
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

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

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the directors of the Company 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.

**MERDEKA FINANCIAL GROUP LIMITED****領智金融集團有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 8163)****PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM of Merdeka Financial Group Limited to be held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Monday, 29 June 2020 at 11:00 a.m. is set out on pages 14 to 17 of this circular.

A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as practicable and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Such form of proxy for the AGM is also published on the websites of the GEM (<http://www.hkgem.com>) and the Company (<http://www.merdeka.com.hk>). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the "Latest Listed Company Information" page for at least seven days from the day of its publication and will be published and remains on the website of the Company at <http://www.merdeka.com.hk>.

15 May 2020

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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.

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DEFINITIONS

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

“2008 Convertible Bonds”	the zero coupon convertible bonds due 2020 issued by the Company on 12 August 2008 and as amended from time to time. These bonds are interest-free and convertible into Shares at the conversion price of HK\$0.95 per Share (subject to adjustment in accordance with the terms and conditions of the 2008 convertible bonds);
“Adjourned EGM”	the adjourned extraordinary general meeting of the Company to be convened and held at 11:00 a.m. on Monday, 18 May 2020 at 1/F., China Building, 29 Queen’s Road Central, Central, Hong Kong for the purpose to approve, amongst other things, the Rights Issue and the issue of the Team Sunny Convertible Bonds. Details of which are set out in the notice of adjourned extraordinary general meeting of the Company dated 29 April 2020;
“AGM”	the annual general meeting of the Company to be convened and held at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong on Monday, 29 June 2020 at 11:00 a.m. or any adjournment thereof (as the case may be);
“Articles”	the articles of association of the Company as amended, supplemented or modified from time to time;
“associate(s)”	has the same meaning as ascribed to it under the GEM Listing Rules;
“Board”	the board of the Directors;
“Company”	Merdeka Financial Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM of the Stock Exchange (stock Code: 8163);
“Director(s)”	the director(s) of the Company;
“GEM”	GEM operated by the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange;
“Group”	the Company and its subsidiaries;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Latest Practicable Date”	12 May 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular;
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to repurchase Shares up to a maximum of 10% of the number of issued shares of the Company on the date of passing of the relevant resolution pursuant to and in accordance with the relevant resolution;
“Repurchase Resolution”	the proposed ordinary resolution No. 5(B) set out in the notice of the AGM contained in this circular in respect of the proposal to grant the Repurchase Mandate;
“Rights Issue”	the proposed issue by way of rights on the basis of four (4) Rights Shares for every one (1) existing Share in issue (subject to the passing of the relevant resolution at the Adjourned EGM). Details of which are set out in the Company’s announcement dated 10 January 2020 and the Company’s circular dated 27 March 2020;
“Rights Share(s)”	The new Share(s) to be allotted and issued pursuant to the Rights Issue;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all power of the Company to allot, issue and otherwise deal with additional Shares up to a maximum of 20% of the number of issued Shares on the date of passing of the relevant resolution pursuant to and in accordance with the relevant resolution;
“Share Option(s)”	share options to subscribe for the Shares granted and to be granted under the share option scheme adopted by the Company on 3 May 2012;
“Shareholder(s)”	the holder(s) of the Share(s);

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the same meaning as ascribed to it under the GEM Listing Rules;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers (as amended and supplemented from time to time);
“Team Sunny Convertible Bonds”	convertible bonds to be issued by the Company and subscribed by Team Sunny International Holdings Limited (subject to the passing of the relevant resolution at the Adjourned EGM). Details of which are set out in the Company’s announcement dated 10 January 2020 and the Company’s circular dated 27 March 2020;
“%”	per cent.



MERDEKA FINANCIAL GROUP LIMITED

領智金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

Executive Directors:

Mr. Cheung Wai Yin, Wilson
(Chairman and Chief Executive Officer)
Ms. Tsang Kwai Ping

Independent Non-executive Directors:

Ms. Ng Ka Sim, Casina
Mr. Wong Wing Kit
Ms. Yeung Mo Sheung, Ann

Registered Office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman
KY1-1111
Cayman Islands

*Head Office and Principal Place
of Business in Hong Kong:*

Room 1108, 11/F,
Wing On Centre
111 Connaught Road Central
Central, Hong Kong

15 May 2020

*To the Shareholders and, for information only,
the holders of the 2008 Convertible Bonds,*

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
RE-ELECTION OF RETIRING DIRECTORS;
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with, amongst other things, the relevant information regarding and to seek the approval of the Shareholders at the AGM for (i) the granting of the general mandate to issue Shares; (ii) the granting of the general mandate to repurchase Shares; (iii) the re-election of retiring Directors and to give you the notice of the AGM.

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES

Ordinary resolutions will be proposed at the AGM granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the number of issued Shares as at the date of passing of the resolution and allowing the addition to such general mandate so granted to the Directors any Shares repurchased by the Company pursuant to the Repurchase Mandate following the passing of the Repurchase Resolution.

The Share Issue Mandate

At the annual general meeting of the Company held on 20 June 2019, a general mandate was given by the Company to the Directors to allot, issue and deal with Shares. Such mandate will lapse at the conclusion of the AGM. It is therefore proposed to renew such general mandate at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 262,200,719 Shares. Subject to the passing of the resolution to allot, issue and deal with Shares not exceeding 20% of the number of issued shares of the Company in accordance with resolution No. 5(A) set out in the notice of the AGM contained in this circular and on the basis that no further Shares are issued and no Shares are repurchased prior to the AGM, the Company will be allowed to issue a maximum of 52,440,143 Shares representing not more than 20% of the number of issued shares of the Company as at the date of passing of resolution No. 5(A) set out in the notice of the AGM.

Assuming the passing of the relevant resolution(s) at the Adjourned EGM and 1,048,802,876 Rights Shares are allotted and issued, no further Shares are issued and no Shares are repurchased prior to the AGM, the issued share capital of the Company will be 1,311,003,595 Shares as at the date of the AGM. The passing of the resolution No. 5(A) set out in the notice of the AGM contained in this circular will allow the Company to issue a maximum of 262,200,719 Shares, representing not more than 20% of the number of issued shares of the Company as at the date of passing of the resolution No. 5(A) set out in the notice of the AGM.

The Repurchase Mandate

At the annual general meeting of the Company held on 20 June 2019, a general mandate was given by the Company to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the AGM. The Directors propose to seek Shareholders' approval of the Repurchase Resolution to be proposed at the AGM.

As at the Latest Practicable Date, the issued share capital of the Company comprised 262,200,719 Shares. Subject to the passing of the Repurchase Mandate in accordance with resolution No. 5(B) set out in the notice of the AGM contained in this circular and on the basis that no further Shares are issued and no Shares are repurchased prior to the AGM, the Company will be allowed under the Repurchase Resolution to repurchase a maximum of 26,220,071 Shares representing not more than 10% of the number of issued shares of the Company as at the date of passing of the Repurchase Resolution.

LETTER FROM THE BOARD

Assuming the passing of the relevant resolution(s) at the Adjourned EGM and 1,048,802,876 Rights Shares are allotted and issued, no further Shares are issued and no Shares are repurchased prior to the AGM, the issued share capital of the Company will be 1,311,003,595 Shares as at the date of the AGM. The passing of the resolution No. 5(B) set out in the notice of the AGM contained in this circular will allow the Company to repurchase a maximum of 131,100,359 Shares under the Repurchase Resolution, representing not more than 10% of the number of issued shares of the Company as at the date of passing of the Repurchase Resolution.

An explanatory statement as required under the GEM Listing Rules to provide the requisite information in respect of the Repurchase Mandate is set out in Appendix I to this circular.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the executive Directors are Mr. Cheung Wai Yin, Wilson and Ms. Tsang Kwai Ping, and the independent non-executive Directors are Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit (“**Mr. Wong**”) and Ms. Yeung Mo Sheung, Ann (“**Ms. Yeung**”).

Pursuant to Articles 86(2) and 86(3), Mr. Wong will retire at the AGM. Pursuant to Article 87, Ms. Yeung will retire by rotation at the AGM. Both retiring Directors are eligible and will offer themselves for re-election at the AGM. The re-election of each retiring Director will be subject to separate resolutions to be considered and if, thought fit, approved by Shareholders at the AGM.

The Company has received from Mr. Wong and Ms. Yeung an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules.

The details and brief biography of each of Mr. Wong and Ms. Yeung are set out in Appendix II to this circular.

THE AGM AND PROXY ARRANGEMENT

At the AGM, resolutions will be proposed to approve, among others, the grant of the Share Issue Mandate, the Repurchase Mandate and the re-election of the retiring Directors.

A notice convening the AGM is set out on pages 14 to 17 of this circular.

In accordance with the requirement under Rule 17.47(4) of the GEM Listing Rules, the votes for all resolutions by the Shareholders at the AGM must be taken by poll. The chairman of the AGM will therefore demand a poll at the beginning of the AGM on all of the resolutions put forward at the AGM pursuant to Article 66 of the Articles. The poll results of the AGM will be published on the websites of the GEM (<http://www.hkgem.com>) and the Company (<http://www.merdeka.com.hk>) after the AGM.

LETTER FROM THE BOARD

A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you are able to attend and vote at the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event, not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Such form of proxy for use at the AGM is also published on the websites of the GEM (<http://www.hkgem.com>) and the Company (<http://www.merdeka.com.hk>). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM in person or any adjournment thereof (as the case may be) should you so wish.

To the best of the Directors' knowledge, information and belief having all reasonable enquiries, no Shareholder has a material interest that is required to abstain from voting on any of the resolution to be 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.

RECOMMENDATION

The Directors consider that the granting of the Share Issue Mandate and the Repurchase Mandate and the re-election of retiring Directors are in the best interests of the Company and the Shareholders as a whole and therefore recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM in respect thereof.

Yours faithfully,
For and on behalf of the Board
MERDEKA FINANCIAL GROUP LIMITED
Cheung Wai Yin, Wilson
Chairman and Chief Executive Officer

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide the Shareholders with the requisite information to make an informed decision whether to vote for or against the Repurchase Resolution to approve the grant of the Repurchase Mandate to the Directors at the AGM.

1. SHARE CAPITAL

As at the Latest Practicable Date, there were 262,200,719 Shares in issue representing an issued share capital of approximately HK\$2,622,007. As at the Latest Practicable Date, the 2008 Convertible Bonds with the principal amount of HK\$124,068,000 were outstanding, which may be convertible into 130,597,895 Shares.

As at the Latest Practicable Date, the Company has 33,199 Share Options with the exercise price of HK\$36.00 per Share granted to the other eligible participants pursuant to which an aggregate of 33,199 Shares would be issued.

The Adjourned EGM is expected to be held on Monday, 18 May 2020 for the purpose to approve, amongst other things, the Rights Issue and the issue of Team Sunny Convertible Bonds.

If the resolution no. 5(B) authorising the Directors to repurchase Shares is passed at the forthcoming AGM, and assuming that (i) (a) none of the outstanding 2008 Convertible Bonds is converted; (b) no Share Options is exercised; and (c) no further Shares is issued, allotted or repurchased by the Company prior to the date of passing the said resolution, based on the 262,200,719 Shares in issue as at the Latest Practicable Date, up to 26,220,071 Shares, representing 10% of the existing issued share capital of the Company may be repurchased by the Company; or (ii) all resolution(s) at the Adjourned EGM are duly passed and (a) 1,048,802,876 Rights Shares are allotted and issued; (b) none of the outstanding 2008 Convertible Bonds and Team Sunny Convertible Bonds is converted; (c) no Share Options is exercised; and (d) no further Shares is issued, allotted or repurchased by the Company prior to the date of passing the said resolution at the AGM, based on the 1,311,003,595 Shares as enlarged by the Rights Shares, up to 131,100,359 Shares, representing 10% of the existing issued share capital of the Company may be repurchased by the Company, during the period from the date of passing the resolution no. 5(B) and ending on either the date of the next annual general meeting of the Company, the date by which the next annual general meeting of the Company is required to be held by the Articles or applicable laws of the Cayman Islands or the date upon which the resolution no. 5(B) is revoked or varied by the Shareholders at a general meeting of the Company (whichever is the earliest).

2. REASONS FOR REPURCHASE OF SHARES

The Directors believe that it is in the interests of the Company and the Shareholders for the Directors to have a general authority from the Shareholders to enable the Company to repurchase Shares in the market at any appropriate time. Such repurchase may, depending on market conditions and funding arrangements at that time, lead to enhancement of the net assets value 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 the Shareholders.

3. FUNDING OF REPURCHASE OF SHARES

Repurchases must be funded out of funds legally available for the purpose in accordance with the Articles, the GEM Listing Rules and any applicable laws of the Cayman Islands and Hong Kong. The Company may not repurchase the 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.

It is envisaged that the funds required for any repurchase of the Shares would be derived from the capital paid up on the Shares being repurchased and from the distributable profits of the Company.

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 financial statements contained in the annual report of the Company for the year ended 31 December 2019) in the event that the proposed repurchase of Shares was to be carried out in full at any time during the proposed repurchase period. However, the Directors expect to exercise such mandate if and to such extent only as they are satisfied that the exercise thereof will not have such a material adverse impact.

4. SHARE PRICES

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

Month	Traded Prices Per Share	
	Highest HK\$	Lowest HK\$
2019		
May	0.260	0.160
June	0.240	0.170
July	0.270	0.150
August	0.200	0.105
September	0.180	0.100
October	0.120	0.081
November	0.140	0.082
December	0.132	0.089
2020		
January	0.125	0.100
February	0.125	0.110
March	0.123	0.109
April	0.114	0.110
May (up to and including the Latest Practicable Date)	0.120	0.103

5. CODE ON TAKEOVERS AND MERGERS

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

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Team Sunny International Holdings Limited ("**Team Sunny**"), a company which is wholly and ultimately owned by Mr. Wong Hin Shek, is beneficially interested in an aggregate of 47,164,000 Shares, representing approximately 17.99% of the issued share capital of the Company, and was a substantial Shareholder. In the event that the Directors exercise the proposed Repurchase Mandate in full and assuming that (i) there is no change in the issued share capital of the Company and the number of Shares held by Team Sunny, remain unchanged, the interests of Team Sunny in the issued share capital of the Company would be increased to approximately 19.99%; or (ii) all resolution(s) at the Adjourned EGM are duly passed and the Rights Issue is fully-subscribed by the Shareholders and 188,656,000 Rights Shares are allotted and issued to Team Sunny pursuant to its undertaking, the interests of Team Sunny in the issued share capital of the Company would remain at approximately 17.99% and will be increased to approximately 19.99%. Such increase would not give rise to a general offer obligation under the Takeovers Code.

Assuming that all resolution(s) at the Adjourned EGM are duly passed and the Rights Issue is under-subscribed by the Shareholders and an aggregate of 343,566,000 Rights Shares (including Team Sunny's own entitlement and excess application for the Rights Issue) are allotted and issued to Team Sunny pursuant to its undertaking, Team Sunny would be interested in 390,730,000 Shares, representing approximately 29.80% of the enlarged issued share capital of the Company and in the event that the Directors exercise the proposed Repurchase Mandate in full, the interests of Team Sunny in the Company would increase to approximately 33.12% and such an increase would give rise to an obligation of Team Sunny and its associates to make a mandatory general offer under Rule 26 and 32 of the Takeovers Code.

Nevertheless, the Directors have no present intention to exercise the proposed Repurchase Mandate to such extent as would result in any Shareholders being required to make a mandatory offer under the Takeovers Code.

In addition, the GEM Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

6. UNDERTAKING

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 GEM Listing Rules), have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders at the AGM and exercised.

No core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares to the Company or its subsidiaries nor has any such core connected person undertaken not to do so in the event that the Repurchase Mandate is granted.

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

7. SHARES REPURCHASES MADE BY THE COMPANY

The Company has not repurchased any Shares (whether on GEM or otherwise) in the six months preceding the Latest Practicable Date.

The following are the particulars (as required by the GEM Listing Rules) of the Directors who will retire and, being eligible, will offer themselves for re-election at the AGM:

1. **Mr. Wong Wing Kit (“Mr. Wong”)**, aged 49, joined in October 2019 as an independent non-executive Director and is a member of each of the nomination committee, the remuneration committee and the audit committee of the Company. He holds a Master of Business Administration Degree from the City University of Hong Kong and a Bachelor of Arts in Accountancy from The Hong Kong Polytechnic University. 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. Wong held senior positions with various local and international institutions. Mr. Wong has over 27 years of experience in auditing, accounting management, financial reporting and analysis and financial system implementation.

There is a letter of appointment between the Company and Mr. Wong. He holds office from year to year subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. Wong is entitled to receive a director’s fee of HK\$120,000 per annum. The fee is determined by reference to his duties and responsibilities with the Company and prevailing market conditions and on the same basis as that paid by the Company to other independent non-executive Directors.

The Company has received from an annual confirmation of independence as set out in rule 5.09 of the GEM Listing Rules and considers him to be independent.

As at the Latest Practicable Date, Mr. Wong did not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

2. **Ms. Yeung Mo Sheung, Ann (“Ms. Yeung”)**, aged 55, joined in 2012 as an independent non-executive Director and is a member of each of the nomination committee, the remuneration committee and the audit committee of the Company. She holds a Bachelor Degree of Retail Marketing with honours in the United Kingdom and a Diploma in Marketing from The Chartered Institute of Marketing. She pursued her further study on legal course and has been awarded a Diploma in Legal Practice in the United Kingdom in 1998. She is a solicitor of Messrs. Fung & Fung, Solicitors, a legal firm in Hong Kong. Ms. Yeung is an independent non-executive director of Success Universe Group Limited (stock code: 487), a company listed on the Main Board of the Stock Exchange and E Lighting Group Holdings Limited (stock code: 8222), a company listed on the GEM of the Stock Exchange. Ms. Yeung ceased to act as an independent non-executive director of Trillion Grand Corporate Company Limited (now known as hmvod Limited) (stock code: 8103) in November 2017. Ms. Yeung has over 20 years of experience in legal field.

There is a letter of appointment between the Company and Ms. Yeung. She holds office for an initial term of one year and thereafter from year to year subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles. Ms. Yeung is entitled to receive a director's fee of HK\$120,000 per annum. The fee is determined by reference to her duties and responsibilities with the Company and prevailing market conditions and on the same basis as that paid by the Company to other independent non-executive Directors.

The Company has received from Ms. Yeung the independence guideline as set out in rule 5.09 of the GEM Listing Rules and considers her to be independent.

As at the Latest Practicable Date, Ms. Yeung did not have any interest in the shares or underlying shares of the Company within the meaning of Part XV of the SFO.

As at the Latest Practicable Date, save as disclosed above:

- (a) each of Mr. Wong and Ms. Yeung does not hold, and has not held, any other positions within the Group and is not connected with any Directors, substantial or controlling Shareholders, or senior management of the Company;
- (b) each of Mr. Wong and Ms. Yeung has not in the last three years held any directorship in any other public company the securities of which are listed on any securities market in Hong Kong or overseas; and
- (c) there is no information relating to Mr. Wong and Ms. Yeung that is required to be disclosed pursuant to rules 17.50(2)(h) to (w) of the GEM Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in connection with their re-election as Directors.



MERDEKA FINANCIAL GROUP LIMITED

領智金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8163)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Merdeka Financial Group Limited (the “**Company**”) will be held on Monday, 29 June 2020 at 11:00 a.m. at Jasmine Room, 3/F., Best Western Plus Hotel Hong Kong, 308 Des Voeux Road West, Hong Kong for the following purposes:

1. To receive and consider the audited consolidated financial statements, the report of the directors and the independent auditor’s report of the Company for the year ended 31 December 2019.
2. To re-elect the following retiring directors of the Company (the “**Director(s)**”):
 - (a) Mr. Wong Wing Kit as an independent non-executive Director;
 - (b) Ms. Yeung Mo Sheung, Ann as an independent non-executive Director;
3. To authorise the board of Directors to fix the remuneration of the Directors.
4. To re-appoint Elite Partners CPA Limited as auditor and authorise the board of Directors to fix the remuneration of the auditor.
5. To consider and, if thought fit, pass with or without amendment, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

(A) “THAT:

- (i) subject to paragraph (iii) of this resolution and pursuant to the Rules Governing the Listing of Securities on GEM (“**GEM**”) 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 powers of the Company to allot, issue and deal with additional shares in the share capital of the Company or options, warrants, or similar rights to subscribe for any shares and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company), which might require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF THE AGM

- (ii) the approval in paragraph (i) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (iii) the aggregate number of shares of the Company 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 (i) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined), or (b) the exercise of rights of conversion under any securities which are convertible into shares of the Company, or (c) any scrip dividend scheme or similar arrangements providing for the allotment of shares in lieu of the whole or a part of a dividend on shares of the Company pursuant to the articles of association of the Company from time to time, or (d) the grant or exercise of any options granted under any option scheme or similar arrangement for the time being adopted by the Company for the grant or issue to the Directors, officers and/or employees of the Company and/or any of its subsidiaries of options to subscribe for, or rights to acquire, shares of the Company, shall not in aggregate exceed 20 per cent. of the aggregate number of shares of the Company in issue at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means the allotment or issue of shares in the share capital of the Company pursuant to an offer of shares open for a period fixed by the Directors made to holders of shares of the Company or any class thereof 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 or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

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(B) **“THAT:**

- (i) subject to paragraph (iii) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own issued shares in the share capital of the Company on GEM of the Stock Exchange or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange in accordance with all the applicable laws and the requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (as amended from time to time) or of any other stock exchange, be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this resolution shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to repurchase its shares at a price determined by the Directors;
- (iii) the aggregate number of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution shall not exceed 10 per cent. of the aggregate number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (c) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

- (C) **“THAT** subject to the passing of resolutions numbered 5(A) and 5(B) set out in the notice convening this meeting, the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to resolution numbered 5(A) in the notice convening this meeting be and is hereby increased by the addition thereto of the aggregate number of shares of the Company repurchased by the Company under the authority granted pursuant to the resolution numbered 5(B)

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set out in the notice convening this meeting, provided that such number of shares of the Company so repurchased shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of the said resolution.”

By order of the Board
MERDEKA FINANCIAL GROUP LIMITED
Cheung Wai Yin, Wilson
Chairman and Chief Executive Officer

Hong Kong, 15 May 2020

Notes:

1. Any shareholder of the Company entitled to attend and vote at the annual general meeting shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf. 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 notarially certified copy thereof, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 54, 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).
3. Completion and return of a form of proxy shall not preclude a shareholder of the Company 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.
4. Where there are joint holders of any shares of the Company, 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.
5. With respect to the resolutions set out in resolution numbered 2 of this notice, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann, being eligible, will offer themselves for re-election at the annual general meeting of the Company. Biographical details of the above Directors are set out in the circular of the Company which will be sent to the shareholders of the Company.
6. With respect to the resolutions set out in resolutions numbered 5(A) and 5(C) of this notice, approval is being sought from the shareholders for the general mandates to be given to the Directors to allot, issue and deal with new shares of the Company.
7. With respect to the resolution set out in resolution numbered 5(B) of this notice, approval is being sought from the shareholders for a general mandate to be given to the Directors to repurchase the shares of the Company. An explanatory statement containing further information with respect to such resolution will be sent to the shareholders of the Company.

As at the date hereof, the executive Directors are Mr. Cheung Wai Yin, Wilson (Chairman and Chief Executive Officer), and Ms. Tsang Kwai Ping, the independent non-executive Directors are Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann.