporting Persons jointly filed a late Form 3 reporting the acquisition in September 2017 of the indirect power to vote and dispose of the Emerson shares held for the account of S&T.

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**BOARD OF DIRECTORS AND COMMITTEES**

**Board of Directors and Committees**

The Company's Board of Directors presently consists of five directors. The Board of Directors has determined that two of the director nominees, Messrs. Sethi and Yuen, meet the definition of independence as established by the NYSE American listing standards and applicable SEC rules.

The Board of Directors is responsible for the management and direction of the Company and for establishing broad corporate policies. The Board of Directors meets periodically during the Company's fiscal year to review significant developments affecting the Company and to act on matters requiring Board of Director approval. The Board of Directors held three formal meetings during the Company's fiscal year ended March 31, 2018 (Fiscal 2018), and also acted by unanimous written consent. During Fiscal 2018, each member of the Board of Directors participated in all meetings of the Board of Directors and all meetings of committees on which such member served, that were held during the period in which such director served during Fiscal 2018. The Company encourages, but does not require, members of the Board of Directors to attend annual meetings of stockholders. Three of the Company's directors who were nominated for re-election attended the Company's annual meeting of stockholders held on March 21, 2018.

The Board of Directors presently has one standing committee, the Audit Committee, which is a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (the Exchange Act) and Rule 10A-3 thereunder. From March 2013 until December 2018, the Board of Directors also had established an ad hoc Special Committee consisting solely of independent directors to evaluate possible strategic alternatives intended to enhance stockholder value.

*Controlled Company.* The Company does not maintain a nominating committee or a compensation committee. So long as Nimble beneficially holds more than 50% of the outstanding common stock of Emerson, Emerson is a controlled company as defined in Section 801(a) of the NYSE American Company Guide (the Company Guide). Accordingly, the Company relies on exemptions from certain corporate governance requirements to have (i) a majority of independent directors, (ii) a nominating and corporate governance committee composed entirely of independent directors or (iii) a compensation committee composed entirely of independent directors. The full Board of Directors, among other things, (i) identifies individuals qualified to become members of the Board of Directors and selects director nominees for election at the next Annual Meeting of Stockholders, (ii) reviews and monitors matters related to management development and succession, (iii) develops and implements executive compensation policies and pay for performance criteria, and (iv) reviews and approves salaries, bonuses and incentive awards.

*Audit Committee.* The Company's Audit Committee currently consists of Mr. Sethi (Chairman) and Mr. Yuen, each of whom the Board of Directors has determined meets the definition of independence as established by the NYSE American listing rules and SEC rules. Mr. Sethi is currently the Chairman of the Audit Committee and the audit committee financial expert. Pursuant to Section 803(B)(2)(c) of the Company Guide, as a smaller reporting company the Company is required to have an audit committee of at least two independent members, as defined by the listing standards of the NYSE American.

The Audit Committee is empowered by the Board of Directors, among other things, to: (i) serve as an independent and objective party to monitor the Company's financial reporting process, internal control system and disclosure control system; (ii) review and appraise the audit efforts of the Company's independent auditors; (iii) assume direct responsibility for the appointment, compensation, retention and oversight of the work of the independent auditors and for the resolution of disputes between the independent auditors and the Company's management regarding financial reporting issues; and (iv) provide the opportunity for direct communication among the independent auditors, financial

and senior management and the Board of Directors. During Fiscal 2018, the Audit Committee performed its duties under a written charter approved by the Board of Directors and

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formally met four times. A copy of the Company's Audit Committee Charter is posted on the Company's website at [www.emersonradio.com](http://www.emersonradio.com) on the Investor Relations page.

**Report of the Audit Committee**

*This report shall not be deemed soliciting material or incorporated by reference in any filing by the Company under the Securities Act or the Exchange Act except to the extent that the Company specifically incorporates this information by reference, and shall not otherwise be deemed filed under either act.*

The Audit Committee has (i) reviewed and discussed the Company's audited consolidated financial statements for the fiscal year ended March 31, 2018 with the Company's management and with the Company's independent registered public accountants, MSPC; (ii) discussed with the Company's independent registered public accountants the matters required to be discussed by Auditing Standard No. 1301, *Communications with Audit Committees*, as adopted by the Public Company Accounting Oversight Board (PCAOB); and (iii) received the written disclosures and the letter from the Company's independent registered public accountants required by applicable requirements of the PCAOB regarding the independent registered public accountants' communications with the Audit Committee concerning independence and discussed with the Company's independent registered public accountants the independent registered public accountants' independence.

The Audit Committee also considered whether the provision by the independent registered public accountants of non-audit services was compatible with maintaining the independence of the independent registered public accountants.

Based on the reviews and discussions described above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements of the Company be included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2018 for filing with the SEC.

Members of the Audit Committee  
Kareem E. Sethi (Chairman)  
Kin Yuen



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**Table of Contents****Considerations in Director Selection**

*Procedures for Considering Nominations Made by Stockholders.* Nominations for election to the Board of Directors may be made by the Company's Board of Directors or by any stockholder of any outstanding class of the Company's capital stock entitled to vote for the election of directors. The following procedures shall be utilized in considering any candidate for election to the Board of Directors at an annual meeting, other than candidates who have previously served on the Board of Directors or who are recommended by the Board of Directors. Stockholder proposals for director nominations must be delivered to the Company's Secretary at its corporate headquarters not less than the close of business on the one hundred twentieth (120th) day prior to the first anniversary of the preceding year's annual meeting; *provided, however*, that if the date of the annual meeting is moved by more than thirty (30) days from the date of the previous year's annual meeting, notice to be timely must be so delivered a reasonable time before the company begins to print and send its proxy materials for such annual meeting. In addition, pursuant to the Company's bylaws, stockholders who wish to nominate a person for election as a director at the annual meeting must deliver written notice to the President or Chairman of the Board of the Company at its corporate headquarters not less than twenty (20) days prior to the annual meeting; *provided, however*, that if the Company furnishes less than thirty (30) days' notice of any meeting, such notification must be delivered not later than ten (10) days following the date on which the Company provided such notice, but in no event less than five (5) days prior to such annual meeting. Any such written notice must be directed to the attention of the Company's President or the Chairman of the Board at the Company's corporate headquarters and must comply with the applicable provisions of the Company's bylaws, as amended. The public announcement of an adjournment or postponement of an annual meeting will not commence a new time period (or extend any time period) for the giving of a notice as described above. A nomination notice must set forth as to each person whom the proponent proposes to nominate for election as a director: (a) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected) and (b) information that will enable the Company's Board of Directors to determine whether the candidate satisfies the minimum criteria and any additional criteria established by the Company's Board of Directors.

*Qualifications.* The Company's Board of Directors has adopted guidelines describing the minimum qualifications for nominees and the qualities or skills that are necessary for directors to possess. Each nominee (i) must satisfy any legal requirements applicable to members of the Board of Directors; (ii) must have business, professional or other experience that will enable such nominee to provide useful input to the Board of Directors in its deliberations; and (iii) must have knowledge of the types of responsibilities expected of members of the board of directors of a public company.

*Identification and Evaluation of Candidates for the Board.* Candidates to serve on the Board of Directors will be identified from all available sources, including recommendations made by stockholders, members of the Company's management and members of the Company's Board of Directors. The Company's Board of Directors has a policy that there will be no differences in the manner in which its Board of Directors evaluates nominees recommended by stockholders and nominees recommended by it or management, except that no specific process shall be mandated with respect to the nomination of any individuals who have previously served on the Board of Directors. The evaluation process for individuals other than existing members of the Board of Directors will include a review of the information provided to the Board of Directors by the proponent and a review of such other information as the Board of Directors shall determine to be relevant.

*Diversity Considerations in Director Nominations.* The Company does not have a formal diversity policy. The Company believes its Board of Directors represents a collection of individuals with a variety of complementary skills which, as a group, possess the appropriate skills and experience to oversee the Company's business. The Board of

Directors considers a wide variety of qualifications, attributes and other factors and recognizes that a diversity of viewpoints and practical experiences can enhance the effectiveness of the Company's Board of Directors.

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### **Board Leadership Structure**

The Company does not have a formal policy regarding whether the roles of the Chairman of the Board and Chief Executive Officer should be combined or separated. The Board of Directors recognizes that one of its key responsibilities is to evaluate and determine its optimal leadership structure so as to provide independent oversight of management. The Board of Directors understands that there is no single, generally accepted approach to providing board leadership and that given the dynamic and competitive environment in which the Company operates, the right board leadership structure may vary as circumstances warrant. Currently, the roles of Chief Executive Officer and Chairman of the Board are separate. Currently Mr. Ho serves as the Chairman of the Board and Mr. Hon serves as the Chief Executive Officer.

### **Role in Risk Oversight**

Although the Company's management is responsible for implementing systems and processes to identify and manage risks, the Company's Board of Directors has oversight responsibility for the Company's risk management processes. In carrying out its oversight responsibility, the Board of Directors has delegated to individual committees certain elements of its risk oversight function. This oversight is administered primarily through the following:

The Board of Directors' review and approval of the Company's annual budget (prepared and presented to the Board of Directors by the management team), including discussion of the opportunities and challenges facing its business;

The Audit Committee's oversight of the Company's internal control over financial reporting and its discussions with management and the independent accountants regarding the quality and adequacy of the Company's internal controls and financial reporting; and

The Board of Directors' review of executive officer compensation and its relationship to the Company's business plans.

### **Process for Sending Communications to the Board of Directors**

The Board of Directors has established a procedure that enables stockholders to communicate in writing with members of the Board of Directors. Any such communication should be addressed to the Company's Secretary and should be sent to such individual at c/o Emerson Radio Corp., 35 Waterview Blvd., Parsippany, New Jersey 07054. Any such communication must state, in a conspicuous manner, that it is intended for distribution to the entire Board of Directors. Under the procedures established by the Board of Directors, upon the Secretary's receipt of such a communication, the Company's Secretary will send a copy of such communication to each member of the Board of Directors, identifying it as a communication received from a stockholder. Absent unusual circumstances, at the next regularly scheduled meeting of the Board of Directors held more than two days after such communication has been distributed, the Board of Directors will consider the substance of any such communication.

### **Codes of Ethics**

The Company has adopted a Code of Ethics for Senior Financial Officers ( Code of Ethics ) that applies to its Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer, Controller and Treasurer. This Code of Ethics

was established with the intention of focusing Senior Financial Officers on areas of ethical risk, providing guidance to help them recognize and deal with ethical issues, providing mechanisms to report unethical conduct, fostering a culture of honesty and accountability, deterring wrongdoing and promoting fair and accurate disclosure and financial reporting.

The Company has also adopted a Code of Conduct for Officers, Directors and Employees of Emerson Radio Corp. and Its Subsidiaries ( Code of Conduct ). We prepared this Code of Conduct to help all officers, directors

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and employees understand and comply with the Company's policies and procedures. Overall, the purpose of the Company's Code of Conduct is to deter wrongdoing and promote (i) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (ii) full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the SEC and in other public communications made by the Company; (iii) compliance with applicable governmental laws, rules and regulations; (iv) prompt internal reporting of code violations to an appropriate person or persons identified in the Code of Conduct; and (v) accountability for adherence to the Code of Conduct.

The Code of Ethics and the Code of Conduct are posted on the Company's website at [www.emersonradio.com](http://www.emersonradio.com) on the Investor Relations page. If the Company makes any substantive amendments to, or grants any waiver (including any implicit waiver) from a provision of the Code of Ethics or the Code of Conduct, and that relates to any element of the Code of Ethics definition enumerated in Item 406 (b) of Regulation S-K, the Company will disclose the nature of such amendment or waiver on its website or in a current report on Form 8-K.

**Table of Contents****EXECUTIVE OFFICERS**

The following table sets forth certain information regarding the executive officers of Emerson as of February 11, 2019:

<b>Name</b>	<b>Age</b>	<b>Position</b>	<b>Year Became Officer</b>
Duncan Hon	58	Chief Executive Officer and Director	2009
Michael Binney	59	Executive Vice President and Chief Financial Officer	2017

**Duncan Hon** has served as the Company's Chief Executive Officer since August 2011 and a director of the Company since February 2009. Until his appointment as the Company's Chief Executive Officer, Mr. Hon served as the Company's Deputy Chief Executive Officer since November 2009. He also served as a Secretary of the Company from June 2016 to July 2017. See Mr. Hon's biographical information above.

**Michael Binney** has served as the Company's Executive Vice President and Chief Financial Officer since March 2017 and has served as Secretary of the Company since July 2017. He has served as a director of the Company since June 2016. See Mr. Binney's biographical information above.

**EXECUTIVE COMPENSATION****Summary Compensation Table for Fiscal 2018**

The following Summary Compensation Table sets forth information concerning compensation for services rendered in all capacities to the Company and its subsidiaries for Fiscal 2018 and for the fiscal year ended March 31, 2017 (Fiscal 2017), which was awarded to, earned by or paid to the Company's named executive officers during Fiscal 2018.

<b>Name and Principal Position</b>	<b>Fiscal Year</b>	<b>Salary(\$)</b>	<b>Bonus(\$) (1)</b>	<b>All Other Compensation (\$)</b>	<b>Total (\$)</b>
Duncan Hon <i>Chief Executive Officer</i>	2018	\$ 540,000	\$	\$	\$ 540,000
	2017	\$ 485,833	\$ 237,500	\$	\$ 723,333
Michael Binney (2) <i>Chief Financial Officer</i>	2018	\$ 148,840	\$	\$ 2,496	\$ 151,336
	2017	\$ 9,217	\$	\$	\$ 9,217

(1) Represents bonus paid during the fiscal year.

(2) Mr. Binney was appointed Executive Vice President and Chief Financial Officer of the Company effective on March 9, 2017.

**Employment Agreements**

During Fiscal 2018, the Company had employment agreements with certain of its named executive officers, each of which is described below.

*Duncan Hon.* Duncan Hon, the Company's Chief Executive Officer, entered into an employment agreement, effective April 1, 2011, with a wholly-owned, indirect subsidiary of the Company. Such agreement sets forth the terms and conditions pursuant to which Mr. Hon would serve as the Company's Deputy Chief Executive Officer and, subsequently, as Chief Executive Officer. The agreement provides for an annual base salary of 2,925,000 Hong Kong Dollars ( HKD ), which was increased to \$540,000 in February 2017 and to \$561,600 in January 2019, which increase was consistent with increases for the majority of the Company's employees in January 2019, and an annual discretionary bonus payable at any time as recommended by the Board. The contract extends until the earlier of the retirement of Mr. Hon on the first day of the following month immediately after his

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60th birthday, or the termination of the agreement by either the Company or Mr. Hon upon the delivery from one to the other of one month prior written notice. In June 2016, a supplementary agreement was made to change the earlier of the retirement of Mr. Hon to the first day of the following month immediately after his 65th birthday.

*Michael Binney.* Michael Binney, the Company's Executive Vice President and Chief Financial Officer, entered into an employment agreement, effective March 9, 2017, with a wholly-owned, indirect subsidiary of the Company. The agreement provides for an annual base salary of \$150,000, which was increased to \$156,000 in January 2019, which increase was consistent with increases for the majority of the Company's employees in January 2019, and an annual discretionary bonus payable at any time as recommended by the Board. The contract extends until the earlier of the retirement of Mr. Binney and the first day of the following month immediately after his 65th birthday, or the termination of the agreement by either the Company or Mr. Binney upon the delivery from one to the other of one month prior written notice.

**Outstanding Equity Awards at Fiscal Year-End**

None of the Company's named executive officers held any outstanding equity awards at March 31, 2018.

**Compensation of Directors**

During Fiscal 2018, the Company's directors who were not employees ( Outside Directors ) were compensated for serving on the Board and on its various committees during the period. The Company does not compensate directors who are employees of the Company for their services as directors.

Outside Directors are each paid an annual director's fee of \$50,000. The Outside Director serving as the Chairman of the Board receives an additional annual fee of \$20,000. Each Outside Director serving on the Audit Committee of the Board receives an additional fee of \$15,000 per annum with no additional fee for serving as chairman of the Audit Committee. Each Outside Director who served on the Special Committee of the Board received an additional fee of \$5,000 per month with no additional fee for serving as chairman of the Special Committee. The Company does not pay any additional fees for attendance at meetings of the Board or the committees. Audit Committee fees and, since June 2017, Special Committee fees are paid in four equal quarterly installments per annum. Prior to June 2017, Special Committee fees were paid in monthly installments. Audit Committee and Special Committee fees are pro-rated in situations where an Outside Director serves less than a full one year or periodic term. As disclosed above, the Special Committee terminated in December 2018.

Additionally, the Company's directors are reimbursed their expenses for attendance at meetings.

The following table provides certain information with respect to the compensation earned or paid to the Company's Outside Directors during Fiscal 2018.

**Director Compensation for Fiscal 2018**

Name	Fees	
	Earned or Paid in Cash(\$)	Total(\$)
Christopher Ho	\$ 70,000	\$ 70,000



Kareem E. Sethi	\$ 125,000	\$ 125,000
Kin Yuen	\$ 125,000	\$ 125,000

**Equity Compensation Plan Information**

The Company did not have any equity compensation plans in existence as of March 31, 2018.

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**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

From time to time, Emerson engages in business transactions with its controlling stockholder, Nimble, and one or more of Nimble's direct and indirect subsidiaries. Set forth below is a summary of such transactions.

***Controlling Stockholder***

S&T, which is a wholly owned subsidiary of N.A.K.