
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)

(1) PROPOSED REFRESHMENT OF SCHEME MANDATE; (2) PROPOSED REFRESHMENT OF GENERAL MANDATE; AND (3) NOTICE OF EXTRAORDINARY GENERAL MEETING

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



A notice convening the EGM of Merdeka Financial Group Limited to be held at Room 1108, 11/F, Wing On Centre, 111 Connaught Road Central, Central, Hong Kong on Friday, 17 December 2021 at 11:00 a.m. or any adjournment or postponement thereof is set out on pages EGM-1 to EGM-4 of this circular.

A form of proxy for the EGM is enclosed with this circular. Whether or not you intend to attend and vote at the EGM 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 EGM (i.e. not later than 11:00 a.m. on Wednesday, 15 December 2021) or any adjournment thereof (as the case may be). Such form of proxy for the EGM 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 EGM or any adjournment or postponement 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>.

PRECAUTIONARY MEASURES FOR THE EGM

Please refer to the notice of EGM for measures being taken to try to prevent and control the spread of the COVID-19 at the EGM, including:

- compulsory body temperature checks
- wearing of a face mask for each attendee
- no drinks, refreshments or souvenirs will be provided

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company would like to encourage the Shareholders to exercise their right to vote at the EGM by appointing the Chairman as their proxy instead of attending the EGM in person.

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 2023 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\$0.90 per Share (subject to adjustment in accordance with the terms and conditions of the 2008 convertible bonds);
“AGM”	the annual general meeting of the Company held on 28 June 2021 at which the Shareholders had approved, among other matters, the Existing General Mandate;
“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 issued Shares of which are listed on GEM of the Stock Exchange (stock code: 8163);
“Consolidated Share(s)”	the ordinary share(s) of HK\$0.10 each in the share capital of the Company immediately after the completion of the Share Consolidation;
“COVID-19”	the coronavirus disease occurred since January 2020 which is an infectious disease caused by severe acute respiratory syndrome coronavirus;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened and held at Room 1108, 11/F, Wing On Centre, 111 Connaught Road Central, Central, Hong Kong on Friday, 17 December 2021 at 11:00 a.m. or any adjournment or postponement thereof (as the case may be);

DEFINITIONS

“Eligible Participants”	any Directors, whether executive or non-executive and whether independent or not, of the Group, full time or part time employees of the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensees) or distributors, landlords or tenants (including any sub-tenants) of the Group;
“Existing General Mandate”	the general mandate granted at the AGM to the Directors to allot, issue and otherwise deal with up to 27,704,871 new Shares, being approximately 20.00% of the total number of the then issued Shares as at the date of passing of the relevant resolution(s) at the AGM;
“GEM”	GEM operated by the Stock Exchange;
“GEM Listing Committee”	has the meaning as ascribed to it under the GEM Listing Rules;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange;
“Group”	the Company and its subsidiaries;
“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;
“Independent Board Committee”	the independent board committee of the Company, comprising all the independent non-executive Directors, to advise the Independent Shareholders on the Proposed Refreshment of General Mandate;
“Independent Financial Adviser” or “Euto Capital”	Euto Capital Partners Limited and being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to the Proposed Refreshment of General Mandate;
“Independent Shareholder(s)”	Shareholder(s) other than any controlling shareholders and their respective associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates;
“Latest Practicable Date”	24 November 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular;

DEFINITIONS

“New General Mandate”	the general mandate proposed to be granted to the Directors at the EGM to allot, issue and otherwise deal with new Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing of the relevant resolution(s) at the EGM;
“Old Share Option Scheme”	the share option scheme adopted by the Company on 3 May 2012 and terminated by an ordinary resolution in an extraordinary general meeting on 30 December 2020;
“Proposed Refreshment of General Mandate”	the proposed refreshment of the Existing General Mandate by way of granting the New General Mandate;
“Proposed Refreshment of Scheme Mandate”	the proposed refreshment of the Scheme Mandate Limit so that the Company may grant new Share Options to subscribe for new Shares representing in aggregate up to 10% of its issued share capital as at the date of the EGM;
“Rights Issue”	the issue of the Rights Shares on the basis of five (5) Rights Shares for every two (2) Consolidated Shares which was completed on 22 July 2021;
“Rights Share(s)”	the new Share(s) allotted and issued pursuant to the Rights Issue;
“Scheme Mandate Limit”	the maximum number of Shares which may be allotted and issued upon exercise of all Share Options to be granted under the Share Option Scheme which initially shall not in aggregate exceed 10% of the Shares in issue as at 30 December 2020 and thereafter, if refreshed shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	the existing ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Share Consolidation”	the consolidation of every ten (10) issued and unissued existing Shares of HK\$0.01 each into one (1) Consolidated Share of HK\$0.10 each which has become effective on 17 June 2021;
“Share Option(s)”	share options to subscribe for the Shares granted and to be granted under the Share Option Scheme;
“Share Option Scheme”	the share option scheme adopted by the Company on 30 December 2020;
“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;
“Team Sunny Convertible Bonds”	the zero coupon convertible bonds due 2023 issued by the Company on 21 May 2020 and as amended from time to time. These bonds are interest-free and convertible into Shares at the conversion price of HK\$0.903 per Share (subject to adjustment in accordance with the terms and conditions of the Team Sunny Convertible Bonds);
“%”	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. Wong Hin Shek
(Chairman and Chief Executive Officer)
Mr. Cheung Wai Yin, Wilson
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

29 November 2021

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

Dear Sir or Madam,

**(1) PROPOSED REFRESHMENT OF SCHEME MANDATE;
(2) PROPOSED REFRESHMENT OF GENERAL MANDATE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with, among other things, (i) details of the Proposed Refreshment of Scheme Mandate; (ii) details of the Proposed Refreshment of General Mandate; (iii) the letter from the Independent Board Committee containing its recommendations to the Independent Shareholders on the Proposed Refreshment of General Mandate; (iv) the letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders containing its advice and recommendation on the Proposed Refreshment of General Mandate; (v) other information as required to be contained in the circular under the GEM Listing Rules; and (vi) a notice of the EGM and an enclosed form of proxy.

LETTER FROM THE BOARD

PROPOSED REFRESHMENT OF SCHEME MANDATE

The Share Option Scheme was approved and adopted by the Shareholders at the extraordinary general meeting of the Company held on 30 December 2020 (the “**Date of Adoption**”). Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. Pursuant to the Share Option Scheme, the Directors were authorised to grant options to Eligible Participants under the Share Option Scheme to subscribe for up to 132,324,359 Shares, representing 10% of the then issued share capital of the Company as at the Date of Adoption.

As disclosed in the circular of the Company on 25 May 2021, it was proposed that among other matter, (i) the Share Consolidation on the basis that every ten (10) issued and unissued Shares of par value of HK\$0.01 each in the share capital of the Company would be consolidated into one (1) Consolidated Share; and (ii) the Rights Issue on the basis of five (5) rights shares for every two (2) Consolidated Shares. The Share Consolidation became effective on 17 June 2021 and the Rights Issue was completed 22 July 2021. As at the Latest Practicable Date, the authorised share capital of the Company is HK\$200,000,000 divided into 2,000,000,000 Shares of par value of HK\$0.10 each, and with 485,062,283 Shares in issue.

As a result of the Share Consolidation and the completion of the Rights Issue, the exercise price per Share and number of outstanding Share Options were adjusted.

Since the Date of Adoption and up to the Latest Practicable Date, a total of 132,320,000 Share Options were granted under the Share Option Scheme and 62,227,027 Share Options were exercised. The table below summarizes the movement and adjustment of the Share Options since the Date of Adoption and up to the Latest Practicable Date:

	Immediately upon the grant of New Share Options under the Share Option Scheme on 20 January 2021	Prior to the effective of Share Consolidation	Immediately upon the effective of Share Consolidation on 17 June 2021	Immediately upon the completion of Rights Issue on 22 July 2021	As at the Latest Practicable Date
Outstanding Share Options under the Old Share Option Scheme (“ Old Share Options ”)	35,854 Old Share Options	35,854 Old Share Options	3,585 Old Share Options	4,069 Old Share Options	4,069 Old Share Options
Exercise price of the Old Share Options	HK\$33.333	HK\$33.333	HK\$333.330	HK\$293.647	HK\$293.647
Outstanding Share Options under the Share Option Scheme (“ New Share Options ”)	132,320,000 New Share Options	70,320,000 New Share Options <i>(note)</i>	7,032,000 New Share Options	7,982,265 New Share Options	7,755,238 New Share Options <i>(note)</i>
Exercise price of the New Share Options	HK\$0.015	HK\$0.015	HK\$0.15	HK\$0.132	HK\$0.132

Note: an aggregate of 62,000,000 and 227,027 New Share Options has been exercised prior to the effective of Share Consolidation and after the completion of the Rights Issue, respectively.

LETTER FROM THE BOARD

As illustrated in the above table, as at the Latest Practicable Date, the Company had 7,759,307 accumulated total outstanding Share Options, representing approximately 1.60% of the issued share capital of the Company. Save and except for the aforesaid, the Company does not have any other outstanding Share Options, and no other share option was granted, exercised, cancelled, expired or lapsed during the period from the Date of Adoption and up to the Latest Practicable Date.

As at the Latest Practicable Date, only up to 435 Share Options, representing approximately 0.003% of the Scheme Mandate Limit may be further granted under the Share Option Scheme which approved by the Shareholders on 30 December 2020.

Pursuant to the Share Option Scheme and in compliance with Chapter 23 of the GEM Listing Rules, the maximum number of Shares in respect of which option may be granted under the Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 10% of the total number of issued Shares as at the date of approval and adoption of the Share Option Scheme.

The Company may refresh the Scheme Mandate Limit by ordinary resolution of the Shareholders at general meeting provided that:

- (a) the total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company must not exceed 10% of the Shares in issue as at the date of approval of the refreshment of the Scheme Mandate Limit; and
- (b) options previously granted under the Share Option Scheme and any other share option scheme(s) of the Company (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme(s) of the Group) shall not be counted for the purpose of calculating the limit as refreshed.

Pursuant to the GEM Listing Rules, the Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company shall not exceed 30% of the Shares in issue from time to time. No options shall be granted under any scheme(s) of the Company if this will result in the 30% limit being exceeded.

The purpose of the Share Option Scheme is to provide incentive or reward to Eligible Participants for their contribution to, and continuing efforts to promote the interests of, the Group and for such other purposes as the Board may approve from time to time. In determining whether a person has contributed or will contribute to the Group, the Group will take into account, among other things, whether contribution has been made to or will be made to the Group in terms of operation, financial performance, prospects, growth, reputation and image of the Group.

LETTER FROM THE BOARD

The Directors may, at its absolute discretion and on such terms as it may think fit, grant any Eligible Participants to the Share Option Scheme, options to subscribe for such number of Shares as it may determine in accordance with the terms of the Share Option Scheme. The basis of eligibility of any grantee (falling within the class of Eligible Participants to the Share Option Scheme) of an offer shall be determined by the Directors from time to time on the basis of the Directors' opinion as to his/her contribution to the development and growth of the Group. The Directors believe that the authority given to the Board under the Share Option Scheme to determine the eligibility of any grantee of any option based on his/her contribution and specify any minimum holding period and/or performance targets as conditions in any option granted and the requirement for a minimum subscription price will serve to protect the value of the Company and to achieve the purpose of retaining and motivating high-calibre personnel to contribute to the growth of the Group.

In view of the limited number of Shares available under the existing Scheme Mandate Limit, the Board proposes to refresh the Scheme Mandate Limit. The Board considers that the refreshment of the Scheme Mandate Limit is in the interests of the Company and the Shareholders as a whole as it provides more flexibility for the Company to provide incentive to encourage the participants to perform their best in achieving the goals of the Group and allow the participants to enjoy the results of the Company attained through their efforts and contributions.

As at the Latest Practicable Date, there were 485,062,283 Shares in issue. If the Scheme Mandate Limit is refreshed and assuming that the total number of Shares in issue remains unchanged prior to the date of approval of the Proposed Refreshment of Scheme Mandate at the EGM, the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme will be 48,506,228 Shares, being 10% of the Shares in issue as at the Latest Practicable Date. Assuming no further Shares are issued and no Shares are repurchased after the Latest Practicable Date and up to the date of EGM, such percentage falls below 30% of the Shares in issue.

The refreshment of the Scheme Mandate Limit is conditional upon:

- (a) the passing of an ordinary resolution to approve the Proposed Refreshment of Scheme Mandate by the Shareholders at the EGM; and
- (b) the GEM Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, such number of Shares, representing 10% of the issued Shares as at the date of the EGM, which may fall to be allotted and issued pursuant to the exercise of the options that may be granted under the Scheme Mandate Limit so refreshed.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be allotted and issued upon the exercise of options that may be granted under the refreshed Scheme Mandate Limit.

LETTER FROM THE BOARD

The Company proposes to seek the approval by the Shareholders for the Proposed Refreshment of Scheme Mandate with a view to allowing the Company more flexibility to provide higher incentives or rewards to Eligible Participants for their contribution to the Group. The Directors consider that it will be for the benefit of the Company and the Shareholders as a whole that the Eligible Participants of the Share Option Scheme are granted rights to obtain equity holdings of the Company through the grant of options. This will motivate the Eligible Participants to contribute to the success of the Group. For these reasons, the Directors propose the passing of an ordinary resolution at the EGM for the Proposed Refreshment of Scheme Mandate.

As at the Latest Practicable Date, the Company has no immediate plan and is not contemplating granting any Share Options in the near future under the existing Scheme Mandate Limit or the proposed refreshment of Scheme Mandate Limit. The Board may however from time to time consider whether to grant any Share Options in order to provide incentives to the Eligible Participants. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

PROPOSED REFRESHMENT OF GENERAL MANDATE

Existing General Mandate

At the AGM, the Existing General Mandate was granted to the Directors to allot, issue and otherwise deal with up to 27,704,871 new Shares. In light of the completion of the Rights Issue and up to the Latest Practicable Date, the issued share capital of the Company was enlarged to 485,062,283 Shares, and the 27,704,871 new Shares under the Existing General Mandate only represents approximately 5.71% of the total number of the issued Shares as at the Latest Practicable Date.

During the period from the date of grant of the Existing General Mandate and up to the Latest Practicable Date, none of the Shares under the Existing General Mandate was issued.

Proposed grant of the New General Mandate

The Board proposes to convene the EGM at which ordinary resolution(s) will be proposed to the Independent Shareholders for approving the Proposed Refreshment of General Mandate that:

- (i) the Directors be authorised to allot, issue and otherwise deal with new Shares not exceeding 20% of the total number of the issued Shares as at the date of passing of the relevant ordinary resolution(s) at the EGM; and
- (ii) the New General Mandate be extended to Shares repurchased by the Company pursuant to the repurchase mandate granted to the Directors at the AGM.

LETTER FROM THE BOARD

The Company has not refreshed the Existing General Mandate since the AGM. The New General Mandate proposed will last 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 any other applicable laws to be held; or
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors under the New General Mandate.

As at the Latest Practicable Date, the Company had an aggregate of 485,062,283 Shares in issue. On the basis that no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, the Company will be allowed under the New General Mandate to allot and issue up to 97,012,456 Shares, representing 20% of the aggregate number of the issued Shares as at the Latest Practicable Date.

The share capital base of the Company has been enlarged pursuant to the completion of the Rights Issue on 22 July 2021 and the Existing General Mandate therefore requires to be refreshed to allow the Directors to allot and issue Shares based on the enlarged issued share capital of the Company. The Proposed Refreshment of General Mandate is in accordance with Question No. 31 of the Frequently Asked Questions Series 1 released by the Stock Exchange in March 2004 and last updated in October 2020.

REASONS FOR THE GRANT OF THE NEW GENERAL MANDATE

The Group is principally engaged in (i) financial services business including the securities brokerage services, provision of corporate finance advisory services, asset management business, money lending services and financial leasing business; (ii) corporate consulting business including company secretarial services, accounting and financial reporting services and management consulting services; and (iii) trading business.

As a result of the completion of the aforesaid Rights Issue, the total number of issued Shares had been enlarged into 485,062,283 Shares. In light of the next annual general meeting of the Company which will be held no later than July 2022, it is possible that the Company may not have sufficient general mandate to promptly meet fund raising and/or investment opportunities for more than 8 months. The New General Mandate will empower the Directors to issue new Shares under the refreshed limit and provide the Company with the flexibility and ability to capture any appropriate capital raising or business opportunities in an appropriate time.

LETTER FROM THE BOARD

The net proceeds from the Rights Issue amounted to approximately HK\$49.79 million, in which an aggregate of approximately HK\$36.82 million was assigned for the settlement of the indebtedness of the Group and the remaining balance of approximately HK\$12.97 million was assigned as general working capital of the Group.

As at the Latest Practicable Date, approximately HK\$36.82 million of the net proceeds from the Rights Issue has been utilized for the settlement of the indebtedness of the Group.

As of 30 September 2021, the Group has a cash level of approximately HK\$49.17 million and approximately HK\$8.49 million amongst it has to be reserved to meet the Securities and Futures (Financial Resources) Rules (FRR) as the Group is engaged in regulated activities of Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) as defined under the SFO and approximately HK\$10.89 million amongst it has to be reserved for the settlement of the indebtedness of the Group. Hence, the cash available to the Group for its daily operations is only approximately HK\$29.79 million as at 30 September 2021. The estimated general working capital for the Group's business operations is approximately HK\$2.5 million per month.

Given the business segment of the Group (i.e. provision of the financial services) highly relies on the recovery of the global economy and due to the ongoing COVID-19 pandemic, the revenue of the Group has been severely affected. Referring to the interim result of the Group for the six months ended 30 June 2021, the Group's revenue decreased by approximately 50.21% to approximately HK\$12.06 million as compared to that of approximately HK\$24.22 million for the six months ended 30 June 2020. In view of the global influence of the COVID-19, it is expected that the global economy will remain sluggish at least in the coming months and the cash inflow of the Group might be adversely affected.

The Board considers that it might be necessary to enhance financial flexibility for the future business development of the Group through possible fund raising activities if the global economic downturn endures. Therefore, the Board is proposing to seek the approval of the Independent Shareholders at the EGM on the grant of the New General Mandate such that should funding needs arise or attractive terms for investment become available, the Board will be able to respond to the market and such investment opportunities promptly because fund raising exercise pursuant to a general mandate provides the Company a more efficient process than other types of fund raising exercises and to avoid the uncertainties in such circumstances that specific mandate may not be obtained in a timely manner.

LETTER FROM THE BOARD

The Directors would exercise due and careful consideration when choosing the optimal financing method available to the Group to the best of their knowledge and belief. The Board would consider other financing alternatives such as equity financing by way of specific mandate, debt financing, rights issue, open offer or internal cash resources to meet the financial requirements of the Group, if appropriate, taking into account the then financial position, capital structure and cost of funding of the Group as well as the prevailing market condition.

As compared with the issue of Shares under general mandate, the issue of Shares under specific mandate upon the relevant terms of the fund raising plan having been finalised will involve extra time and cost, arising from, among others, the preparation, printing and despatch of the relevant circular and notice of extraordinary general meeting as well as the holding and convening of extraordinary general meeting for each occasion.

The Board considers that if the Company is able to identify any suitable fund raising opportunities with attractive terms prior to the next annual general meeting, the New General Mandate will enable the Company to respond to the market promptly. As compared with the obtaining of specific mandate from an extraordinary general meeting, the process of issuing Shares under general mandate for fund raising is simpler and less time-consuming which would allow the Company to avoid the uncertainties arising from such circumstances where approval for specific mandate may not be obtained from the Shareholders in a timely manner.

As regards rights issue or open offer, the Board considers that it may involve substantial time and cost to complete as compared with equity financing by issue of new Shares under general mandate. Although both rights issue and open offer would allow the Shareholders to maintain their respective pro-rata shareholdings in the Company, the discount to market price needed to be offered may be higher for a rights issue or an open offer in order to enhance its attractiveness to the Shareholders, as compared with a placing of new Shares under general mandate. In addition, substantial underwriting costs may be involved and there is a lack of certainty in the successful implementation of a rights issue or an open offer with relatively longer timetable.

As at the Latest Practicable Date, the Company has no concrete plan or has entered or proposes to enter any negotiation in respect of new business opportunities and/or issue of new Shares utilising the New General Mandate.

In view of the above, the Directors consider the grant of the New General Mandate, which may or may not be utilised, is in the best interests of the Company and the Independent Shareholders as a whole.

LETTER FROM THE BOARD

Fund raising activities of the Company in the past twelve months

Date of announcement/ circular/prospectus	Event	Net proceeds raised	Intended use of proceeds as announced	Actual use of proceeds
12 April 2021/25 May 2021/ 29 June 2021	Rights issue	HK\$49.79 million	(i) approximately HK\$28.89 million for repayment of the promissory notes issued by the Company on 21 April 2015 ("PN") for the settlement of partial consideration for the acquisition of the Blossom Height Ventures Limited; (ii) approximately HK\$7.93 million for repayment of a loan indebted to Mr. Lau Chung Yan by the Company; and (iii) approximately HK\$12.97 million for general working capital of the Group and facilitate the Group to capture potential business/ investment opportunities which may arise in future	(i) approximately HK\$28.89 million has been repaid to the holder of the PN; (ii) approximately HK\$7.93 million has been repaid to Mr. Lau Chung Yan; and (iii) approximately HK\$6.84 million has been applied to the general working capital of the Group.

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

Potential dilution effect

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and, for illustrative purpose only, the potential dilution effect on the shareholdings upon full utilisation of the New General Mandate assuming that the number of issued Shares remains unchanged between the Latest Practicable Date and the date of the EGM:

	As at the Latest Practicable Date		Upon full utilisation of the New General Mandate (for illustrative purpose only)	
	No. of Shares	Approx.% ^(Note 4)	No. of Shares	Approx.% ^(Note 4)
Team Sunny International Holdings Limited ^(Note 1)	136,755,500	28.19%	136,755,500	23.50%
Mr. Cheung Wai Yin, Wilson ^(Note 2)	5,578	0.01%	5,578	0.01%
Ms. Tsang Kwai Ping ^(Note 3)	900,000	0.19%	900,000	0.15%
Existing public Shareholders	347,401,205	71.61%	347,401,205	59.68%
Shares to be issued under the New General Mandate	—	—	97,012,456	16.66%
Total	485,062,283	100.00%	582,074,739	100.00%

LETTER FROM THE BOARD

Notes:

1. Team Sunny International Holdings Limited is owned as to 100% by Mr. Wong Hin Shek, being the Chairman and an executive Director and the chief executive officer of the Company, whose is deemed to be interested in 136,755,500 Shares pursuant to the Part XV of the SFO.
2. Mr. Cheung Wai Yin, Wilson is an executive Director and personally interested in 5,578 Shares.
3. Ms. Tsang Kwai Ping is an executive Director and personally interested in 900,000 Shares.
4. The shareholding structure is prepared for illustrative purpose only. Certain percentage figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

Assuming that (i) the Proposed Refreshment of General Mandate is approved at the EGM; and (ii) no Shares will be issued or repurchased by the Company from the Latest Practicable Date up to and including the date of the EGM, upon full utilization of the New General Mandate, 97,012,456 new Shares can be issued, which represent 20% of the aggregate number of issued Shares as at the Latest Practicable Date and approximately 16.66% of the issued share capital of the Company as enlarged by the issue of such new Shares. The aggregate shareholding of the existing public Shareholders will be diluted from approximately 71.61% as at the Latest Practicable Date to approximately 59.68% upon full utilization of the New General Mandate, representing a potential maximum dilution of the existing public shareholding by approximately 11.93%.

In contrast, without the flexibility of the New General Mandate (standing ready to be utilized), the Company will forgo favourable capital raising windows in the stock market and be restrained to raising only from the remaining portion of the Existing General Mandate (and running the risks of losing potential investors which are unlikely to be willing to defer their investment decisions and wait for the grant of Shareholders' approval in general meeting(s) of the Company whether in the form of a new general mandate to be granted at the forthcoming annual general meeting or a specific mandate at an extraordinary general meeting of the Company to be convened).

Accordingly, taking into account the benefits of the New General Mandate set out in the section headed "REASONS FOR THE GRANT OF THE NEW GENERAL MANDATE" above, the Board considers that the flexibility to issue new Shares under the New General Mandate sufficiently outweighs the dilution impact on existing minority Shareholders upon the potential utilization of the New General Mandate.

THE EGM AND PROXY ARRANGEMENT

The EGM will be convened and held at Room 1108, 11/F, Wing On Centre, 111 Connaught Road Central, Central, Hong Kong on Friday, 17 December 2021 at 11:00 a.m. or any adjournment or postponement thereof to consider and, if thought fit, approve the Proposed Refreshment of Scheme Mandate and the Proposed Refreshment of General Mandate.

LETTER FROM THE BOARD

Pursuant to Rule 17.42A of the GEM Listing Rules, the Proposed Refreshment of General Mandate will be subject to the Independent Shareholders' approval at a general meeting of the Company. Any controlling shareholders and their respective associates, or where there are no controlling shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolution(s) to approve the Proposed Refreshment of General Mandate.

As at the Latest Practicable Date, the Company has no controlling Shareholder as defined under the GEM Listing Rules.

As at the Latest Practicable Date, (i) Team Sunny International Holdings Limited, a company which is wholly and ultimately owned by Mr. Wong Hin Shek, being the Chairman, an executive Director and the chief executive officer of the Company, is beneficially interested in 136,755,500 Shares, representing approximately 28.19% of the issued share capital of the Company; (ii) Mr. Cheung Wai Yin, Wilson, an executive Director, is the legal and beneficial owner of 5,578 Shares representing approximately 0.01% of the issued share capital of the Company; and (iii) Ms. Tsang Kwai Ping, an executive Director, is beneficially interested in 900,000 Shares, representing approximately 0.19% of the issued share capital of the Company. As such, Mr. Wong Hin Shek, Team Sunny International Holdings Limited, Mr. Cheung Wai Yin, Wilson, Ms. Tsang Kwai Ping and their respective associates are required to abstain from voting on the ordinary resolution(s) in respect of the Proposed Refreshment of General Mandate at the EGM.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the Latest Practicable Date, none of the Shareholders had any direct or indirect material interest in the Proposed Refreshment of Scheme Mandate, and therefore no Shareholder is required to abstain from voting on the ordinary resolution(s) in respect of the Proposed Refreshment of Scheme Mandate at the EGM.

Pursuant to the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except for purely procedural or administrative matters. Accordingly, all the proposed resolutions will be put to vote by way of poll at the EGM. An announcement on the poll vote results will be made by the Company after the EGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

A form of proxy for use by the Shareholders at the EGM is enclosed with this circular. Whether or not you are able to attend and vote at the EGM 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 (i.e. 11:00 a.m. on Wednesday, 15 December 2021) the time appointed for holding the EGM or any adjournment thereof (as the case may be). Such form of proxy for use at the EGM is also published on the websites of the GEM (<http://www.hkgem.com>) and the Company

LETTER FROM THE BOARD

(<http://www.merdeka.com.hk>). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM in person or any adjournment thereof (as the case may be) should you so wish.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 14 December 2021 to Friday, 17 December 2021 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for the right to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with 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, no later than 4:30 p.m. on Monday, 13 December 2021 for registration of transfer.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, which comprises Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann, all being the independent non-executive Directors, has been established by the Company to provide recommendations to the Independent Shareholders in respect of the Proposed Refreshment of General Mandate.

Euto Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Proposed Refreshment of General Mandate.

The Independent Board Committee, having taken into account the advice and recommendation of the Independent Financial Adviser, considers that the terms of the Proposed Refreshment of General Mandate are fair and reasonable and the Proposed Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution(s) for approving the Proposed Refreshment of General Mandate at the EGM.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages IBC-1 to IBC-2 of this circular which contains its recommendation to the Independent Shareholders in respect of the Proposed Refreshment of General Mandate; and (ii) the letter from the Independent Financial Adviser set out on pages IFA-1 to IFA-12 of this circular which contains its advice and recommendation to the Independent Board Committee and the Independent Shareholders in respect of the Proposed Refreshment of General Mandate, together with the principal factors and reasons taken into consideration by the Independent Financial Adviser in arriving at such advice and recommendation, for further details of the Proposed Refreshment of General Mandate.

LETTER FROM THE BOARD

Having noted and considered the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Proposed Refreshment of Scheme Mandate and the Proposed Refreshment of General Mandate are fair and reasonable, and the Proposed Refreshment of Scheme Mandate and the Proposed Refreshment of General Mandate are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend the Shareholders (or the Independent Shareholders, as the case may be) to vote in favour of the resolution(s) for approving the Proposed Refreshment of Scheme Mandate and the Proposed Refreshment of General Mandate, respectively.

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.

Yours faithfully,
For and on behalf of the Board
MERDEKA FINANCIAL GROUP LIMITED
Wong Hin Shek
Chairman and Chief Executive Officer

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter of recommendation from the Independent Board Committee to the Independent Shareholders prepared for the purpose of inclusion in this circular.



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)

29 November 2021

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED REFRESHMENT OF GENERAL MANDATE

We refer to the circular of the Company dated Monday, 29 November 2021 (the “**Circular**”) of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders as to (i) whether the terms of the Proposed Refreshment of General Mandate are fair and reasonable; (ii) whether the Proposed Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole; and how to vote at the EGM. Euto Capital has been appointed as the Independent Financial Adviser to advise us and the Independent Shareholders in this respect. Details of its advice together with the principal factors and reasons it has taken into consideration on giving its advice, are contained in its letter set out on pages IFA-1 to IFA-12 of the Circular. Your attention is also drawn to the letter from the Board and the additional information set out in the appendices to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the principal factors and reasons considered by, and the advice of Euto Capital, we considered that (i) the terms of the Proposed Refreshment of General Mandate are fair and reasonable; (ii) the Proposed Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Proposed Refreshment of General Mandate and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
the Independent Board Committee

Ms. Ng Ka Sim, Casina

Mr. Wong Wing Kit

Ms. Yeung Mo Sheung, Ann

Independent Non-executive Directors



Euto Capital Partners Limited
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www.eutocapital.com

29 November 2021

*To the Independent Board Committee and
the Independent Shareholders of
Merdeka Financial Group Limited*

Dear Sirs and Madams,

PROPOSED REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to our appointment as the independent financial adviser (the “**Independent Financial Adviser**”) to advise the Independent Board Committee and the Independent Shareholders in respect of the Proposed Refreshment of General Mandate, particulars of which are set out in the section headed “Letter from the Board” (the “**Letter**”) contained in the circular of the Company dated 29 November 2021 (the “**Circular**”), of which this letter forms part. Unless the context requires otherwise, capitalized terms used in this letter shall have the same meanings as ascribed to them under the section headed “Definitions” in this Circular.

The Proposed Refreshment of General Mandate

The Board proposes to convene the EGM at which ordinary resolution(s) will be proposed to the Independent Shareholders for approving the Proposed Refreshment of General Mandate that:

- (i) the Directors be authorised to allot, issue and otherwise deal with new Shares not exceeding 20% of the total number of the issued Shares as at the date of passing of the relevant ordinary resolution(s) at the EGM; and
- (ii) the New General Mandate be extended to Shares repurchased by the Company pursuant to the repurchase mandate granted to the Directors at the AGM.

As at the Latest Practicable Date, the Company had an aggregate of 485,062,283 Shares in issue. On the basis that no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, the Company will be allowed under the New General Mandate to allot and issue up to 97,012,456 Shares, representing 20% of the aggregate number of the issued Shares as at the Latest Practicable Date.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

The share capital base of the Company has been enlarged pursuant to the completion of the Rights Issue on 22 July 2021 and the Existing General Mandate therefore requires to be refreshed to allow the Directors to allot and issue Shares based on the enlarged issued share capital of the Company. The Proposed Refreshment of General Mandate is in accordance with Question No. 31 of the Frequently Asked Questions Series 1 released by the Stock Exchange in March 2004 and last updated in October 2020.

Implication under the GEM Listing Rules

Pursuant to Rule 17.42A of the GEM Listing Rules, the Proposed Refreshment of General Mandate will be subject to the Independent Shareholders' approval at a general meeting of the Company. Any controlling shareholders and their respective associates, or where there are no controlling shareholders, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolution(s) to approve the Proposed Refreshment of General Mandate.

As at the Latest Practicable Date, the Company has no controlling Shareholder as defined under the GEM Listing Rules.

As at the Latest Practicable Date, (i) Team Sunny International Holdings Limited, a company which is wholly and ultimately owned by Mr. Wong Hin Shek, being the Chairman, an executive Director and the chief executive officer of the Company, is beneficially interested in 136,755,500 Shares, representing approximately 28.19% of the issued share capital of the Company; (ii) Mr. Cheung Wai Yin, Wilson, an executive Director, is the legal and beneficial owner of 5,578 Shares, representing approximately 0.01% of the issued share capital of the Company; and (iii) Ms. Tsang Kwai Ping, an executive Director, is beneficially interested in 900,000 Shares, representing approximately 0.19% of the issued share capital of the Company. As such, Mr. Wong Hin Shek, Team Sunny International Holdings Limited, Mr. Cheung Wai Yin, Wilson, Ms. Tsang Kwai Ping and their respective associates are required to abstain from voting on the ordinary resolution(s) in respect of the Proposed Refreshment of General Mandate at the EGM.

INDEPENDENT BOARD COMMITTEE

An Independent Board Committee comprising all the independent non-executive Directors, namely Ms. Ng Ka Sim, Casina, Mr. Wong Wing Kit and Ms. Yeung Mo Sheung, Ann, has been established to consider and advise the Independent Shareholders (i) as to whether the terms of the Proposed Refreshment of General Mandate are fair and reasonable and is in the interests of the Company and the Shareholders as a whole; and (ii) how the Independent Shareholders should vote in favour of the Proposed Refreshment of General Mandate at the EGM.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

INDEPENDENT FINANCIAL ADVISER

In our capacity as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders for the purpose of the GEM Listings Rules, our role is to give an independent opinion to advise the Independent Board Committee and the Independent Shareholders (i) as to whether the terms of the Proposed Refreshment of General Mandate are fair and reasonable and is in the interests of the Company and the Shareholders as a whole; and (ii) how the Independent Shareholders should vote should vote in favour of the Proposed Refreshment of General Mandate at the EGM.

OUR INDEPENDENCE

We, Euto Capital Partners Limited (“**Euto Capital**”), have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard, and such appointment has been approved by the Independent Board Committee pursuant to the GEM Listing Rules.

Euto Capital is a licensed corporation licensed under the Securities and Futures Ordinance (“**SFO**”) to carry out Type 6 (advising on corporate finance) regulated activity. Euto Capital has been participated in and completed various independent financial advisory transactions since 2015. Mr. Manfred Shiu (“**Mr. Shiu**”) and Mr. Felix Huen (“**Mr. Huen**”) are the persons jointly signing off the opinion letter from Euto Capital contained in the Circular. Mr. Shiu has been a responsible officer of Type 6 (advising on corporate finance) regulated activity under the SFO since 2009, while Mr. Huen has been a responsible officer of Type 6 (advising on corporate finance) regulated activity under the SFO since 2019. Each of Mr. Shiu and Mr. Huen was participated in and completed various independent financial advisory transactions in Hong Kong.

As at the Latest Practicable Date, we confirmed that there is no relationship or interest between Euto Capital and the Company or any other parties that could be reasonably be regarded as hindrance to Euto Capital’s independence as set out under Rule 17.96 of the GEM Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Proposed Refreshment of General Mandate.

We are not associated with and have no significant connection, financial or otherwise, with the Company, its subsidiaries, its associates or their respective substantial shareholders or associates, and accordingly, are eligible to give independent advice and recommendations.

Apart from normal professional fees payable to us in connection with this appointment as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees from the Company, its subsidiaries, its associates or their respective substantial shareholders or associates. We confirmed that there is no existence of or change in any circumstances that would affect our independence. Euto Capital has not acted as an independent financial adviser to the Company’s other transactions in the last two years.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Accordingly, we consider that we have performed all reasonable steps as required under Rule 17.92 of the GEM Listing Rules and are eligible to give independent advice on the terms of the Proposed Refreshment of General Mandate.

BASIS OF OUR OPINION AND RECOMMENDATION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders in relation to the Proposed Refreshment of General Mandate, we have relied on the information, facts and representations contained or referred to in the Circular and the information, facts and representations provided by, and the opinions expressed by the Directors, management of the Company and its subsidiaries (the “**Management**”). We have assumed that all information, facts, opinions and representations made or referred to in the Circular were true, accurate and complete at the time they were made and continued to be true and that all expectations and intentions of the Directors and the Management, will be met or carried out as the case may be. We have no reason to doubt the truth, accuracy and completeness of the information, facts, opinions and representations provided to us by the Directors and the Management. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading. We have also sought and received confirmation from the Directors that no material facts have been omitted from the information supplied and opinions expressed.

We consider that we have been provided with, and we have reviewed sufficient information to reach an informed view, to justify relying on the accuracy of the information contained in the Circular and to provide a reasonable basis for our opinion. We have no reason to doubt that any relevant material facts have been withheld or omitted from the information provided and referred to in the Circular or the reasonableness of the opinions and representations provided to us by the Directors and the Management. We have not, however, conducted any independent verification of the information provided, nor have we carried out any independent investigation into the business, financial conditions and affairs of the Company or its future prospects.

Based on the foregoing, we confirm that we have taken all reasonable steps, which are applicable to the Proposed Refreshment of General Mandate, as referred to in Rule 17.92 of the GEM Listing Rules (including the notes thereof) in formulating our opinion and recommendation.

This letter is issued for the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the terms of the Proposed Refreshment of General Mandate, except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation in respect of the Proposed Refreshment of General Mandate, we have taken into account the principal factors and reasons set out below:

1. Background of the Proposed Refreshment of General Mandate

1.1 The Existing General Mandate

The Existing General Mandate was granted at the last AGM.

At the AGM, the Existing General Mandate was granted to the Directors to allot, issue and otherwise deal with up to 27,704,871 new Shares. In light of the completion of the Rights Issue and up to the Latest Practicable Date, the issued share capital of the Company was enlarged to 485,062,283 Shares, and the 27,704,871 new Shares under the Existing General Mandate only represents approximately 5.71% of the total number of issued Shares as at the Latest Practicable Date.

During the period from the date of grant of the Existing General Mandate and up to the Latest Practicable Date, none of the Shares under the Existing General Mandate was issued.

1.2 The Proposed Refreshment of the General Mandate

As set out in the Letter, the Board proposes to convene the EGM at which ordinary resolution(s) will be proposed to the Independent Shareholders for approving the Proposed Refreshment of General Mandate that:

- (i) the Directors be authorised to allot, issue and otherwise deal with new Shares not exceeding 20% of the total number of the issued Shares as at the date of passing of the relevant ordinary resolution(s) at the EGM; and
- (ii) the New General Mandate be extended to Shares repurchased by the Company pursuant to the repurchase mandate granted to the Directors at the AGM.

The Company has not refreshed the Existing General Mandate since the AGM. The New General Mandate proposed will last 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 any other applicable laws to be held; or
- (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors under the New General Mandate.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

As at the Latest Practicable Date, the Company had an aggregate of 485,062,283 Shares in issue. On the basis that no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the EGM, the Company will be allowed under the New General Mandate to allot and issue up to 97,012,456 Shares, representing 20% of the aggregate number of the issued Shares as at the Latest Practicable Date.

The share capital base of the Company has been enlarged pursuant to the completion of the Rights Issue on 22 July 2021 and the Existing General Mandate therefore requires to be refreshed to allow the Directors to allot and issue Shares based on the enlarged issued share capital of the Company. The Proposed Refreshment of General Mandate is in accordance with Question No. 31 of the Frequently Asked Questions Series 1 released by the Stock Exchange in March 2004 and last updated in October 2020.

2. Reasons for the Proposed Refreshment of General Mandate

The Group is principally engaged in (i) financial services business including the securities brokerage services, provision of corporate finance advisory services, asset management business, money lending services and financial leasing business; (ii) corporate consulting business including company secretarial services, accounting and financial reporting services and management consulting services; and (iii) trading business.

As set out in the Letter, as a result of the completion of the aforesaid Rights Issue, the total number of issued Shares had been enlarged into 485,062,283 Shares. In light of the next annual general meeting of the Company which will be held no later than July 2022, it is possible that the Company may not have sufficient general mandate to promptly meet fund raising and/or investment opportunities for more than 8 months. The New General Mandate will empower the Directors to issue new Shares under the refreshed limit and provide the Company with the flexibility and ability to capture any appropriate capital raising or business opportunities in an appropriate time.

(i) Review on the Group's existing cash resources

As further set out in the Letter, the net proceeds from the Rights Issue amounted to approximately HK\$49.79 million, in which an aggregate of approximately HK\$36.82 million was assigned for the settlement of the indebtedness of the Group and the remaining balance of approximately HK\$12.97 million was assigned as general working capital of the Group. As at the Latest Practicable Date, approximately HK\$36.82 million of the net proceeds from the Rights Issue has been utilized for the settlement of the indebtedness of the Group.

Given the business segment of the Group (i.e. provision of the financial services) highly relies on the recovery of the global economy and due to the ongoing COVID-19 pandemic, the revenue of the Group has been severely affected. Referring to the interim result of the Group for the six months ended 30 June 2021, the Group's revenue decreased by approximately 50.21% to approximately HK\$12.06 million as compared to that of approximately HK\$24.22 million for the six months ended 30 June 2020. In

LETTER FROM INDEPENDENT FINANCIAL ADVISER

view of the global influence of the COVID-19, it is expected that the global economy will remain sluggish at least in the coming months and the cash inflow of the Group might be adversely affected.

In assessing whether the Company has an imminent need to refresh the Existing General Mandate, we have reviewed (a) the interim report of the Company for the 6 months ended 30 June 2021 (the “**2021 Interim Report**”); (b) the earmarked proceeds from the Rights Issue; and (c) the cash and cash equivalents as at 30 September 2021. Based on our review and discussion with the Management, we noted that as of 30 September 2021, the Group has a cash level of approximately HK\$49.17 million, of which

- (i) approximately HK\$8.49 million amongst it has to be reserved to meet the Securities and Futures (Financial Resources) Rules (FRR) as the Group is engaged in regulated activities of Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) as defined under the SFO; and
- (ii) approximately HK\$10.89 million amongst it has to be reserved for the settlement of the indebtedness of the Group.

Hence, the cash available to the Group for its daily operations is only approximately HK\$29.79 million as at 30 September 2021. The estimated general working capital for the Group’s business operations is approximately HK\$2.5 million per month.

In view of that the cash position after fulfilling the estimated FRR requirement and repayment obligation which is expected to be approximately HK\$29.79 million, we consider that the said cash position is just sufficient and is expected to be reserved for covering daily operations and administration. It also implies that the Company may not have sufficient cash resources to promptly meet future investment opportunities in a timely and effective manner.

We believe that it is always in the interests of the Company and the Shareholders to enter into the investment opportunities which are favorable to the Group. In particular, it is possible to improve the unsatisfactory financial results of the Company if the new business opportunities could generate positive and promising income to the Group. We are advised by the Company that as at the Latest Practicable Date, the Company has not commenced negotiations relating to, or has not entered or plans to enter into any transaction which may involve the issue of Shares of the Company. Having considered the global and local economic uncertainties and the COVID-19 pandemic may adversely affect the Group’s business and overall short-term performance, the Group will be cautious in managing the business risk; be prepared to respond to changes in the challenging business environment, and aim to strategically develop the Group’s business to mitigate the impacts. The Group will carefully plan and formulate strategies to manage these factors, continues to seek new business opportunities and diversify the Group’s business segments. Although the Company had no concrete fund raising plan as at the Latest Practicable Date, a decision to

LETTER FROM INDEPENDENT FINANCIAL ADVISER

harness any fund raising opportunities is often required to be made within a very short period of time. As such, we concur with the Directors that the Proposed Refreshment of General Mandate will allow the Company to capture any suitable fund raising or business opportunities in a timely manner that may arise before (i.e. 11:00 a.m. on Wednesday, 15 December 2021) the AGM.

We conclude that an immediate refreshed New General Mandate could provide the Company with the necessary flexibility to fulfill its potential shortfall in funding for the next 12 months and enable the Company to respond in a timely and effective manner to fulfill any possible funding needs for future business development and/or investment decisions prior to the AGM. In addition, if the Existing General Mandate is refreshed, the Group will also be in a better bargaining position in negotiation of any potential business or investments. In view of the above, we believe that there is a necessity to refresh the Existing General Mandate.

Having considered that the Proposed Refreshment of General Mandate will (a) fulfill any possible funding needs for future business development and/or investment decisions which may arise at any time; (b) strengthen the capital base of the Company; (c) have an option to consider the issue of consideration shares as one of the settlement means in an acquisition as and when the Directors consider to be appropriate should suitable opportunities arise in the future; and (d) serve as an important avenue of resources to the Group since it does not create any interest paying obligations on the Group, we concur with the Director's view that the Proposed Refreshment of General Mandate is in the interests of the Company and its Shareholders as a whole.

(ii) Analysis on the alternative financing options

As set out in the Letter, we understand that the Directors would exercise due and careful consideration when choosing the optimal financing method available to the Group. The Board would consider other financing alternatives such as equity financing by way of specific mandate, debt financing, rights issue, open offer or internal cash resources to meet the financial requirements of the Group, if appropriate, taking into account the then financial position, capital structure and cost of funding of the Group as well as the prevailing market condition.

In assessing whether financing by way of utilising the refreshed New General Mandate is in the interest of the Company and the Shareholders as a whole, we have concluded, among other things,

- (a) it is expected that the issue of new shares under specific mandate and rights issue or open offer often takes longer time to complete the placing or subscription of shares.

A rights issue or an open offer normally takes at least five to six weeks (from announcement date).

LETTER FROM INDEPENDENT FINANCIAL ADVISER

As regard to the issue of new shares under specific mandate or a rights issue or open offer which shareholders' approval is required, it may take over two months, this is primarily due to the time for the issuer to prepare a shareholder's circular and the notice period for the shareholders' meeting. In this regard, it would not satisfy the funding requirements for the project in a timely manner; and

- (b) debt financing shall inevitably impose interest payment obligations on the Group and it may be subject to lengthy due diligence and negotiations with banks or financial institutions for provision of loans to the Group; and
- (c) the Proposed Refreshment of General Mandate would provide the Company with the flexibility as allowed under the GEM Listing Rules to allot and issue new Shares for equity fund raising activities, such as placing of new Shares, or as consideration for potential investments in the future as and when such opportunities arise.

Based on the above, we concur with the Directors' view that equity financing by way of utilising the New General Mandate will be more flexible, cost effective and time efficient than debt financing and other alternative equity financing methods given the Proposed Refreshment of General Mandate (a) does not incur any interest payment obligations on the Group as compared to debt financing; (b) is less costly and time-consuming than other pre-emptive fund raising methods, such as rights issue and open offer, that lengthy discussion with potential commercial underwriters may be required, which may result in failure of financing in business development and/or acquisition of investment opportunities in a timely manner and commission would probably be incurred; and (c) provides the Company with the capability to capture any capital raising or prospective investment opportunity in a timely manner as and when it arises.

With this being the case, the Proposed Refreshment of General Mandate allows the Company to raise equity capital within specified number of Shares promptly and when necessary, hence we are of the view that the Proposed Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

Date of announcement/ circular/prospectus	Event	Net proceeds raised	Intended use of proceeds as announced	Actual use of proceeds
12 April 2021/ 25 May 2021/ 29 June 2021	Rights Issue	HK\$49.79 million	(i) approximately HK\$28.89 million for repayment of the promissory notes issued by the Company on 21 April 2015 (“PN”) for the settlement of partial consideration for the acquisition of the Blossom Height Ventures Limited;	(i) approximately HK\$28.89 million has been repaid to the holder of the PN;
			(ii) approximately HK\$7.93 million for repayment of a loan indebted to Mr. Lau Chung Yan by the Company; and	(ii) approximately HK\$7.93 million has been repaid to Mr. Lau Chung Yan; and
			(iii) approximately HK\$12.97 million for general working capital of the Group and facilitate the Group to capture potential business/investment opportunities which may arise in the future	(iii) approximately HK\$6.84 million has been applied to the general working capital of the Group.

Save as disclosed above, the Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the Latest Practicable Date.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

POTENTIAL EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) for illustrative purpose, upon full utilisation of the New General Mandate assuming that the number of issued Shares remains unchanged between the Latest Practicable Date and the date of the EGM:

Shareholders	As at the Latest Practicable Date		Upon full utilisation of the New General Mandate (for illustration purpose only)	
	Number of Shares	Approximate Percentage	Number of Shares	Approximate Percentage
		(%)		(%)
Team Sunny International Holdings Limited (<i>Note 1</i>)	136,755,500	28.19	136,755,500	23.50
Mr. Cheung Wai Yin, Wilson (<i>Note 2</i>)	5,578	0.01	5,578	0.01
Ms. Tsang Kwai Ping (<i>Note 3</i>)	900,000	0.19	900,000	0.15
Existing public Shareholders	347,401,205	71.61	347,401,205	59.68
Shares to be issued under the New General Mandate	—	—	97,012,456	16.66
Total	<u>485,062,283</u>	<u>100.00</u>	<u>582,074,739</u>	<u>100.00</u>

Notes:

1. Team Sunny International Holdings Limited is owned as to 100% by Mr. Wong Hin Shek, being the Chairman, an executive Director and the chief executive officer of the Company, whose is deemed to be interested in 136,755,500 Shares pursuant to the Part XV of the SFO.
2. Mr. Cheung Wai Yin, Wilson is an executive Director and personally interested in 5,578 Shares.
3. Ms. Tsang Kwai Ping is an executive Director and personally interested in 900,000 Shares.
4. The shareholding structure is prepared for illustrative purpose only. Certain percentage figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

As illustrated in the table above, assuming that (i) the Proposed Refreshment of General Mandate is approved at the EGM; and (ii) no Shares will be issued or repurchased by the Company from the Latest Practicable Date up to and including the date of the EGM, upon full utilisation of the New General Mandate, 97,012,456 new Shares can be issued, which represent 20% of the aggregate number of issued Shares as at the Latest Practicable Date and approximately 16.66% of the issued share capital of the Company as enlarged by the issue of such new Shares.

The aggregate shareholding of the existing public Shareholders will be diluted from approximately 71.61% as at the Latest Practicable Date to approximately 59.68% upon full utilisation of the New General Mandate, representing a potential maximum dilution of the existing public shareholding by approximately 11.93%.

LETTER FROM INDEPENDENT FINANCIAL ADVISER

Taking into account that (i) the New General Mandate (a) allows the Company to raise capital by allotment and issue of new Shares before the next annual general meeting of the Company is held and (b) provides more flexibility and options of financing to the Group for repayment of indebtedness and/or further business development as well as for other potential future investments and/or acquisitions as and when such opportunities arise; and (ii) the shareholding interests of all existing Shareholders will be reduced in proportion to their respective shareholdings upon any utilisation of the New General Mandate, we consider that such potential dilution in shareholding of the public Shareholders is acceptable.

RECOMMENDATIONS

Having taken into consideration the principal factors and reasons as stated above in this letter, we are of the opinion that the Proposed Refreshment of General Mandate is fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend the Independent Shareholders, to vote in favour of the resolution to be proposed at the EGM to approve the Proposed Refreshment of General Mandate and we recommend the Independent Shareholders to vote in favour of the resolutions in this regard.

Yours faithfully
For and on behalf of
Euto Capital Partners Limited
Felix Huen
Director

Yours faithfully
For and on behalf of
Euto Capital Partners Limited
Manfred Shui
Director

* *For identification purpose only and should not be regarded as the official English translation of the Chinese names. In the event of any inconsistency, the Chinese names prevail.*



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 EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of Merdeka Financial Group Limited (the “**Company**”) will be held on Friday, 17 December 2021 at 11:00 a.m. at Room 1108, 11/F, Wing On Centre, 111 Connaught Road Central, Central, Hong Kong (*or, in the event that a black rainstorm warning signal, a tropical cyclone warning signal no. 8 or above or “extreme conditions” caused by super typhoons is in force in Hong Kong at 9:00 a.m. on that day, at the same time and place on Monday, 20 December 2021*) for the following purposes:

ORDINARY RESOLUTIONS

To consider and, if thought fit, pass the following resolutions (with or without amendments) as ordinary resolutions of the Company:

1. **“THAT** subject to and conditional upon the GEM Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval for the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the share option scheme adopted by the Company on 30 December 2020 (the “**Share Option Scheme**”), representing 10% of the issued share capital of the Company as at the date on which this resolution is passed:
 - (a) approval be and is hereby granted for refreshing the 10% limit under the Share Option Scheme (the “**Scheme Mandate Limit**”) provided that the total number of shares of the Company which may be allotted and issued upon the exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company under the limit as refreshed hereby shall not exceed 10% of the total number of issued shares of the Company as at the date on which this resolution is passed (options previously granted under the Share Option Scheme and any other share option schemes of the Company (including options outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit) (the “**Refreshed Scheme Mandate Limit**”); and

NOTICE OF THE EGM

(b) the Directors be and are hereby authorised to grant options under the Share Option Scheme up to the Refreshed Scheme Mandate Limit, to exercise all powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options and to do such acts and execute such documents, including under seal where applicable, as they consider necessary or expedient to give effect to the foregoing arrangement.”

2. **“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, 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;
- (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

NOTICE OF THE EGM

(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).”

By order of the Board
MERDEKA FINANCIAL GROUP LIMITED
Wong Hin Shek
Chairman and Chief Executive Officer

Hong Kong, 29 November 2021

Notes:

1. Any shareholder of the Company entitled to attend and vote at the EGM 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 EGM (i.e. not later than 11:00 a.m. on Wednesday, 15 December 2021) (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 EGM and in such event, the instrument appointing a proxy shall be deemed to be revoked.

NOTICE OF THE EGM

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 EGM, 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. The register of members of the Company will be closed from Tuesday, 14 December 2021 to Friday, 17 December 2021 (both days inclusive), during which period no transfer of Shares will be effected. In order to qualify for the right to attend and vote at the EGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with 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, no later than 4:30 p.m. on Monday, 13 December 2021 for registration of transfer.
6. To safeguard the health and safety of attendees and to prevent the spreading of the COVID-19 pandemic, certain precautionary measures will be implemented at the EGM including, without limitation:
 - compulsory body temperature checks
 - wearing of a face mask for each attendee
 - no drinks, refreshments or souvenirs will be provided

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company would like to encourage the Shareholders to exercise their right to vote at the EGM by appointing the Chairman as their proxy instead of attending the EGM in person.

7. If tropical cyclone warning signal no. 8 or above is hoisted, "extreme conditions" caused by super typhoons or a black rainstorm warning signal is in force at 9:00 a.m. on Friday, 17 December 2021, the EGM will not be held on that day but will automatically be postponed and, by virtue of this notice, be held at the same time and place on Monday, 20 December 2021. Shareholders of the Company may call the Company at (852) 2115 7600 during business hours from 9:00 a.m. to 6:30 p.m. on Monday to Friday, excluding public holidays for details of alternative meeting arrangements.

In the event the EGM is postponed as mentioned above, all forms of proxy deposited with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited, for the purpose of the EGM will remain valid for the adjourned EGM. The book closure period for ascertaining the rights of the shareholders of the Company who shall be entitled to attend and vote at the EGM remains unchanged.

The EGM will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force. Shareholders of the Company should make their own decision as to whether they would attend the EGM under bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.

As at the date of this notice, the executive Directors are Mr. Wong Hin Shek (Chairman and Chief Executive Officer), Mr. Cheung Wai Yin, Wilson 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.