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

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If you have sold or transferred all your shares in Tian Chang Group Holdings Ltd. (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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**TIAN CHANG GROUP HOLDINGS LTD.**  
**天 長 集 團 控 股 有 限 公 司**

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

**(Stock Code: 2182)**

- (1) GENERAL MANDATE TO REPURCHASE SHARES AND  
ISSUE NEW SHARES;**  
**(2) ADOPTION OF SHARE OPTION SCHEME;**  
**(3) DECLARATION OF FINAL DIVIDEND;**  
**(4) PROPOSED APPOINTMENT OF DIRECTORS;**  
**(5) RETIREMENT OF DIRECTORS;**  
**AND**  
**(6) NOTICE OF ANNUAL GENERAL MEETING**

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The notice convening the annual general meeting of the Company to be held at élan 220, 3rd Floor, L'Hotel élan, 38 Chong Yip Street, Kwun Tong, Kowloon, Hong Kong, on Tuesday, 28 May 2019 at 11:30 a.m. is set out on pages 27 to 30 of this circular.

A form of proxy for use at the annual general meeting is enclosed with this circular. Whether or not you are able to attend the annual general meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.

25 April 2019

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held on Tuesday, 28 May 2019
“Articles”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for normal banking business
“Company”	Tian Chang Group Holdings Ltd., a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and deal with further new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of such resolution
“Latest Practicable Date”	17 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Notice”	the notice convening the Annual General Meeting as set out on pages 27 to 30 of this circular

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## DEFINITIONS

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“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase up to 10% of the issued share capital of the Company as at the date of passing of such resolution
“PRC”	the People’s Republic of China, which for the purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) for the time being in force
“Share(s)”	share(s) of HK\$0.10 each in the capital of the Company
“Share Buy Back Rules”	the provisions in the Listing Rules to regulate the repurchase by companies with primary listing on the Stock Exchange of their own shares
“Share Option Scheme”	the share option scheme proposed to be adopted at the Annual General Meeting, a summary of the principal terms of which are set out in Appendix II
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers for the time being in force
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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LETTER FROM THE BOARD

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**TIAN CHANG GROUP HOLDINGS LTD.**  
**天長集團控股有限公司**

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

**(Stock Code: 2182)**

*Executive Directors*

Mr. Chan Tsan Lam (*Chairman*)  
Mr. Cheng Chak  
Ms. Chan Yin Yan

*Independent non-executive Directors*

Mr. Lo Ka Ki  
Mr. Hung Chun Leung  
Mr. Chan Bing Kai

*Head office and principal place of  
business in Hong Kong*

Workshop Unit 6  
13th Floor, Block B  
Hoi Luen Industrial Center  
55 Hoi Yuen Road  
Kwun Tong Hong Kong

*Registered office*

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

25 April 2019

*To the Shareholders*

Dear Sir or Madam,

- (1) GENERAL MANDATE TO REPURCHASE SHARES AND  
ISSUE NEW SHARES;  
(2) ADOPTION OF SHARE OPTION SCHEME;  
(3) DECLARATION OF FINAL DIVIDEND;  
(4) PROPOSED APPOINTMENT OF DIRECTORS;  
(5) RETIREMENT OF DIRECTORS;  
AND  
(6) NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to seek your approval of resolutions to (i) grant a general mandate to the Directors to repurchase the Shares representing up to a maximum of 10% of the existing issued share capital of the Company at the date of passing the resolution, to grant a general mandate to the Directors to issue new Shares up to a maximum of 20% of the issued share capital of the Company at the date of passing of the resolution and to increase the number

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## LETTER FROM THE BOARD

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of Shares which the Directors may issue under their general mandate to issue new Shares by the number of Shares repurchased; (ii) the adoption of the Share Option Scheme; (iii) the declaration of final dividends; and (iv) the election of proposed Directors. These resolutions will be proposed at the Annual General Meeting.

### **2. GENERAL MANDATE TO REPURCHASE SHARES**

A resolution will be proposed at the Annual General Meeting for the grant of the Repurchase Mandate to the Directors to repurchase, on the Stock Exchange or on any other stock exchange on which the Shares may be listed, the Shares not exceeding 10% of the share capital of the Company in issue as at the date of passing of the resolution.

Subject to the passing of the proposed resolution granting the Repurchase Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 62,000,000 Shares.

In accordance with the Share Buy Back Rules, this circular contains an explanatory statement in Appendix I to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution in relation to the Repurchase Mandate.

### **3. GENERAL MANDATE TO ISSUE SHARES**

A resolution will be proposed at the Annual General Meeting for the grant of the Issue Mandate to the Directors to allot, issue and deal with new Shares up to a maximum of 20% of the issued share capital of the Company at the date of passing of the resolution.

As at the Latest Practicable Date, a total of 620,000,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company between the Latest Practicable Date and the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 124,000,000 Shares.

In addition, subject to a separate Shareholders' resolution, the number of Shares repurchased by the Company under the Repurchase Mandate will also be added to the Issue Mandate as mentioned above.

### **4. EXPIRY OF THE REPURCHASE MANDATE AND ISSUE MANDATE**

The Repurchase Mandate and the Issue Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles or the applicable laws of Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

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## LETTER FROM THE BOARD

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### 5. ADOPTION OF SHARE OPTION SCHEME

Currently, the Company has no share option scheme. The Directors propose to adopt the Share Option Scheme which will be put to the Shareholders for approval at the Annual General Meeting.

So far as the Directors are aware of, as at the Latest Practicable Date, none of the Shareholders is required to abstain from voting for the ordinary resolution to approve the adoption of the Share Option Scheme. None of the Directors is trustee of the Share Option Scheme or has a direct or indirect interest in the trustee, if any.

Application will be made to the Stock Exchange for the approval of the listing of and permission to deal in the Shares to be issued pursuant to the exercise of options granted under the Share Option Scheme. Implementation of the Share Option Scheme is subject to such approval being granted. With respect of the operation of the Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

The Directors believe that attracting and motivating high quality personnel is a key in the success and growth of the Company. The Directors believe that the Share Option Scheme could provide Eligible Participants (as defined in paragraph (a)(ii) in Appendix II to this circular) with the opportunity of participating in the growth of the Company by acquiring shares in the Company and could, in turn, assist in the attraction and retention of Eligible Participants who have made contribution to the success of the Company. The purpose of the Share Option Scheme is to provide incentives to Eligible Participants to contribute further to the Company. The rules of the Share Option Scheme provide that the Board is empowered with the authority to determine the eligibility of any of the Eligible Participants based on our Directors' opinion as to his contribution to the development and growth of our Company. In addition, the Share Option Scheme does not specify a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised. However, the Board may, on a case by case basis and at its discretion, determine such term(s) and impose such other restrictions on the grant of an option. The Board believes that the authority given to the Board under the 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 selection criteria prescribed by the rules of the Share Option Scheme will serve to protect the value of the Company as well as to achieve the purpose of the Share Option Scheme. The Share Option Scheme also sets out the basis of determining the exercise price of an option.

As at the Latest Practicable Date, no options have been granted or agreed to be granted under the Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all options that can be granted pursuant to the Share Option Scheme as if they had been granted at the Latest Practicable Date. The Directors believe that any statement regarding the value of the options

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## LETTER FROM THE BOARD

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as at the Latest Practicable Date will not be meaningful to Shareholders, taking into account the number of variables which are crucial for the calculation of the option value which have not been determined. Such variables include the exercise period, any lock-up period, any performance targets set and other relevant variables such as the options may become lapsed or cancelled prior to the normal expiry of their respective exercise periods on the happening of certain events as specified in the Share Option Scheme which are not predictable or controllable by the Directors.

A summary of the principal terms of the Share Option Scheme is set out in Appendix II to this circular. This serves as a summary of the terms of the Share Option Scheme but does not constitute the full terms of the same. The Share Option Scheme will be available for inspection at the place of business of the Company at Workshop Unit 6, 13th Floor, Block B, Hoi Yuen Road, Kwun Tong, Hong Kong from the date of this circular up to and including the date of the Annual General Meeting and at the Annual General Meeting.

In accordance with the requirements of the Listing Rules, the Company will publish an announcement on the websites of the Company and HKExnews on the outcome of the Annual General Meeting in relation to the adoption of the Share Option Scheme following the Annual General Meeting.

### **6. DECLARATION OF FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS**

As mentioned in the final results announcement of the Company for the year ended 31 December 2018 dated 28 March 2019, it was the intention of the Board to recommend a final dividend for the year ended 31 December 2018 of HK3.0 cents per Share, which is subject to the approval of Shareholders at the Annual General Meeting and compliance with the Cayman Companies Law. An ordinary resolution numbered 4 will be proposed at the Annual General Meeting to approve the declaration of the final dividend.

Under Section 34(2) of the Cayman Companies Law (Revised) of the Cayman Islands, the share premium account may be applied by a company to pay dividends to members provided that no dividend may be paid to members out of the share premium account unless, immediately following the date on which the dividend is proposed to be paid, the company shall be able to pay its debts as they fall due in the ordinary course of business. The Board confirms that with respect to the dividend, the Company shall be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which the dividend is proposed to be paid.

For determining the entitlement to the proposed final dividend, the transfer books and register of members of the Company will be closed from Monday, 24 June 2019 to Wednesday, 26 June 2019, both days inclusive. During the above period, no transfer of Shares will be registered. In order to qualify for the entitlement to the proposed final dividend, subject to passing of an ordinary resolution numbered 4 at the Annual General Meeting, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong before 4:30 p.m. on Friday, 21 June 2019.



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## LETTER FROM THE BOARD

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### 7. PROPOSED APPOINTMENT OF DIRECTORS

At the Annual General Meeting, an ordinary resolution will be put forward to the Shareholders in relation to the proposed election of Ms. Poon Po Han Lisa as an executive Director and Mr. Ng Chi Wai as an independent non-executive Director of the Company commencing on the date of the Annual General Meeting.

The biographical details of the above named individuals who are proposed to be appointed at the Annual General Meeting are set out in Appendix III to this circular in accordance with the relevant requirements of the Listing Rules.

### 8. RETIREMENT OF DIRECTORS

Pursuant to Article 84 of the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being shall retire from office by rotation. Mr. Cheng Chak and Mr. Lo Ka Ki shall retire by rotation at the Annual General Meeting but they will not offer themselves for re-election at the Annual General Meeting. Each of Mr. Cheng and Mr. Lo has confirmed that he has no disagreement with the Board and there is no other matter in relation to his retirement that needs to be brought to the attention of the Shareholders.

### 9. PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 27 to 30 of this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve, among other matters, the granting of the Issue Mandate and the Repurchase Mandate and the appointment of Directors.

A form of proxy for use at the Annual General Meeting is enclosed with this circular. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney or authority, at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

### 10. PROCEDURES TO VOTE

Pursuant to Rule 13.39(4) of the Listing Rules, voting of all resolutions at the Annual General Meeting will be taken by way of poll and the results of the Annual General Meeting will be announced by the Company in compliance with the Listing Rules.

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## LETTER FROM THE BOARD

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### 11. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 23 May 2019 to Tuesday, 28 May 2019, both days inclusive, during which no transfer of Shares will be registered. In order to be entitled to attend and vote at the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Wednesday, 22 May 2019.

### 12. RESPONSIBILITY STATEMENT

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

### 13. RECOMMENDATION

The Directors consider that the proposed grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate, the adoption of the Share Option Scheme, the declaration of final dividend and the proposed appointment of Directors to be considered at the Annual General Meeting are in the best interests of the Company and its Shareholders. The Directors believe that an exercise of the Issue Mandate will enable the Company to take advantage of market conditions to raise additional capital for the Company. The Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be exercised when the Directors believe that such repurchase of Shares will benefit the Company and the Shareholders. An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and/or gearing position of the Company as compared with the position disclosed in the Company's published audited accounts for the year ended 31 December 2018. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital requirements or the gearing levels of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of all the resolutions set out in the Notice to be proposed at the Annual General Meeting.

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## LETTER FROM THE BOARD

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### 14. GENERAL INFORMATION

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

### 15. LANGUAGE

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

Yours faithfully  
On behalf of the Board of  
**Tian Chang Group Holdings Ltd.**  
**Chan Tsan Lam**  
*Chairman*

*The following is the explanatory statement which is required to be sent to the Shareholders under the Share Buy Back Rules in connection with the Repurchase Mandate.*

### **1. LISTING RULES**

The Listing Rules permit companies with a primary listing on the Stock Exchange to purchase their securities subject to certain restrictions.

The Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved by shareholders in advance by an ordinary resolution in a general meeting, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

### **2. REASONS FOR REPURCHASE**

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

### **3. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 620,000,000 Shares.

Subject to the passing of the Repurchase Mandate, the Company would be allowed to repurchase Shares up to a maximum of 62,000,000 Shares on the basis that no further Shares will be issued or otherwise repurchased and cancelled prior to the date of the forthcoming Annual General Meeting.

### **4. FUNDING OF REPURCHASES**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the applicable laws of the Cayman Islands.

Taking into account the current financial position of the Company, the Directors consider the repurchase of Shares in full at any time during the proposed repurchase period may have a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the published audited financial statements as at 31 December 2018, but the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse impact on the working capital or gearing ratio of the Company.

## 5. SHARE PRICES

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

	Share prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2018</b>		
April	0.54	0.435
May	0.66	0.44
June	0.6	0.46
July	0.53	0.4
August	0.495	0.39
September	0.45	0.38
October	0.4	0.285
November	0.44	0.285
December	0.4	0.33
<b>2019</b>		
January	0.51	0.35
February	0.56	0.44
March	0.67	0.51
April (up to the Latest Practicable Date)	0.70	0.57

## 6. TAKEOVERS CODE AND MINIMUM PUBLIC FLOAT

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 purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, may 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, according to the register kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 5% or more of the issued share capital of the Company. Their respective interest as at the Latest Practicable Date is shown under the column “Before repurchase” while their respective interest in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the ordinary resolutions in relation to the Repurchase Mandate to be proposed at the Annual General Meeting (and assuming that the issued share capital of the Company remains unchanged up to the date of the Annual General Meeting) is shown under the column “After repurchase”:

Name of Shareholder(s)	Capacity	Number of ordinary shares of the Company held	Before repurchase	After repurchase
Oceanic Green Group Limited (“Oceanic Green”)	Beneficial Owner	127,100,000 Shares	20.5%	22.8%
New Strength Ventures Limited (“New Strength”)	Beneficial Owner	127,100,000 Shares	20.5%	22.8%
Gold Alliance Ventures Limited (“Gold Alliance”)	Beneficial Owner	94,395,000 Shares	15.2%	16.9%
New Straits Ventures Limited (“New Straits”)	Beneficial Owner	79,205,000 Shares	12.8%	14.2%
Mr. Chan Tsan Lam <sup>(1)</sup>	Interest in controlled corporation	465,000,000 Shares	75%	83.3%
Ms. Fung Suk Yee May <sup>(2)</sup>	Interest of Spouse	465,000,000 Shares	75%	83.3%

*Notes:*

- (1) Each of Oceanic Green, New Strength, Gold Alliance, New Straits, Treasure Line Holdings Limited (“Treasure Line”, which owns 24,800,000 Shares) and Flaming Sapphire Limited (“Flaming Sapphire”, which owns 12,400,000 Shares), is wholly-owned by Mr. Chan, who is therefore deemed to be interested in all the Shares held by each of Oceanic Green, New Strength, Gold Alliance, New Straits, Treasure Line and Flaming Sapphire.
- (2) Ms. Fung Suk Yee May is the spouse of Mr. Chan Tsan Lam. Therefore, she is deemed to be interested in the Shares in which Mr. Chan Tsan Lam is interested for the purpose of the SFO.

On the basis of the aforesaid increase of shareholding held by the Shareholders set out above, the Directors are not aware of any consequences of such repurchases of Shares that would result in any Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate was exercised in full.

The Directors do not intend to exercise the power to repurchase Shares to an extent which would render any Shareholder or group of Shareholders obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors will not repurchase the Shares if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

## **7. SHARE REPURCHASES BY THE COMPANY**

The Company had not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months prior to the Latest Practicable Date.

## **8. GENERAL INFORMATION AND UNDERTAKINGS**

- (a) None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.
- (b) The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

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

**SHARE OPTION SCHEME****(a) Summary of terms**

The following is a summary of the principal terms of the Share Option Scheme proposed to be approved at the Annual General Meeting:

**(i) Purpose of the scheme**

The purpose of the Share Option Scheme is to enable our Group to grant options to selected participants as incentives or rewards for their contribution to our Group. Our Directors consider the Share Option Scheme, with its broadened basis of participation, will enable our Group to reward the employees, our Directors and other selected participants for their contributions to our Group.

**(ii) Who may join**

Our Directors (which expression shall, for the purpose of this summary, include a duly authorised committee thereof) may, at their absolute discretion, invite any person belonging to any of the following classes of participants (“**Eligible Participants**”), to take up options to subscribe for Shares:

- (aa) any employee (whether full-time or part-time, including any executive Director but excluding any non-executive Director) of our Company, any of our subsidiaries (“**Subsidiaries**”) or any entity (“**Invested Entity**”) in which our Group holds an equity interest (“**Eligible Employee**”);
- (bb) any non-executive Director (including independent non-executive Directors) of our Company, any Subsidiary or any Invested Entity;
- (cc) any supplier of goods or services to any member of our Group or any Invested Entity;
- (dd) any customer of any member of our Group or any Invested Entity;
- (ee) any person or entity that provides research, development or other technological support to any member of our Group or any Invested Entity;
- (ff) any shareholder of any member of our Group or any Invested Entity or any holder of any securities issued by any member of our Group or any Invested Entity;



- (gg) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of our Group or any Invested Entity; and
- (hh) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement and growth of our Group, and, for the purposes of the Share Option Scheme, the options may be granted to any company wholly owned by one or more Eligible Participants. For the avoidance of doubt, the grant of any options by our Company for the subscription of Shares or other securities of our Group to any person who falls within any of the above classes of Eligible Participants shall not, by itself, unless our Directors otherwise determined, be construed as a grant of option under the Share Option Scheme.

The eligibility of any of the Eligible Participants to the grant of options shall be determined by our Directors from time to time on the basis of our Directors' opinion as to his contribution to the development and growth of our Group.

*(iii) Maximum number of Shares*

- (aa) The maximum number of Shares which may be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of our Group shall not exceed 30% of the issued share capital of our Company from time to time.
- (bb) The total number of Shares which may be allotted and issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of our Group) to be granted under the Share Option Scheme and any other share option scheme of our Group must not in aggregate exceed 10% of the Shares in issue as at the date of adoption of the Share Option Scheme, being 62,000,000 Shares (the "**General Scheme Limit**"), based on 62,000,000 issued Shares as at the Latest Practicable Date and assuming there are no changes in the issued share capital of the Company from the Latest Practicable Date and up to the date of adoption. Options lapsed in accordance with the terms of the Share Option Scheme or any other schemes will not be counted for the purpose of calculating the 10% limit.
- (cc) Subject to paragraph (aa) above but without prejudice to paragraph (dd) below, our Company may issue a circular to its Shareholders and seek approval of its Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share options scheme of our Group shall not exceed 10% of the Shares in issue as at the date of approval of the limit and for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in

accordance with the Share Option Scheme and any other share option scheme of our Group) previously granted under the Share Option Scheme and any other share option scheme of our Group will not be counted. The circular sent by our Company to its Shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

- (dd) Subject to paragraph (aa) above and without prejudice to paragraph (cc) above, our Company may seek separate Shareholders' approval in general meeting to grant options beyond the General Scheme Limit or, if applicable, the refreshed limit referred to in (cc) above to Eligible Participants specifically identified by our Company before such approval is sought. In such event, our Company must send a circular to its Shareholders containing a general description of the specified participants, the number and terms of options to be granted, the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose and such other information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

*(iv) Maximum entitlement of each participant*

Subject to paragraph (v)(bb) below, the total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of our Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of our Company for the time being ("**Individual Limit**"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to the Shareholders and the Shareholders' approval in general meeting of our Company with such participant and his close associates (or his associates if the participant is a connected person) abstaining from voting. The number and terms (including the exercise price) of options to be granted to such participant must be fixed before Shareholders' approval and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

*(v) Grant of options to connected persons*

- (aa) Without prejudice to paragraph (bb) below, any grant of options under the Share Option Scheme to a director, chief executive or substantial shareholder of our 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 proposed grantee of the option).

(bb) Without prejudice to paragraph (aa) above, where any grant of options to a substantial shareholder or an independent non-executive director of our Company or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such 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 must be approved by the Shareholders in general meeting. Our Company must send a circular to the Shareholders. The grantee, his associates and all connected persons of our Company must abstain from voting in favour at such general meeting. Any change in the terms of options granted to a substantial shareholder or an independent non-executive director of our Company or any of their respective associates must be approved by the Shareholders in general meeting.

***(vi) Time of acceptance and exercise of option***

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by our Directors to each grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by our Directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

***(vii) Performance targets***

Unless our Directors otherwise determined and stated in the offer of the grant of options to a grantee, a grantee is not required to achieve any performance targets before any options granted under the Share Option Scheme can be exercised.

***(viii) Subscription price for Shares and consideration for the option***

The subscription price per Share under the Share Option Scheme shall be determined at the discretion of our Directors, provided that it shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a Business Day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations for the five Business Days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Share.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

*(ix) Ranking of Shares*

- (aa) Shares allotted and issued upon the exercise of an option will be subject to all the provisions of the Articles of Association and will rank pari passu in all respects with the fully paid Shares in issue on the date on which the option is duly exercised or, if that date falls on a day when the register of members of our Company is closed, the first day of the re-opening of the register of members (the “**Exercise Date**”) and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefore shall be before the Exercise Date. A Share allotted and issued upon the exercise of an option shall not carry voting rights until the completion of the registration of the grantee on the register of members of our Company as the holder thereof.
- (bb) Unless the context otherwise requires, references to “Shares” in this paragraph include references to shares in the ordinary share capital of our Company of such nominal amount as shall result from a sub-division, consolidation, re-classification, reduction or re-construction of the share capital of our Company from time to time.

*(x) Restrictions on the time of grant of options*

Our Company may not make any offer for grant of options after inside information has come to our knowledge until our Company has announced the information. In particular, our Company may not make any offer during the period commencing one month immediately before the earlier of (aa) the date of the meeting of the Board (as such date is first notified to the Stock Exchange under the Listing Rules) for approving our Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (bb) the deadline for our Company to announce our results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcement.

Our Directors may not make any offer to an Eligible Participant who is a Director during the periods or times in which Directors are prohibited from dealing in shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by our Company.

*(xi) Period of the Share Option Scheme*

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted.

***(xii) Rights on ceasing employment***

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee for any reason other than death, ill-health or retirement in accordance with his contract of employment or for serious misconduct or other grounds referred to in sub-paragraph (xiv) below before exercising his option in full, the option (to the extent not already exercised) will lapse on the date of cessation and will not be exercisable unless our Directors otherwise determine in which event the grantee may exercise the option (to the extent not already exercised) in whole or in part within such period as our Directors may determine following the date of such cessation, which will be taken to be the last day on which the grantee was at work with our Company, the relevant Subsidiary or the Invested Entity whether salary is paid in lieu of notice or not.

Eligible Employee means any employee (whether full time or part time employee, including any executive director but not any non-executive director) of our Company, any of its Subsidiaries or any Invested Entity.

***(xiii) Rights on death, ill-health or retirement***

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee by reason of his death, ill-health or retirement in accordance with his contract of employment before exercising the option in full, his personal representative(s), or, as appropriate, the grantee may exercise the option (to the extent not already exercised) in whole or in part within a period of 12 months following the date of cessation which date shall be the last day on which the grantee was at work with our Company, the relevant Subsidiary or the Invested Entity whether salary is paid in lieu of notice or not or such longer period as our Directors may determine.

***(xiv) Rights on dismissal***

If the grantee of an option is an Eligible Employee and ceases to be an Eligible Employee by reason that he has been guilty of persistent and serious misconduct or has committed any act of bankruptcy or has become insolvent or has made any arrangements or composition with his creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of our Directors does not bring the grantee or our Group or the Invested Entity into disrepute), his option will lapse automatically and will not in any event be exercisable on or after the date of cessation to be an Eligible Employee.

***(xv) Rights on breach of contract***

If our Directors shall at their absolute discretion determine that (aa) the grantee of any option (other than an Eligible Employee) or his close associate (or his associates if the grantee is a connected person) has committed any breach of any contract entered into between the grantee or his close associate on the one part and our Group or any Invested

Entity on the other part; or (bb) that the grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his creditors generally; or (cc) the grantee could no longer make any contribution to the growth and development of our Group by reason of the cessation of its relations with our Group or by other reason whatsoever, then the option granted to the grantee under the Share Option scheme shall lapse as a result of any event specified in sub-paragraph (aa), (bb) or (cc) above.

***(xvi) Rights on a general offer, a compromise or arrangement***

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, our Company shall use all reasonable endeavours to procure that such offer is extended to all the grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the options granted to them, shareholders of our Company. If such offer becomes or is declared unconditional, a grantee shall be entitled to exercise his option (to the extent not already exercised) to its full extent or to the extent specified in the grantee's notice to our Company in exercise of his option at any time before the close of such offer (or any revised offer) or the record date for entitlements under such scheme of arrangement, as the case may be. Subject to the above, an option will lapse automatically (to the extent not exercised) on the date on which such offer (or, as the case may be, revised offer) closes or the relevant record date for entitlements under the scheme of arrangement, as the case may be.

***(xvii) Rights on winding up***

In the event of a resolution being proposed for the voluntary winding-up of our Company during the option period, the grantee may, subject to the provisions of all applicable laws, by notice in writing to our Company at any time not less than two Business Days before the date on which such resolution is to be considered and/or passed, exercise his option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the Share Option Scheme and our Company shall allot and issue to the grantee the Shares in respect of which such grantee has exercised his option not less than one Business Day before the date on which such resolution is to be considered and/or passed whereupon the grantee shall accordingly be entitled, in respect of the Shares allotted and issued to him in the aforesaid manner, to participate in the distribution of the assets of our Company available in liquidation pari passu with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all options then outstanding shall lapse and determine on the commencement of the winding-up of our Company.

*(xviii) Grantee being a company wholly owned by Eligible Participants*

If the grantee is a company wholly owned by one or more Eligible Participants:

- (i) sub-paragraphs (xii), (xiii), (xiv) and (xv) shall apply to the grantee and to the options to such grantee, mutatis mutandis, as if such options had been granted to the relevant Eligible Participant, and such options shall accordingly lapse or fall to be exercisable after the event(s) referred to in sub-paragraphs (xii), (xiii), (xiv) and (xv) shall occur with respect to the relevant Eligible Participant; and
- (ii) the options granted to the grantee shall lapse and determine on the date the grantee ceases to be wholly owned by the relevant Eligible Participant provided that our Directors may in their absolute discretion decide that such options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may impose.

*(xix) Adjustments to the subscription price*

In the event of a capitalisation issue, rights issue, subdivision or consolidation of Shares or reduction of capital of our Company whilst an option remains exercisable, such corresponding alterations (if any) certified by the auditors for the time being or an independent financial adviser to our Company as fair and reasonable will be made to the number or nominal amount of Shares, the subject matter of the Share Option Scheme and the option so far as unexercised and/or the option price of the option concerned, provided that (i) any adjustments shall give a grantee the same proportion of the issued share capital to which he was entitled prior to such adjustment; (ii) no alteration shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; and (iii) the issue of Shares or other securities of our Group as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In addition, in respect of any such adjustments, other than any made on a capitalisation issue, such auditors or independent financial adviser must confirm to our Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules and such other applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange.

*(xx) Cancellation of options*

Any cancellation of options granted but not exercised must be subject to the consent of the relevant grantee and the approval of our Directors.

When our Company cancels any option granted to a grantee but not exercised and issues new option(s) to the same grantee, the issue of such new option(s) may only be made with available unissued options (excluding the options so cancelled) within the General Scheme Limit or the new limits approved by the Shareholders pursuant to sub-paragraphs (iii) (cc) and (dd) above.



*(xxi) Termination of the Share Option Scheme*

Our Company may by resolution in general meeting at any time terminate the Share Option Scheme and in such event no further options shall be offered but in all other respects the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options (to the extent not already exercised) granted prior to the termination or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

*(xxii) Rights are personal to the grantee*

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

*(xxiii) Lapse of options*

An option shall lapse automatically (to the extent not already exercised) on the earliest of:

- (aa) the expiry of the period referred to in paragraph (vi);
- (bb) the expiry of the periods or dates referred to in paragraph (xii), (xiii), (xiv), (xv), (xvii) and (xviii);
- (cc) the date on which our Directors shall exercise our Company's right to cancel the option by reason of a breach of paragraph (xxii) by the grantee in respect of that or any other options.

*(xxiv) Others*

- (aa) The Share Option Scheme is conditional on the Stock Exchange granting the listing of and permission to deal in, such number of Shares to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, such number being not less than that of the General Scheme Limit.
- (bb) The terms and conditions of the Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules shall not be altered to the advantage of grantees of the options except with the approval of the Shareholders in general meeting.
- (cc) Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of options granted must be approved by the Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.



- (dd) The amended terms of the Share Option Scheme or the options shall comply with the relevant requirements of Chapter 17 of the Listing Rules, the “Supplementary Guidance on Main Board Listing Rule 17.03(13)/GEM Listing Rule 23.03(13) and the Note Immediately After the Rule” set out in the letter from the Stock Exchange to all listed issuers dated 5 September 2005 and other relevant guidance of the Stock Exchange.
- (ee) Any change to the authority of our Directors or the scheme administrators in relation to any alteration to the terms of the Share Option Scheme shall be approved by the Shareholders in general meeting.

**(b) Present status of the Share Option Scheme**

*(i) Approval of the Stock Exchange required*

The Share Option Scheme, which complies with Chapter 17 of the Listing Rules, is conditional on the Stock Exchange granting the listing of, and permission to deal in, such number of Shares to be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme, such number being not less than that of the General Scheme Limit.

*(ii) Application for approval*

Application will be made to the Stock Exchange for the listing of and permission to deal in the Shares to be issued within the General Scheme Limit pursuant to the exercise of any options which may be granted under the Share Option Scheme

*(iii) Grant of option*

As at the date of this Circular, no options have been granted or agreed to be granted under the Share Option Scheme.

*(iv) Value of options*

Our Directors consider it inappropriate to disclose the value of options which may be granted under the Share Option Scheme as if they had been granted as at the Latest Practicable Date. Any such valuation will have to be made on the basis of certain option pricing model or other methodology, which depends on various assumptions including, the exercise price, the exercise period, interest rate, expected volatility and other variables. As no options have been granted, certain variables are not available for calculating the value of options. Our Directors believe that any calculation of the value of options as at the Latest Practicable Date based on a number of speculative assumptions would not be meaningful and would be misleading to investors.

The biographical details of the individuals proposed to be appointed as Directors at the Annual General Meeting are set out below:

**Ms. Poon Po Han Lisa (潘寶嫻)**, aged 56, is the Company's company secretary and its chief financial officer. Ms. Poon is primarily responsible for financial planning and management and overseeing the accounting department of our Group.

Ms. Poon joined our Group in May 2008 and worked as our finance director and is responsible for its accounting, tax and financial matters. Ms. Poon has over 20 years of experience in financial management, accounting and taxation working in professional and commercial accounting sectors.

Ms. Poon obtained a degree of bachelor of science with honours in accounting from The University of Hull in the United Kingdom in July 2008, and a degree of master of corporate governance from The Hong Kong Polytechnic University in Hong Kong in October 2013.

Ms. Poon is a fellow member of the Association of Chartered Certified Accountants, an associate of The Hong Kong Institute of Chartered Secretaries and an associate of The Institute of Chartered Secretaries and Administrators.

Ms. Poon does not have any relationship and material interest with any directors, senior management or substantial or controlling shareholders of the Company and does not have any interest or short position in the shares, underlying shares or debentures (as defined under Part XV of the SFO) of the Company as at the Latest Practicable Date.

The proposed appointment of Ms. Poon as an executive Director of the Company will be voted by the Shareholders at the Annual General Meeting. Upon her appointment as a Director, the Company will enter into a service contract with Ms. Poon for a term of three years commencing on the date of the Annual General Meeting and ending at the conclusion of the 2022 annual general meeting of the Company, subject to termination before expiry by either party giving not less than three months' notice in writing to the other. Under the proposed service contract to be entered into between the Company and Ms. Poon, Ms. Poon will be entitled to a basic monthly salary of HK\$120,000 (subject to approval by the Board and the remuneration committee), which is determined with reference to her job responsibility with the Group and prevailing market rate of her position. Ms. Poon may also receive discretionary bonuses as may be decided by the Board and the remuneration committee at their discretion, having regard to the performance of Ms. Poon.

Ms. Poon has not entered into or proposed to enter into any service agreements with the Company or any member of the Group other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information relating to Ms. Poon which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Ng Chi Wai (吳志偉), aged 40, has over 15 years of experience in auditing, accounting and corporate management. He has worked at the audit department of two international accounting firms and he has held senior management positions in different listed companies. He is currently an executive director of a professional consultancy service company.

Mr. Ng holds a bachelor of art degree in accounting and finance from Leeds Metropolitan University, the United Kingdom. He is a fellow member of The Association of Chartered Certified Accountants and a member of The Hong Kong Institute of Certified Public Accountants.

Mr. Ng does not have any relationship and material interest with any directors, senior management or substantial or controlling shareholders of the Company and does not have any interest or short position in the shares, underlying shares or debentures (as defined under Part XV of the SFO) of the Company as at the Latest Practicable Date.

The proposed appointment of Mr. Ng as an independent non-executive Director of the Company will be voted by the Shareholders at the Annual General Meeting. Upon his appointment as a Director, the Company will enter into a letter of appointment with Mr. Ng for a term of three years commencing on the date of the Annual General Meeting and ending at the conclusion of the 2022 annual general meeting of the Company, subject to termination before expiry by either party giving not less than one month notice in writing to the other. Under the proposed letter of appointment to be entered into between the Company and Mr. Ng, Mr. Ng will be entitled to receive a director's fee of HK\$15,000 per month (subject to approval by the Board and the remuneration committee), which is determined with reference to his job responsibility with the Group and prevailing market rate of his position.

Mr. Ng has not entered into or proposed to enter into any service agreements with the Company or any member of the Group other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders and there is no information relating to Mr. Ng which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

When the Board was first informed by Mr. Lo Ka Ki on around 28 February 2019 that he will not offer himself for re-election at the Annual General Meeting, the nomination committee of the Board (the "Nomination Committee") began the search for candidates for a new independent non-executive director. Mr. Ng Chi Wai was referred to us by an acquaintance of the Company's senior management and a former colleague of Mr Ng. Upon receipt of Mr. Ng's biographical information, the Nomination Committee evaluated his profile based on the criteria set out in the Board's nomination policy, including his character and integrity, professional qualification, skills, knowledge and experience, diversity aspects under the Board's diversity policy and the potential contribution he can bring to the Board. We also conducted face-to-face

interview with Mr. Ng to ascertain his willingness and ability to devote adequate time to discharge duties as a member of the Board. Following the above processes, the Nomination Committee was satisfied that Mr. Ng will be able to make valuable contributions to the Board with his skills and experience, in particular his education background, experience and professional qualifications in auditing, accounting and corporate management. His accounting background and qualifications will also contribute to the diversity of the Board in terms of educational background and professional qualifications.

For the reasons stated above, the Nomination Committee recommends the nomination of Mr. Ng as a proposed candidate to be appointed as an independent non-executive Director, and recommends that Shareholders vote in favour for his appointment at the Annual General Meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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### **TIAN CHANG GROUP HOLDINGS LTD.** **天長集團控股有限公司**

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

**(Stock Code: 2182)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “Annual General Meeting”) of the shareholders of Tian Chang Group Holdings Ltd. (the “Company”) will be held at élan 220, 3rd Floor, L’Hotel élan, 38 Chong Yip Street, Kwun Tong, Kowloon, Hong Kong on Tuesday, 28 May 2019 at 11:30 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries together with the reports of the directors (the “Directors”) and the auditor of the Company thereon for the year ended 31 December 2018;
2. (a) To elect Ms. Poon Po Han Lisa as an executive Director;  
  
(b) To elect Mr. Ng Chi Wai as an independent non-executive Director;  
  
(c) To authorise the board of Directors to fix all of the Directors’ remuneration.
3. To re-appoint Mazars CPA Limited as the auditor of the Company, and to authorise the board of Directors to fix its remuneration; and
4. To declare and approve a final dividend of HK3.0 cents per share for the year ended 31 December 2018;

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

5. **“THAT:**
  - (a) subject to paragraph (c) of this Resolution, and pursuant to the Rules (the “Listing Rules”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers, be and the same is hereby generally and unconditionally approved;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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 would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than by way of (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of or the grant of any option under any share option scheme of the Company or similar arrangement for the time being adopted for the issue or grant to officers and/or employees of the Company and/or any of its subsidiaries of shares or options to subscribe for or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in accordance with the articles of association of the Company in force from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval be limited accordingly; and
- (d) for the purpose of this Resolution:
  - (aa) “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
    - (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders in general meeting.
  - (bb) “Rights Issue” means an offer of shares in the share capital of the Company or an offer or issue of warrants or options or similar instruments to subscribe for shares in the share capital of the Company open for a period fixed by the Directors to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares in the Company (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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, or any recognised regulatory body or any stock exchange applicable to the Company).”

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## NOTICE OF ANNUAL GENERAL MEETING

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6. **“THAT:**
- (a) subject to paragraph (b) of this Resolution, the exercise by the Directors during the Relevant Period as defined in Resolution 5(d)(aa) of all powers of the Company to repurchase issued shares in the share capital of the Company on the Stock Exchange or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “Securities and Futures Commission”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange or of any other stock exchange as amended from time to time and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
  - (b) the aggregate nominal amount of issued 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 nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution and the said approval shall be limited accordingly; and
  - (c) for the purpose of this Resolution, “Relevant Period” shall have the same meaning as in Resolution 5(d)(aa).”
7. **“THAT:** conditional upon Resolutions No. 5 and 6 above being passed, the general mandate granted to the Directors of the Company to allot, issue or otherwise deal with additional shares in the share capital of the Company pursuant to Resolution No. 5 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to Resolution No. 6.”
8. **“THAT:**
- (i) conditional upon the Stock Exchange granting the listing of and permission to deal in the shares falling to be allotted and issued pursuant to the share option scheme (the “Share Option Scheme”), the terms of which are set out in the document marked “A” which has been produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the rules of the Share Option Scheme be and are hereby approved and adopted and the Directors be and are hereby authorised to grant options and to allot, issue and deal in the shares as may be required to be allotted and issued upon the exercise of any option granted thereunder and to take all such steps as they may consider necessary or expedient to implement the Share Option Scheme; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the aggregate nominal amount of share capital to be allotted and issued pursuant to paragraph (i) above, together with any issue of shares upon the exercise of any options granted under any other share option schemes of the Company as may from time to time be adopted by the Company, shall not exceed 10% of the shares in issue as at the date of passing of this resolution.”

By Order of the Board  
**Tian Chang Group Holdings Ltd.**  
**Chan Tsan Lam**  
*Chairman*

Hong Kong, 25 April 2019

*Notes:*

1. Any member entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and vote on his behalf. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. The register of members will be closed from Thursday, 23 May 2019 to Tuesday, 28 May 2019, both days inclusive, during which no transfer of shares will be registered. In order to be entitled to attend and vote at the Annual General Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on Wednesday, 22 May 2019.
3. In order to be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the Annual General Meeting (or any adjournment thereof).
4. Delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Annual General Meeting and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint holders of any shares, any one of such joint holders may vote either in person or by proxy in respect of such shares as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the Annual General Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company.
6. In relation to proposed resolution no. 2 above, Ms. Poon Po Han Lisa is nominated by the Board to be appointed as an executive Director at the meeting and Mr. Ng Chi Wai is nominated by the Board to be appointed as an independent non-executive Director at the meeting.
7. An explanatory statement containing further details regarding the proposed resolution no. 6 set out in the above notice is set out in Appendix I to the accompanied circular of the Company.

*As at the date of this notice, the Board comprises Mr. Chan Tsan Lam, Mr. Cheng Chak and Ms. Chan Yin Yan as executive Directors; and Mr. Lo Ka Ki, Mr. Hung Chun Leung and Mr. Chan Bing Kai as independent non-executive Directors.*