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If you have sold or transferred all your shares in CL Group (Holdings) Limited, you should at once hand this circular and the accompanied proxy form to the purchaser or transferee or to the bank, the licensed securities dealer or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

CL GROUP (HOLDINGS) LIMITED**昌利（控股）有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8098)

**GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE ITS OWN SHARES
RE-ELECTION OF DIRECTORS
PROPOSED CHANGE OF AUDITORS
ADOPTION OF NEW SHARE OPTION SCHEME
AND TERMINATION OF EXISTING SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company (“AGM”) to be held at Room 16B, 16/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong on Tuesday, 4 August 2020 at 2:30 p.m., is set out on pages 27 to 31 of this circular. A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM in person, you are advised to complete the form of proxy attached to the notice of the AGM in accordance with the instructions printed thereon and return the same to Hong Kong branch share registrar and transfer office of the Company, 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 such AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting if you so wish.

30 June 2020

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

TABLE OF CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
INTRODUCTION	4
RE-ELECTION OF DIRECTORS	5
PROPOSED CHANGE OF AUDITORS	6
PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES	6
PROPOSED GENERAL MANDATE TO REPURCHASE SHARES	7
EXPLANATORY STATEMENT	7
ADOPTION OF NEW SHARE OPTION SCHEME AND TERMINATION OF EXISTING SHARE OPTION SCHEME	8
THE AGM	10
RECOMMENDATION	11
RESPONSIBILITY STATEMENT	11
MISCELLANEOUS	11
APPENDIX I — EXPLANATORY STATEMENT	12
APPENDIX II — BIOGRAPHICAL DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTION AT THE ANNUAL GENERAL MEETING	15
APPENDIX III — SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME	18
NOTICE OF AGM	27

DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“2020 Annual Report”	the annual report of the Company for the year ended 31 March 2020;
“Adoption Date”	the date on which the New Share Option Scheme is to be adopted by the resolution of the Shareholders at the AGM;
“AGM”	an annual general meeting of the Company to be Room 16B, 16/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong, on Tuesday, 4 August 2020 at 2:30 p.m.;
“Articles of Association”	the articles of association of the Company;
“associate(s)”	has the meanings ascribed to it under the GEM Listing Rules;
“Board”	the board of Directors;
“close associate(s)”	has the meanings ascribed to it under the GEM Listing Rules;
“Company”	CL Group (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM;
“connected person(s)”	has the meanings ascribed to it under the GEM Listing Rules;
“core connected person(s)”	has the meanings ascribed to it under the GEM Listing Rules;
“Directors”	the director(s) of the Company;
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company pursuant to a resolution passed by the Shareholders on 22 February 2011;
“GEM”	The GEM of the Stock Exchange;
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM;

DEFINITIONS

“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“inside information”	has the meanings ascribed to it under the GEM Listing Rules;
“Latest Practicable Date”	23 June 2020, being the latest practicable date for ascertain certain information prior to the printing of this circular;
“New Issue Mandate”	the general and unconditional mandate to allot and issue Shares not exceeding 20% of the aggregate number of issued Shares of the Company as at the date of passing of the resolution approving the New Issue Mandate;
“New Share Option Scheme”	the new share option scheme to be adopted by an ordinary resolution to be passed by the Shareholders at the AGM;
“Option(s)”	an option to subscribe for Shares granted pursuant to the New Share Option Scheme;
“Report of Directors”	the report of directors of the Company for the year ended 31 March 2020 contained in the Annual Report;
“Repurchase Mandate”	the general mandate to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the aggregate number of issued Shares of the Company as at the date of passing of the resolution approving the Repurchase Mandate;
“Share(s)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company;
“Shareholders”	registered holders of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meanings ascribed to it under the GEM Listing Rules;

DEFINITIONS

“Takeovers Code”

the Hong Kong Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong as amended from time to time;

“%”

per cent.

LETTER FROM THE BOARD

CL GROUP (HOLDINGS) LIMITED

昌利（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8098)

Executive Directors:

Kwok Kin Chung (*Chief Executive Officer*)

Yu Linda

Lau Kin Hon

Independent Non-Executive Directors:

Poon Wing Chuen

Wang Rongqian

Hu Chao

Registered Office:

Cricket Square

Hutchins Drive

P. O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Principal Place of Business:

Room 16B, 16/F

Bank of East Asia Harbour View Centre

56 Gloucester Road

Wan Chai, Hong Kong

30 June 2020

To the Shareholders,

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE ITS OWN SHARES
RE-ELECTION OF DIRECTORS
PROPOSED CHANGE OF AUDITORS
ADOPTION OF NEW SHARE OPTION SCHEME
AND TERMINATION OF EXISTING SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding (i) the proposed new general mandates to issue and allot Shares, (ii) the proposed new general mandate to repurchase Shares, (iii) re-election of Directors, (iv) proposed change of auditors, and (v) adoption of New Share Option Scheme.

LETTER FROM THE BOARD

This circular contains the explanatory statement in compliance with the GEM Listing Rules and to give all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolutions.

RE-ELECTION OF DIRECTORS

In accordance with Article 84(1) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation. Accordingly, Mr. Kwok Kin Chung; Mr. Lau Kin Hon and Ms. Yu Linda shall retire at the AGM and being eligible, offer themselves for re-election. Mr. Hu Chao has been appointed by the Board as independent non-executive director of the Company on 17 December 2019. In accordance with Article 83(3) of the Articles of Association, any Director appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Accordingly, Mr. Hu, being Director appointed by the Board after the last annual general meeting, shall retire at the AGM and being eligible, offer himself for re-election.

Mr. Kwok Kin Chung is an executive director and the chief executive officer of the Company. He joined the Group in July 2010 and is primarily responsible for managing daily operations and supervising dealing staff. Mr. Lau Kin Hon is an executive director of the Company. He joined the Group on 8 January 2008 and is primarily responsible for managing the compliance function of the Group and the provision of advice to the Group on legal and regulatory compliance matters. Ms. Yu Linda is an executive director of the Company. She joined the Group in October 2007 and is primarily responsible for the Company's business development, marketing and maintenance of clients' relations. The Nomination Committee of the Board consider that Mr. Kwok, Mr. Lau and Ms. Yu have served the Group for a long period of time since before its listing on the Stock Exchange and have made immensely valuable contribution towards the success of the Group.

Mr. Hu Chao is an independent non-executive director of the Company. Mr. Hu holds a Bachelor Degree in Law from Hunan University of Technology (formerly known as Zhuzhou Institute of Technology). Mr. Hu has extensive experience in legal advisory services in corporation governance and investment and commercial dispute resolution. Mr. Hu joined the Group on 17 December 2019 and has provided valuable contributions and insights to the Board. The Nomination Committee has considered the experience, skills and expertise of Mr. Hu as well as the overall board diversity according to the Board's diversity policy. The Board, based on the recommendation of the Nomination Committee, believes that Mr. Hu will continue to provide valuable insights and contribute to diversity to the Board and should be re-elected.

LETTER FROM THE BOARD

Mr. Hu Chao has confirmed in writing his independence as regards each of the factors referred to in Rule 5.09(1) to (8) of the GEM Listing Rules which also cover his immediate family members. Both the Nomination Committee and the Board are satisfied with his independence.

Having considered the above, the Nomination Committee recommends that Mr. Kwok, Mr. Lau and Ms. Yu should be re-elected as executive directors of the Company and that Mr. Hu should be re-elected as independent non-executive director of the Company.

Particular of the Director proposed to be re-elected in the AGM are set out in Appendix II to this circular.

PROPOSED CHANGE OF AUDITORS

The Company announced on 22 June 2020 that HLM CPA Limited (“HLM”) informed the Company that it would not seek for re-appointment at the Company’s forthcoming AGM.

With the recommendation from the audit committee of the Company, the Board proposes to appoint Confucius International CPA Limited as the auditors of the Company (the “Proposed Appointment”) to fill the vacancy following the retirement of HLM. Pursuant to the Articles, the Appointment will be subject to the approval by the Shareholders by an ordinary resolution at the forthcoming AGM.

HLM have confirmed that there are no matters about their retirement that should be brought to the attention of the Shareholders.

As the retirement of HLM will take effect after publication of the Company’s annual results and annual report for the year ended 31 March 2020, the proposed change of auditors will not affect the timetable in relation thereto.

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

An ordinary resolution will be proposed at the AGM to grant to the Directors the New Issue Mandate. The Shares which may be allotted and issued pursuant to the New Issue Mandate is limited to a maximum of 20% of the aggregate number of issued Shares of the Company as at the date of passing of the resolution approving the New Issue Mandate. In addition, another ordinary resolution will be proposed that the New Issue Mandate be extended so that the Directors are given a general mandate to issue further Shares in the Company of an aggregate number of Shares equal to the aggregate Shares of the Company repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

Details of the aforesaid ordinary resolutions are set out in ordinary resolutions numbers 5 and 7 in the notice of the AGM.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate. The Shares which may be repurchased pursuant to the Repurchase Mandate is limited to a maximum of 10% of the aggregate number of issued Shares of the Company as at the date of passing of the resolution approving the Repurchase Mandate.

Details of the aforesaid ordinary resolution are set out in ordinary resolution number 6 in the notice of the AGM.

As at the Latest Practicable Date, there were in issue an aggregate of 2,200,000,000 Shares. Subject to the passing of the proposed resolutions for the grant of the New Issue Mandate and the Repurchase Mandate, and on the basis that no further Shares will be issued or repurchased prior to the date of the AGM, exercise in full of the Repurchase Mandate will result in up to 220,000,000 Shares being repurchased by the Company, and the Directors will be authorised to allot and issue under the New Issue Mandate up to 440,000,000 Shares, and to the extent the Repurchase Mandate is exercised, plus the amount of Shares representing the aggregate number of Shares of the Company repurchased by the Company under the Repurchase Mandate.

The New Issue Mandate and the Repurchase Mandate shall continue in force during the period from the date of passing the relevant resolution ending on the earliest of (a) the date of the next annual general meeting; or (b) the date by which the next annual general meeting of the Company is required to be held by law or by its articles of association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

EXPLANATORY STATEMENT

An explanatory statement containing information relating to the Repurchase Mandate, as required by Rule 13.08 of the GEM Listing Rules, is set out in the Appendix I to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

LETTER FROM THE BOARD

ADOPTION OF NEW SHARE OPTION SCHEME AND TERMINATION OF EXISTING SHARE OPTION SCHEME

Adoption of New Share Option Scheme

The Existing Share Option Scheme had a term of 10 years and will expire on 21 February 2021. The Directors propose to adopt the New Share Option Scheme and terminate the Existing Share Option Scheme. Adoption of the New Share Option Scheme is conditional upon (i) the passing of the ordinary resolution by the Shareholders at the AGM to approve and adopt the New Share Option Scheme and to authorise the Board to grant Options under the New Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Options; and (ii) the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any Options.

The purpose of the New Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, substantial shareholders, distributors, contractors, suppliers, agents, customers, business partners and service providers of the Group and to promote the success of the business of the Group. By offering Options to the participants, their interests are aligned with the long-term development of the Group as they may also enjoy any potential upside from increasing value of the Group. The New Share Option Scheme motivates employees and directors to stay in the Group and strive for the benefit of the Group as well as themselves. Meanwhile, it fosters long-term cooperation with business associates and other stakeholders by granting them an equity interest to share in any future growth of the Group and providing them with an incentive to serve and contribute to the smooth operation of the Group. The eligibility of those external parties other than employees and directors of the Group will be determined by the Board considering the potential and/or actual contribution of these individual parties to the operation and business of the Group. The Directors consider that the inclusion of business associates and stakeholders other than employees and directors of the Group as eligible participants is appropriate as the successful development of the Group could not be achieved by the directors and employees alone and will also depend on the cooperation of the business partners and other stakeholders of the Group, which all play an important role in the business of the Group. Given that the success of the Group requires the cooperation and contribution from such parties, it is important that the Group is able to maintain good relationship with them. The purpose of including participants other than employees and directors in the New Share Option Scheme is to give more flexibility to the Company to incentivise and reward such persons who are expected to have a long term relationship with the Group so that they may participate in the growth of the Group and will continue to contribute to the benefit of the Group. As at the Latest Practicable Date, the Company has no plan to grant any Options under the New Share Option Scheme.

LETTER FROM THE BOARD

The Directors believe that the authority given to the Directors under the New Share Option Scheme to specify any minimum holding period and/or performance targets as conditions in any Option granted and the requirement for a minimum subscription price as well as the authority to select the appropriate participants as prescribed by the rules of the New Share Option Scheme will serve to protect the value of the Company as well as to achieve the purposes of the New Share Option Scheme.

The Directors consider it inappropriate to state the value of all options that can be granted pursuant to the New Share Option Scheme as if they had been granted at the Latest Practicable Date because a number of variables crucial for the calculation cannot be determined. Such variables include the exercise price, exercise period, any conditions which the Options are subject to and other relevant variables. The Directors believe that any statement regarding the value of the options based on a large number of assumptions will not be meaningful to the Shareholders.

The New Share Option Scheme has no trustees and it will be subject to the administration of the Directors.

As at the Latest Practicable Date, the total number of Shares in issue was 2,200,000,000. Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, 220,000,000 new Shares which may fall to be issued pursuant to the exercise of any Options, being 10% of the total number of Shares in issue as at the date of the AGM assuming that there being no further issue or repurchase of Shares between the Latest Practicable Date and the date of the AGM.

Save for the necessary modifications and/or amendments to reflect the current provisions of the GEM Listing Rules, there is no material difference between the terms of the Existing Share Option Scheme and the terms of the New Share Option Scheme.

A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular. A copy of the rules of the New Share Option Scheme will be available for inspection at the Company's principal place of business at Room 16B, 16/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wan Chai, Hong Kong during normal business hours for a period of 14 days immediately preceding the date of the AGM and at the AGM.

At the AGM, an ordinary resolution will be proposed to approve the adoption of the New Share Option Scheme and authorise the Directors to grant Options thereunder and to allot and issue Shares pursuant to the New Share Option Scheme.

LETTER FROM THE BOARD

So far as the Directors are aware of, at the Latest Practicable Date, none of the Shareholders is required to abstain from voting on the ordinary resolution to approve the adoption of the New Share Option Scheme.

Termination of Existing Share Option Scheme

The Existing Share Option Scheme had a term of 10 years and will expire on 21 February 2021. The Board proposes to terminate the Existing Share Option Scheme upon the adoption of the New Share Option Scheme at the AGM. The outstanding options granted under the Existing Share Option Scheme will remain valid and capable of being exercise after the termination of the Existing Share Option Scheme.

Since adoption of the Existing Share Option Scheme, the Company has granted 100,000,000 Options to Directors and employees of the Group. No Option has been granted to eligible participants other than Directors and employees of the Group. As at the Latest Practicable Date, the said 100,000,000 Options granted under the Existing Share Option Scheme are still outstanding. Save for the Existing Share Option Scheme, the Company has no other valid share option schemes of its own as at the Latest Practicable Date.

THE AGM

A notice convening the AGM is set out on pages 27 to 31 of this circular.

The resolutions for the Repurchase Mandate, the New Issue Mandate, re-election of Directors, proposed change of auditors and adoption of the New Share Option Scheme will be proposed at the AGM for your consideration and approval. All resolutions proposed at the AGM will be voted on by poll. A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are advised to complete the form of proxy and return it 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 in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time fixed for the AGM. The completion and delivery of a form of proxy will not preclude you from attending and voting at the meeting in person.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the New Issue Mandate, the Repurchase Mandate, the re-election of Directors, proposed change of auditors and adoption of the New Share Option Scheme referred to in this circular are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the relevant resolutions proposed at the AGM.

RESPONSIBILITY STATEMENT

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

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
On behalf of the Board
CL Group (Holdings) Limited
Kwok Kin Chung
Chief Executive Officer

The following is the explanatory statement required to be sent to shareholders pursuant to Rule 13.08 of the GEM Listing Rules in connection with the proposed Repurchase Mandate which, if approved, would authorize the Directors to repurchase the Shares.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,200,000,000 Shares.

Subject to the passing of the ordinary resolution number 6 set out in the notice of the AGM and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 220,000,000 Shares during the course of the period from the date of passing the relevant resolution up to (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 or any applicable laws of the Cayman Islands to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders general meeting, whichever occurs first.

2. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and its Shareholders to seek a general authority from Shareholders to enable the Directors to repurchase Shares of the Company in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its shareholders.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the GEM Listing Rules and the applicable laws of the Cayman Islands. The Company may not repurchase its own shares on the GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

4. EFFECT OF EXERCISING THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the 2020 Annual Report) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the

Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which, in the opinion of the Directors, are from time to time appropriate of the Company.

5. UNDERTAKING

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

None of the Directors nor, to the best of their knowledge, having made all reasonable enquires, any of their respective close associates (as defined in the GEM Listing Rules) has notified the Company of any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries.

6. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the GEM during each of the calendar months since June 2019 were as follows:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2019		
June	0.112	0.094
July	0.106	0.092
August	0.092	0.076
September	0.081	0.081
October	0.081	0.067
November	0.073	0.073
December	0.090	0.068
2020		
January	0.084	0.070
February	0.084	0.063
March	0.075	0.050
April	0.057	0.050
May	0.064	0.045
June (up to the Latest Practicable Date)	0.060	0.045

7. SHARES PURCHASE MADE BY THE COMPANY

No purchases of Shares have been made by the Company (whether on the GEM or otherwise) since the listing of the shares on the GEM and up to the Latest Practicable Date.

8. THE TAKEOVERS CODE

If, as a result of a repurchase of Shares, 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 the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, 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, Ms. Au Suet Ming Clarea ("Ms. Au") is deemed to be interested in 1,500,000,000 Shares through Zillion Profit Limited, being the substantial shareholder of the Company, representing 68.18% of the total issued share capital of the Company. If the Repurchase Mandate is exercised in full, the shareholding of Ms. Au would be increased to approximately 75.76%. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. However it would result in the amount of Shares held by the public being reduced to less than 25%.

Currently, the Directors have no intention to exercise the powers of the Company to make any repurchases of the Shares of the Company. In any event, the Directors do not intend to exercise the Repurchase Mandate to an extent which will trigger off the mandatory offer requirement pursuant to the rules of the Takeovers Code or which will result in the amount of Shares held by the public being reduced to less than 25%, the minimum prescribed percentage for the Shares to be held by the public after listing of the Shares on the GEM.

9. CONNECTED PERSON

No core connected person (as defined in the GEM Listing Rules) has notified the Company that it has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

The biographical details of the Directors proposed to be re-elected at the AGM are set out as follows:

Mr. KWOK Kin Chung (“Mr. Kwok”), aged 45, executive director and chief executive officer of the Company. He joined the Group in July 2010. Mr. Kwok is responsible for managing daily operations and supervising dealing staff. He obtained a Master’s degree in Finance from Curtin University of Technology of Australia and a professional diploma in Corporate Finance from The Hong Kong Management Association. Mr. Kwok has over 19 years of experience in securities and derivatives dealing. In the three years preceding the Latest Practicable Date, Mr. Kwok did not hold any directorship in any other listed company.

Mr. Kwok has entered into a service agreement with the Company for a fixed term of three years commencing from 25 February 2020 and is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. According to the service agreement between Mr. Kwok and the Company, Mr. Kwok’s remuneration is subject to review at the discretion of the Board. Mr. Kwok is currently entitled to an emolument of HK\$919,594 per annum. In addition, Mr. Kwok is entitled to a discretionary bonus to be determined by the Company at its absolute discretion. The emoluments of Mr. Kwok were determined by reference to his experience, responsibilities, workload and the time devoted to the Group. As at the Latest Practicable Date, Mr. Kwok is interested in 20,000,000 Share options under the Company’s Share option scheme adopted on 22 February 2011. He is a director of various subsidiaries of the Company. Save as aforesaid, Mr. Kwok does not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholder of the Company, nor any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr. Kwok pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there is no other information in relation to the re-election of Directors that need to be brought to the attention of the shareholders.

Mr. LAU Kin Hon (“Mr. Lau”), age 52, executive director of the Company. He joined the Group on 8 January 2008. Mr. Lau is responsible for managing the compliance function of the Group and the provision of advice to the Group on legal and regulatory compliance matters. Mr. Lau is a practicing solicitor in Hong Kong. Mr. Lau received his bachelor of laws degree from University College, London, U.K. Mr. Lau has over 26 years experience in legal and compliance. He is an independent non-executive director of Mingfa Group (International) Company Limited (stock code: 846) and he was a non-executive director of Lisi Group (Holdings) Limited (stock code: 526) from 31 May 2005 to 1 January 2019, all of which are listed on the stock Exchange of Hong Kong. Save as aforesaid, Mr. Lau did not hold any directorship in any other listed company in the three years preceding the Latest Practicable Date.

Mr. Lau was the independent non-executive director of Fujian Group Limited (“FGL”) during the period from 11 June 1996 to 11 December 2003, Seapower Resources International Limited (“SRI”) during the period from 15 August 2000 to 5 December 2003 and I-China Holdings Limited (“ICL”) during the period from 1 April 2001 to 23 April 2004. Each of FGL, SRI and ICL was a company listed on the Stock Exchange during Mr. Lau’s directorship. FGL was incorporated in Hong Kong whose principal business was property investment. FGL was subject to a winding up petition at the High Court of Hong Kong and provisional liquidators were appointed in 2003. Successful debt restructuring of FGL was completed on 11 December 2003 and the said winding up petition and provisional liquidators were discharged on the same date. SRI was incorporated in the Cayman Islands whose principal businesses were property investment and cold storage. SRI was subject to a winding up petition at the High Court of Hong Kong and provisional liquidators were appointed in 2001. Successful restructuring of SRI was completed on 5 December 2003 and the said winding up petition and provisional liquidators were discharged accordingly. ICL was incorporated in Bermuda whose principal business was investment holding. ICL was subject to a winding up petition at the High Court of Hong Kong and provisional liquidators were appointed in 2002. Successful restructuring of ICL was completed on 23 April 2004 and the said winding up petition and provisional liquidators were discharged accordingly. Mr. Lau has confirmed that there was no wrongful act on his part leading to the winding up petitions in respect of FGL, SRI and ICL.

Mr. Lau has entered into a service agreement with the Company for a fixed term of three years commencing from 25 February 2020 and is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. According to the service agreement between Mr. Lau and the Company, Mr. Lau’s remuneration is subject to review at the discretion of the Board. Mr. Lau is currently entitled to an emolument of HK\$390,000 per annum. In addition, Mr. Lau is entitled to a discretionary bonus to be determined by the Company at its absolute discretion. The emoluments of Mr. Lau were determined by reference to his experience, responsibilities, workload and the time devoted to the Group. As at the Latest Practicable Date, Mr. Lau is interested in 20,000,000 share options under the Company’s share option scheme adopted on 22 February 2011. Save as aforesaid, Mr. Lau does not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholder of the Company, nor any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as aforesaid, there is no information to be disclosed by Mr. Lau pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there is no other information in relation to the re-election of Directors that need to be brought to the attention of the shareholders.

Ms. YU Linda, aged 47, executive director of the Company. She also holds directorship in certain subsidiaries of the Company. She joined the Group in October 2007. Ms. Yu is responsible for the Company’s business development, marketing, maintenance of clients’ relations and such

other matters as the Board shall from time to time direct. Ms. Yu has over 22 years of experience in the securities industry. In the three years preceding the Latest Practicable Date, Ms. Yu did not hold any directorship in any other listed company.

Ms. Yu has entered into a service agreement with the Company for a fixed term of three years commencing from 25 February 2020 and is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. According to the service agreement between Ms. Yu and the Company, Ms. Yu's remuneration is subject to review at the discretion of the Board. Ms. Yu is currently entitled to an emolument of HK\$546,000 per annum. In addition, Ms. Yu is entitled to a discretionary bonus to be determined by the Company at its absolute discretion. The emoluments of Ms. Yu were determined by reference to his experience, responsibilities, workload and the time devoted to the Group. As at the Latest Practicable Date, Ms. Yu is interested in 20,000,000 share options under the Company's share option scheme adopted on 22 February 2011. Save as aforesaid, Ms. Yu does not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholder of the Company, nor any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Ms. Yu pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there is no other information that need to be brought to the attention of the shareholders.

Mr. Hu Chao, aged 36, independent non-executive director of the Company since 17 December 2019. Mr. Hu holds a Bachelor Degree in Law from Hunan University of Technology (formerly known as Zhuzhou Institute of Technology). Mr. Hu has extensive experience in legal advisory services in corporation governance and investment and commercial dispute resolution. Mr. Hu is currently the executive director of Code Agriculture (Holdings) Limited (Stock code: 8153) and the independent non-executive director of GT Group Holdings Limited (Stock code: 263), both of which are listed on the Stock Exchange.

According to a service agreement between Mr. Hu and the Company, Mr. Hu is entitled to an emolument of HK\$120,000 per annum. The director's emolument is determined and subject to the review by the remuneration committee of the Company with reference to his contribution in terms of time, effort, his expertise and the prevailing market condition on an annual basis. Mr. Hu's appointment is for a fixed term of one year commencing from 17 December 2019 and is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. Save as aforesaid, Mr. Hu does not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholder of the Company, nor any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr. Hu pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there is no other information that need to be brought to the attention of the shareholders.

The following is a summary of the principal terms of the rules of the New Share Option Scheme :

(i) Purpose of the New Share Option Scheme

The purpose of the New Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners and service providers of the Group and to promote the success of the business of the Group.

(ii) Who may join and basis of eligibility

The Board may, at its absolute discretion and on such terms as it may think fit, grant any employee (full-time or part-time), director, consultant or adviser of our Group, or any substantial shareholder of our Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of our Group, options to subscribe at a price calculated in accordance with paragraph (iii) below for such number of Shares as it may determine in accordance with the terms of the New Share Option Scheme.

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, the independent non-executive Directors) from time to time on the basis of his contribution or potential contribution to the development and growth of the Group.

(iii) Price of Shares

The subscription price of a Share in respect of any particular option granted under the New Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option.

(iv) Grant of options and acceptance of offers

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1.

(v) *Maximum number of Shares*

- (aa) subject to sub-paragraph (bb) and (cc) below, the maximum number of Shares issuable upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company as from the Adoption Date (excluding, for this purpose, Shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the New Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of all the Shares in issue as at the Adoption Date.
- (bb) The 10% limit as mentioned above may be refreshed by obtaining approval of the Shareholders in general meeting provided that the total number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit. Options previously granted under the New Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the New Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the refreshed 10% limit. A circular must be sent to the Shareholders containing the information as required under the GEM Listing Rules in this regard.
- (cc) the Company may seek separate approval of the Shareholders in general meeting for granting options beyond the 10% limit provided the options in excess of the 10% limit are granted only to grantees specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the Shareholders containing a generic description of such grantees, the number and terms of such options to be granted and the purpose of granting options to them with an explanation as to how the terms of the options will serve such purpose, such other information required under the GEM Listing Rules.
- (dd) The aggregate number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Shares in issue from time to time. No options may be granted under the New Share Option Scheme or any other share option schemes of the Company (or its subsidiary), if this will result in such 30% limit being exceeded.

(vi) Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the New Share Option Scheme, in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his close associates (or his associates if the grantee is a connected person) abstaining from voting. In such event, the Company must send a circular to the Shareholders containing the identity of the grantee, the number and terms of the options to be granted (and options previously granted to such grantee), and all other information required under the GEM Listing Rules. The number and terms (including the subscription price) of the options to be granted must be fixed before the approval of the Shareholders and the date of the Board meeting proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(vii) Grant of options to certain connected persons

- (aa) Any grant of an option to a Director, chief executive or substantial shareholder of the Company (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the option).
- (bb) Where any grant of options to a substantial Shareholder or an independent non-executive Director (or any of their respective associates) will result in the total number of Shares issued and to be issued upon exercise of all options already granted and to be granted to such person under the New Share Option Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant:
 - (i) representing in aggregate over 0.1% of the Shares in issue; and
 - (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million,

such further grant of options is required to be approved by Shareholders at a general meeting of the Company, with voting to be taken by way of poll. The Company shall send a circular to the Shareholders containing all information as required under the GEM Listing Rules in this regard. The grantee, his associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. Any change in the

terms of an option granted to a substantial shareholder or an independent non-executive Director or any of their respective associates is also required to be approved by Shareholders in the aforesaid manner.

(viii) Restrictions on the times of grant of options

A grant of Options may not be made after inside information has come to the Company's knowledge until it has announced the information. In particular, during the period commencing one month immediately before the earlier of:

- (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the GEM Listing Rules); and
- (b) the deadline for the Company to publish an announcement for any year or half-year under the GEM Listing Rules, or quarterly or any other interim period (whether or not required under the GEM Listing Rules),

and ending on the date of the results announcement, no Option may be granted.

(ix) Time of exercise of option

An option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

(x) Performance targets

Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no performance target which must be achieved before any of the options can be exercised.

(xi) Ranking of Shares

The Shares to be allotted upon the exercise of an option will be subject to all the provisions of the Articles for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders to participate in all dividends or other distributions paid or made after the date of allotment other than any

dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be on or before the date of allotment, save that the Shares allotted upon the exercise of any option shall not carry any voting rights until the name of the grantee has been duly entered on the register of members of the Company as the holder thereof.

(xii) Rights are personal to grantee

An option shall not be transferable or assignable and shall be personal to the grantee of the option.

(xiii) Rights on cessation of employment by death

In the event of the death of the grantee (provided that none of the events which would be a ground for termination of employment referred to in (xiv) below arises within a period of 3 years prior to the death, in the case the grantee is an employee at the date of grant), the legal personal representative(s) of the grantee may exercise the option up to the grantee's entitlement (to the extent which has become exercisable and not already exercised) within a period of 12 months following his death provided that where any of the events referred to in (xvii), (xviii) and (xix) occurs prior to his death or within such period of 6 months following his death, then his personal representative(s) may so exercise the option within such of the various periods respectively set out therein.

(xiv) Rights on cessation of employment by dismissal

In the event that the grantee is an employee of the Group at the date of grant and he subsequently ceases to be an employee of the Group on any one or more of the grounds that he has been guilty of serious misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the Board) on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with the Group, his option shall lapse automatically (to the extent not already exercised) on the date of cessation of his employment with our Group.

(xv) Rights on cessation of employment for other reasons

In the event that the grantee is an employee of the Group at the date of grant and he subsequently ceases to be an employee of the Group for any reason other than his death or the termination of his employment on one or more of the grounds specified in (xiv) above, the option

(to the extent not already exercised) shall lapse on the expiry of 3 months after the date of cessation of such employment (which date will be the last actual working day with the Company or the relevant member of the Group whether salary is paid in lieu of notice or not).

(xvi) Effects of alterations to share capital

In the event of any alteration in the capital structure of the Company whilst any option remains exercisable, whether by way of capitalisation issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction to which any member of the Group is a party), such corresponding adjustments (if any) shall be made in the number of Shares subject to the option so far as unexercised; and/or the subscription prices, as the auditors of or independent financial adviser to the Company shall certify or confirm in writing (as the case may be) to the Board to be in their opinion fair and reasonable in compliance with the relevant provisions of the GEM Listing Rules, or any guideline or supplemental guideline issued by the Stock Exchange from time to time (no such certification is required in case of adjustment made on a capitalisation issue), provided that any alteration shall give a grantee the same proportion of the issued share capital of the Company as that to which he was previously entitled, but no adjustment shall be made to the effect of which would be to enable a Share to be issued at less than its nominal value.

(xvii) Rights on a general offer

In the event of a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) being made to all the Shareholders (or all such holders other than the offeror and/or any persons controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becoming or being declared unconditional, the grantee (or, as the case may be, his legal personal representative(s)) shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 1 month after the date on which the offer becomes or is declared unconditional.

(xviii) Rights on winding-up

In the event a notice is given by the Company to the members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all grantees and thereupon, each grantee (or, as the case may be, his legal personal representative(s)) shall be entitled to exercise all or any of his options at any time not later than 2 business days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full

amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the grantee credited as fully paid.

(xix) Rights on compromise or arrangement

In the event of a compromise or arrangement between the Company and the Shareholders or the creditors of the Company being proposed in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies pursuant to the Companies Law, the Company shall give notice thereof to all the grantees (or, as the case may be, their legal personal representatives) on the same day as it gives notice of the meeting to the Shareholders or the creditors to consider such a compromise or arrangement and the options (to the extent not already exercised) shall become exercisable in whole or in part on such date not later than 2 business days prior to the date of the general meeting directed to be convened by the court for the purposes of considering such compromise or arrangement (“Suspension Date”), by giving notice in writing to the Company accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon the Company shall as soon as practicable and, in any event, no later than 3:00 p.m. on the business day immediately prior to the date of the proposed general meeting, allot and issue the relevant Shares to the grantee credited as fully paid. With effect from the Suspension Date, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. The Board shall endeavour to procure that the Shares issued as a result of the exercise of options hereunder shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the court (whether upon the terms presented to the court or upon any other terms as may be approved by such court), the rights of grantees to exercise their respective options shall with effect from the date of the making of the order by the court be restored in full but only up to the extent not already exercised and shall thereupon become exercisable (but subject to the other terms of the New Share Option Scheme) as if such compromise or arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any grantee as a result of such proposal, unless any such loss or damage shall have been caused by the act, neglect, fraud or willful default on the part of the Company or any of its officers.

(xx) Lapse of options

An option shall lapse automatically on the earliest of:

- (aa) the expiry of the period referred to in paragraph (ix) above;
- (bb) the date on which the Board exercises the Company's right to cancel, revoke or terminate the option on the ground that the grantee commits a breach of paragraph (xii);
- (cc) the expiry of the relevant period or the occurrence of the relevant event referred to in paragraphs (xiii), (xv), (xvii), (xviii) or (xix) above;
- (dd) subject to paragraph (xviii) above, the date of the commencement of the winding-up of the Company;
- (ee) the occurrence of any act of bankruptcy, insolvency or entering into of any arrangements or compositions with his creditors generally by the grantee, or conviction of the grantee of any criminal offence involving his integrity or honesty;
- (ff) where the grantee is only a substantial shareholder of any member of the Group, the date on which the grantee ceases to be a substantial shareholder of such member of the Group; or
- (gg) subject to the compromise or arrangement as referred to in paragraph (xix) become effective, the date on which such compromise or arrangement becomes effective.

(xxi) Cancellation of options granted but not yet exercised

Any cancellation of options granted but not exercised may be effected on such terms as may be agreed with the relevant grantee, as the Board may in its absolute discretion sees fit and in manner that complies with all applicable legal requirements for such cancellation.

(xxii) Period of the New Share Option Scheme

The New Share Option Scheme will remain in force for a period of ten years commencing on the date on the Adoption Date and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless terminated earlier by the Shareholders in general meeting.

(xxiii) Alteration to the New Share Option Scheme

- (aa) The New Share Option Scheme may be altered in any respect by resolution of the Board except that alterations of the provisions of the New Share Option Scheme which alters to the advantage of the grantees of the options relating to matters governed by Rule 23.03 of the GEM Listing Rules shall not be made except with the prior approval of the Shareholders in general meeting.
- (bb) Any amendment to any terms of the New Share Option Scheme which are of a material nature or any change to the terms of options granted, or any change to the authority of the Board in respect of alteration of the New Share Option Scheme must be approved by Shareholders in general meeting except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (cc) Any amendment to any terms of the New Share Option Scheme or the options granted shall comply with the relevant requirements of the GEM Listing Rules or any guidelines issued by the Stock Exchange from time to time.

(xxiv) Termination to the New Share Option Scheme

The Company by resolution in general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further options will be offered but options granted prior to such termination shall continue to be valid and exercisable in accordance with provisions of the New Share Option Scheme.

(xxv) Conditions of the New Share Option Scheme

The New Share Option Scheme is conditional on the Listing Division of the Stock Exchange granting the listing of, and permission to deal in the Shares may be issued pursuant to the exercise of any options which may be granted under the New Share Option Scheme.

NOTICE OF AGM

CL GROUP (HOLDINGS) LIMITED

昌利（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8098)

NOTICE IS HEREBY GIVEN THAT an annual general meeting of CL Group (Holdings) Limited (the “Company”) will be held at Room 16B, 16/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong on Tuesday, 4 August 2020 at 2:30 p.m. to consider and, if thought fit, to pass with or without amendments, the following resolutions:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “Directors”) and the auditors of the Company for the year ended 31 March 2020;
2. To declare a final dividend;
3. (A) (i) To re-elect Mr. Kwok Kin Chung as executive director; and
(ii) To re-elect Mr. Lau Kin Hon as executive director;
(iii) To re-elect Ms. Yu Linda as executive director; and
(iv) To re-elect Mr. Hu Chao as independent non-executive director
(B) to authorise the board of directors to fix the Directors’ remuneration.
4. To appoint Confucius International CPA Limited as auditors of the Company and to authorise the Board to fix their remuneration;
5. “**THAT:**
(a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the GEM (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), 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 of HK\$0.01 (the

NOTICE OF AGM

“Share”) each in the share capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of warrants to subscribe for shares of the Company or the exercise of options granted under any ordinary share option scheme adopted by the Company, or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “Articles of Association”) in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed 20% of the aggregate number of issued Shares of the Company on the date of the passing of this resolution and this approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

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

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; and
- (3) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF AGM

“Rights Issue” means an offer of shares open for a period fixed by the Company or the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (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 recognized regulatory body or any stock exchange in any territory outside Hong Kong);

6. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase its shares on GEM or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, subject to and in connection with the Companies Law of Cayman Islands and all applicable laws and/or the requirements of the Securities and Futures Commission, the Rules Governing the Listing of Securities on GEM or of any other stock exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate number of issued Shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, or any other applicable law of Cayman Islands, to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution”;

NOTICE OF AGM

7. “**THAT** conditional upon resolutions Nos. 5 and 6 set out in the notice convening this meeting being duly passed, the general mandate granted to the Directors to exercise the powers of the Company to allot and issue shares pursuant to resolution No. 5 set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate number of Shares of the Company repurchased by the Company under the authority granted pursuant to resolution No. 6 set out in the notice convening this meeting, provided that such an amount shall not exceed 10% of the aggregate number of issued Shares of the Company as at the date of the passing of this resolution.”
8. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval, with or without condition, for the listing of, and permission to deal in, the shares of the Company (the “**Shares**”) falling to be allotted and issued upon the exercise of any share options granted under the new share option scheme (the “**New Share Option Scheme**”, the rules of which are contained in the document tabled before the meeting and signed by the chairman of the meeting for the purpose of identification,
- (a) the existing share option scheme of the Company adopted on 22 February 2011 be and is hereby terminated; and
- (b) the New Share Option Scheme be and is hereby approved and adopted, and
- (c) the board of directors of the Company be and are hereby authorised to grant share options under the New Share Option Scheme and to allot and issue from time to time such number of Shares as may be required to be issued upon exercise of the share options under the New Share Option Scheme and to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Option Scheme.”

By order of the Board of
CL GROUP (HOLDINGS) LIMITED
Kwok Kin Chung
Chief Executive Officer

Hong Kong, 30 June 2020

NOTICE OF AGM

Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint a person or persons as his proxy or proxies to attend and, on a poll, vote instead of him. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or authority, must be deposited at the offices of Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting, and in default thereof the form of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of 12 months from the date of its execution.
3. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting, and in such event the instrument appointing a proxy shall be deemed to be revoked.

In order to qualify for attending the Meeting, the transfer books and Register of Members of the Company will be closed from Thursday, 30 July 2020 to Tuesday, 4 August 2020, both days inclusive. During which period no share transfers will be effected. All transfer documents, accompanied by the relevant share certificates, 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 29 July 2020 (Wednesday).

In order to determine Shareholders who are qualified for the proposed final dividend, the Register will be closed on Monday, 10 August 2020, during which period no transfer of shares will be registered. All transfers accompanied by the relevant share certificates 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 Friday, 7 August 2020.

As at the date of this notice, the directors of the Company are Mr. Kwok Kin Chung (Chief Executive Officer), Mr. Lau Kin Hon and Ms. Yu Linda being executive directors; Mr. Poon Wing Chuen, Mr. Wang Rongqian and Mr. Hu Chao being independent non-executive directors.