

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 stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

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MILLENNIUM PACIFIC GROUP HOLDINGS LIMITED

匯思太平洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8147)

PROPOSALS FOR

- (1) GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES;**
(2) PROPOSED SHARE CONSOLIDATION;
(3) RE-ELECTION OF DIRECTORS;
(4) PROPOSED AMENDMENTS TO THE MEMORANDUM AND THE ARTICLES AND ADOPTION OF THE NEW MEMORANDUM AND ARTICLES;
AND
(5) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the AGM of the Company to be held at Room 815–818, China Insurance Group Building, No. 141 Des Voeux Road, Central, Hong Kong on Wednesday, 28 June 2023 at 11:00 a.m. is set out on pages 31 to 36 of this circular. A form of proxy for use at the AGM is also enclosed with this circular. Such form of proxy is also published on the “Latest Listed Company Information” page of the GEM of the Stock Exchange’s website (www.hkexnews.hk) for at least 7 days from the date of its posting and on the website of the Company (www.mpgroup.hk).

Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

The following precautionary measures will be taken by the Company for the AGM to prevent the spread of coronavirus disease:

- **compulsory body temperature checks**
- **compulsory wearing of face masks (please bring your own)**
- **no provision of refreshments**

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. In the interest of all Shareholders’ health and safety and consistent with the guidelines on prevention and control of coronavirus disease, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, you may appoint the Chairman of the AGM as your proxy to vote on the relevant resolutions at the AGM.

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 of the Stock Exchange 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:

“2021 Convertible Bonds”	the outstanding convertible bonds issued on 2 July 2021 and due on 2 July 2023 in the principal amount of HK\$20,000,000 which could be converted into a total of 166,666,666 Shares at the conversion price of HK\$0.12 per Conversion Share
“2023 Convertible Bonds”	the convertible bonds to be issued in the principal amount of HK\$6,500,000 which could be converted into a total of 203,125,000 Shares at the conversion price of HK\$0.032 per Conversion Share pursuant to the subscription agreement dated 22 May 2023 entered into between the Company and the subscriber
“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at Room 815–818, China Insurance Group Building, No. 141 Des Voeux Road, Central, Hong Kong on Wednesday, 28 June 2023, at 11:00 a.m., the notice of which is set out on pages 31 to 36 of this circular, or any adjournment thereof
“Articles”	the amended and restated articles of association of the Company as currently in force
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System operated by the HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“close associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Company”	Millennium Pacific Group Holdings Limited (匯思太平洋集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM

DEFINITIONS

“Consolidated Share(s)”	ordinary share(s) of HK\$0.016 each in the share capital of the Company upon the Share Consolidation becoming effective
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Conversion Share(s)”	the Shares to be issued by the Company upon conversion of the 2021 Convertible Bonds and 2023 Convertible Bonds respectively
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“GEM”	GEM of the Stock Exchange
“GEM Listing Committee”	the GEM listing sub-committee of the board of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended from time to time
“General Mandates”	the Issue Mandate, the Repurchase Mandate and the Extension Mandate
“Group”	the Company and its subsidiaries
“Guide on Trading Arrangements”	the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Issue Mandate”	the general and unconditional mandate to be granted to the Directors at the AGM to exercise all the power to allot, issue and otherwise deal with new Shares in the Company not exceeding 20% of the total number of issued Shares as at the date of passing of the resolution approving such mandate
“Latest Practicable Date”	31 May 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Memorandum”	the amended and restated memorandum of association of the Company as currently in force
“New Memorandum and Articles”	the second amended and restated memorandum and articles of association proposed to be adopted at the AGM incorporating and consolidating all the Proposed Amendments
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Proposed Amendments”	the proposed amendments to the Memorandum and the Articles as set out in Appendix III to this circular
“Repurchase Mandate”	the general and unconditional mandate to be granted to the Directors at the AGM to repurchase Shares of the Company on the Stock Exchange up to 10% of the total number of issued Shares as at the date of passing of the resolution approving such mandate
“SFC”	The Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share Consolidation”	the consolidation of every ten (10) issued and unissued Shares of HK\$0.0016 each into one (1) Consolidated Share of HK\$0.016 each
“Share(s)”	ordinary share(s) of nominal value of HK\$0.0016 each in the share capital of the Company before the implementation of the Share Consolidation
“Shareholder(s)”	the shareholder(s) of the Company

DEFINITIONS

“Share Option(s)”	share option(s) granted under the Share Option Scheme entitling the holder(s) thereof to subscribe for Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 20 June 2014
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC
“%”	per cent.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation is set out below:

Latest time for lodging transfers of Shares in order to qualify for attendance and voting at the AGM	4:30 p.m. on Wednesday, 21 June 2023
Register of members closes (both days inclusive)	Friday, 23 June to Wednesday, 28 June 2023
Latest time for lodging proxy form for the AGM.....	11:00 a.m. on Monday, 26 June 2023
Date and time of the AGM.....	11:00 a.m. on Wednesday, 28 June 2023
Publication of the announcement of the results of the AGM	Wednesday, 28 June 2023
Effective date of the Share Consolidation.....	Friday, 30 June 2023
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares	Friday, 30 June 2023
Dealing in the Consolidated Shares commences	9:00 a.m. on Friday, 30 June 2023
Original counter for trading in Shares in board lots of 8,000 Shares (in form of existing share certificates) temporarily closes.....	9:00 a.m. on Friday, 30 June 2023
Temporary counter for trading in Consolidated Shares in board lots of 800 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Friday, 30 June 2023
Original counter for trading in the Consolidated Shares in board lots of 8,000 Consolidated Shares (in the form of new share certificates for Consolidated Shares) re-opens.....	9:00 a.m. on Friday, 14 July 2023
Parallel trading in the Shares and Consolidated Shares (in the form of the existing and new share certificates) commences	9:00 a.m. on Friday, 14 July 2023

EXPECTED TIMETABLE

Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares..... 9:00 a.m. on Friday, 14 July 2023

Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares..... 4:00 p.m. on Thursday, 3 August 2023

Temporary counter for trading in board lots of 800 Consolidated Shares (in the form of existing share certificates) closes..... 4:10 p.m. on Thursday, 3 August 2023

Parallel trading in the Shares and the Consolidated Shares (in the form of new and existing share certificates) ends..... 4:10 p.m. on Thursday, 3 August 2023

Last day of free exchange of existing share certificates for new share certificates for the Consolidated Shares 4:30 p.m. on Monday, 7 August 2023

Note:

All times and dates in this circular refer to Hong Kong local times and dates. Shareholders should note that the dates and deadlines specified herein is subject to the satisfaction of all the conditions of the Share Consolidation, including without limitation, the approval of the Share Consolidation by the Shareholders at the AGM, and are therefore for indicative purpose only.

In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the website of the Stock Exchange and on the website of the Company as and when appropriate.

LETTER FROM THE BOARD

MILLENNIUM PACIFIC GROUP HOLDINGS LIMITED

匯思太平洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8147)

Executive Directors:

Mr. Zhou Chuang Qiang
Mr. Chen Yiliang

Independent Non-executive Directors:

Mr. Wong Tik Tung
Mr. Man Wai Lun
Ms. Liang Zhijun

Registered Office:

Windward 3
Regatta Office Park
P.O. Box 1350
Grand Cayman
KY1-1108 Cayman Islands

Headquarter in the PRC:

A709-A22, 7/F., Block A
Jiangsu Building
6013 Yitian Road
Fuxin Community
Lianhua Street
Futian District
Shenzhen, Guangdong Province
PRC

*Principal place of business
in Hong Kong:*

Unit 5, 4/F, Energy Plaza
No. 92 Granville Road
Tsim Sha Tsui East, Kowloon
Hong Kong

6 June 2023

To all Shareholders

Dear Sir or Madam,

- PROPOSALS FOR**
- (1) GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES;**
 - (2) PROPOSED SHARE CONSOLIDATION;**
 - (3) RE-ELECTION OF DIRECTORS;**
 - (4) PROPOSED AMENDMENTS TO THE MEMORANDUM AND THE ARTICLES AND ADOPTION OF THE NEW MEMORANDUM AND ARTICLES;**
 - AND**
 - (5) NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM for the approval of (i) the grant of the Issue Mandate; (ii) the grant of the Repurchase Mandate; (iii) the grant of the Extension Mandate; (iv) the Share Consolidation; (v) the re-elections of Directors; and (vi) the Proposed Amendments and the adoption of the New Memorandum and Articles.

A notice convening the AGM is set out on pages 31 to 36 of this circular.

2. GENERAL MANDATE TO ISSUE SHARES AND REPURCHASE SHARES

Pursuant to the resolutions passed by the Shareholders on 23 June 2022, the Directors were granted (a) a general unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the total number of issued Shares on 23 June 2022; (b) a general unconditional mandate to repurchase Shares not exceeding 10% of the total number of issued Shares on 23 June 2022; and (c) the power to extend the general unconditional mandate mentioned in (a) above by an amount representing the total number of Shares repurchased by the Company pursuant to the mandate to repurchase Shares referred to in (b) above.

The above general mandates will expire at the conclusion of the AGM. At the AGM, the following resolutions, among other matters, will be proposed:

- (a) to grant the Issue Mandate to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with Shares up to a maximum of 20% of the total number of issued Shares as at the date of passing of such resolution;
- (b) to grant the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing of such resolution; and
- (c) to grant the Extension Mandate to the Directors to increase the total number of Shares which may be allotted and issued under the Issue Mandate by an additional number representing such number of Shares repurchased by the Company under the Repurchase Mandate.

The full text of the above resolutions are set out in resolutions paragraphs 5 to 7 as set out in the notice of the AGM contained in pages 31 to 36 of this circular.

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,030,738,970 Shares. On the basis that no further Shares are repurchased or issued from the Latest Practicable Date to the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 103,073,897 Shares and under the Issue Mandate to issue a maximum of 206,147,794 Shares, representing 10% and 20% of the issued Shares as at the Latest Practicable Date respectively.

LETTER FROM THE BOARD

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the date by which the next annual general meeting is required to be held under the Articles or any applicable laws of the Cayman Islands or the GEM Listing Rules; or (c) when the authority given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company following the AGM.

In accordance with the requirements of the GEM Listing Rules, an explanatory statement is set out in Appendix I to this circular containing all the information reasonably necessary for the Shareholders to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate.

3. PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Shares of HK\$0.0016 each in the share capital of the Company will be consolidated into one (1) Consolidated Share of HK\$0.016 each.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$10,000,000 divided into 6,250,000,000 Shares of HK\$0.0016 each, of which 1,030,738,970 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, on the basis that the Company does not allot, issue or repurchase any Shares prior thereto, the authorised share capital of the Company shall become HK\$10,000,000 divided into 625,000,000 Consolidated Shares of HK\$0.016 each, of which 103,073,897 Consolidated Shares will be in issue.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares will not be allocated to the Shareholders who may otherwise be entitled.

Conditions Precedent to the Share Consolidation

The Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the AGM;
- (ii) the GEM Listing Committee granting the approval for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and

LETTER FROM THE BOARD

- (iii) the compliance with all relevant procedures and requirements under the Cayman Islands Law (if applicable) and the GEM Listing Rules to effect the Share Consolidation.

As at the Latest Practicable Date, none of the conditions above had been fulfilled. The Share Consolidation will become effective on 30 June 2023 provided that the conditions mentioned above are fulfilled.

Listing Application

An application will be made by the Company to the GEM Listing Committee for the listing of, and the permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

No part of the equity or debt securities of the Company is listed or dealt in on any other stock exchanges other than the Stock Exchange and no such listing or permission to deal in is being or is currently proposed to be sought.

Other arrangements

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of existing share certificates held by such holder.

Odd lots arrangement and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company has appointed Aristo Securities Limited to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares during the period from Friday, 14 July 2023 at 9:00 a.m. to market closing time on Thursday, 3 August 2023 at 4:00 p.m. (both days inclusive). Shareholders

LETTER FROM THE BOARD

who wish to use this matching service should contact Mr. Yuen Hang Ka of Aristo Securities Limited at Room 101, 1st Floor, On Hong Commercial Building, 145 Hennessy Road, Wan Chai, Hong Kong or at the telephone number (852) 3622 1129 during office hours (i.e. 9:00 a.m. to 5:00 p.m.) of such period.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

No change in board lot size

Currently, the Shares are traded on the Stock Exchange in the board lot size of 8,000 Shares. Upon the Share Consolidation becoming effective, there will be no change in board lot size and the board lot size for trading in the Consolidated Shares will remain as 8,000 Consolidated Shares. Based on the closing price of HK\$0.026 per Share (equivalent to the theoretical closing price of HK\$0.26 per Consolidated Share) as at the Latest Practicable Date, the value of each board lot of the Shares is HK\$208 and the theoretical market value of each board lot of the Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$2,080.

Free exchange of Consolidated Shares' certificates and trading arrangement

Subject to the Share Consolidation becoming effective, the Shareholders may during the period from Friday, 30 June 2023 to Monday, 7 August 2023 (both days inclusive) submit the existing share certificates in the colour of red for the Shares to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong to exchange, at the expense of the Company, for new share certificates in the colour of yellow for the Consolidated Shares.

Thereafter, certificates of the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever is higher.

After 4:10 p.m. on Thursday, 3 August 2023, existing share certificates for the Shares will only remain effective as documents of title and may be exchanged for certificates for Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

LETTER FROM THE BOARD

Adjustments in relation to other securities of the Company

As at the Latest Practicable Date, there were outstanding Share Options for subscription of an aggregate of 128,264,000 Shares under the Share Option Scheme. As a result of the Share Consolidation and pursuant to the terms and conditions of the Share Option Scheme and the GEM Listing Rules, the exercise price and the number of Consolidated Shares to be allotted and issued upon full exercise of the outstanding Share Options will have to be adjusted upon the Share Consolidation becoming effective in the following manner:

Date of grant	Grantees	Number of Shares to be issued upon exercise of the Share Options	Exercise price per Share (HK\$)	Number of Consolidated Shares to be issued upon exercise of the Share Options	Exercise price per Consolidated Share (HK\$)
4 June 2019	Employees	25,192,000	0.2412	2,519,200	2.412
10 June 2022	Employees	93,072,000	0.032	9,307,200	0.32
10 June 2022	Mr. Zhou Chuang Qiang (Director)	10,000,000	0.032	1,000,000	0.32

The Company will appoint the auditor of the Company to review and certify the basis of such adjustment to the exercise price of the outstanding Share Options and the number of Consolidated Shares to be issued upon the exercise of the Share Options in accordance with the requirements of the GEM Listing Rules and the terms of the Share Option Scheme.

As at the Latest Practicable Date, there were outstanding 2021 Convertible Bonds in the principal amount of HK\$20,000,000 which carry rights to convert into approximately 166,666,666 Conversion Shares in full based on the existing conversion price of HK\$0.12 per Conversion Share. On 22 May 2023, the Company issued the announcement in relation to the proposed issue of the convertible bonds in an aggregate principal amount of HK\$6,500,000, which carry rights to convert into 203,125,000 Conversion Shares in full based on the initial conversion price of HK\$0.032 per Conversion Share. The Share Consolidation may lead to adjustments to the conversion price and/or the number of Shares to be issued upon conversion of the outstanding 2021 Convertible Bonds and the 2023 Convertible Bonds (if the Convertible Bonds are issued before the Share Consolidation becoming effective) pursuant to the respective terms and conditions of the 2021 Convertible Bonds and the 2023 Convertible Bonds.

Pursuant to the respective terms and conditions of 2021 Convertible Bonds and the 2023 Convertible Bonds, the conversion price shall be subject to adjustment upon the occurrence of, among others, any alteration of the nominal value of the Shares as a result of consolidation, subdivision or reclassification of the Shares. Accordingly, the Share Consolidation will give rise to the adjustment to the respective conversion price of the

LETTER FROM THE BOARD

2021 Convertible Bonds and the 2023 Convertible Bonds. Pursuant to the respective terms and conditions of the 2021 Convertible Bonds and the 2023 Convertible Bonds, the conversion price shall be adjusted by multiplying the conversion price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

Where:

A = the nominal amount of one issued Share immediately after such alteration; and
B = the nominal amount of one issued Share immediately before such alteration.

Each such adjustment shall be effective from the close of business in Hong Kong on the date immediately preceding the date the alteration takes effect, and no independent valuer shall be appointed and/or involved in the adjustment of the conversion price under such condition.

Based on the conversion price of the 2021 Convertible Bonds of HK\$0.12 per Share as at the Latest Practicable Date and assuming the Share Consolidation has become effective, the conversion price of the 2021 Convertible Bonds will be adjusted to HK\$1.20 per Consolidated Share and the outstanding 2021 Convertible Bonds in the principal amount of HK\$20,000,000 is expected to be convertible into 16,666,666 Consolidated Shares.

Based on the conversion price of the 2023 Convertible Bonds of HK\$0.032 per Share as at the Latest Practicable Date and assuming the Share Consolidation has become effective, the conversion price of the 2023 Convertible Bonds will be adjusted to HK\$0.32 per Consolidated Share and the outstanding 2023 Convertible Bonds in the principal amount of HK\$6,500,000 is expected to be convertible into 20,312,500 Consolidated Shares.

The Company will make further announcement(s) on such adjustment(s) to the Share Options, the 2021 Convertible Bonds and the 2023 Convertible Bonds as and when appropriate pursuant to the GEM Listing Rules.

Save for the aforesaid, the Company has no other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into Shares as at the Latest Practicable Date.

Effect on the shareholding structure of the Company

The following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) upon full conversion of the 2021 Convertible Bonds; (iii) upon full conversion of the 2021 Convertible Bonds and the 2023 Convertible Bonds; and (iv) upon the Share Consolidation becoming effective:

LETTER FROM THE BOARD

	As at the Latest Practicable Date		Upon full conversion of the 2021 Convertible Bonds		Upon full conversion of the 2021 Convertible Bonds and the 2023 Convertible Bonds		Upon the Share Consolidation becoming effective	
	Number of Shares	approx. % of shareholding	Number of Shares	approx. % of shareholding	Number of Shares	approx. % of shareholding	Number of Consolidated Shares	
							approx. % of shareholding	approx. % of shareholding
Martford Limited (note 1)	316,981,250	30.75%	316,981,250	26.47%	316,981,250	22.63%	31,698,125	22.63%
Wu Xiongbin (note 2)	7,802,500	0.76%	174,469,166	14.57%	174,469,166	12.46%	17,446,917	12.46%
Viva Gain Investment Limited (note 3)	—	—	—	—	203,125,000	14.50%	20,312,500	14.50%
Public Shareholders	<u>705,955,220</u>	<u>68.49%</u>	<u>705,955,220</u>	<u>58.96%</u>	<u>705,955,220</u>	<u>50.41%</u>	<u>70,595,522</u>	<u>50.41%</u>
Total	<u><u>1,030,738,970</u></u>	<u><u>100.00%</u></u>	<u><u>1,197,405,636</u></u>	<u><u>100.00%</u></u>	<u><u>1,400,530,636</u></u>	<u><u>100.00%</u></u>	<u><u>140,053,064</u></u>	<u><u>100.00%</u></u>

Notes:

1. The Shares are held by Martford Limited which is wholly and beneficially owned by Mr. Wang Lianghai.
2. On 17 June 2021, Mr. Wu Xiongbin subscribed for the 2021 Convertible Bonds in an aggregate principal amount of HK\$20 million which could be converted into 166,666,666 Conversion Shares at the conversion price of HK\$0.12 per Conversion Share.
3. On 22 May 2023, Viva Gain Investment Limited entered into a subscription agreement with the Company to subscribe for the 2023 Convertible Bonds in an aggregate principal amount of HK\$6,500,000 which could be converted into 203,125,000 Conversion Shares at the conversion price of HK\$0.032 per Conversion Share.

Reasons for the proposed Share Consolidation

According to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting of its securities. The Guide on Trading Arrangements has further stated that market price of the shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules. It has also stated in the Guide on Trading Arrangements that taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000.

Based on the closing price of HK\$0.026 per Share as at the Latest Practicable Date, which is less than HK\$0.10, and board lot size of 8,000 Shares, the existing board lot value is HK\$208, which is lower than HK\$2,000. The Board considers that after the Share Consolidation (resulting in a theoretical price of HK\$0.26 per Consolidated Share), the estimated board lot value will be HK\$2,080.

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In view of the recent trading price of the Shares, the Board considers that the Share Consolidation will enable the Company to comply with the trading requirements under the Listing Rules and reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities trade. The Share Consolidation will increase the nominal value of the Shares and will reduce the total number of Shares currently in issue. It is expected that the Share Consolidation will bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange. The Board believes that the Share Consolidation will make investing in the Shares more attractive to a broader range of investors, and therefore further broaden the shareholder base of the Company.

In view of the above reasons, the Company considers the Share Consolidation is justifiable. Accordingly, the Board is of the view that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole, notwithstanding the potential costs and the impact arising from the creation of odd lots to the Shareholders.

Other corporate actions and fundraising activities in the next twelve months

As at the Latest Practicable Date, (i) the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation; and (ii) the Company does not have any other plan, arrangement, understanding or intention on any fund raising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct equity fund raising exercises when suitable fund raising and/or investment opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

4. RE-ELECTION OF DIRECTORS

According to Article 108 of the Articles, at every annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation provided that every director shall be subject to retirement by rotation at an annual general meeting at least once every three years. A retiring Director shall be eligible for re-election. According to Article 112 of the Articles, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting.

Accordingly, Mr. Wong Tik Tung shall retire from office by rotation at the AGM, and being eligible, will offer himself for re-election. Mr. Chen Yiliang and Ms. Liang Zhijun, who were appointed as an executive Director and an independent non-executive Director respectively by the Board on 29 May 2023, shall hold office until the AGM and shall then be eligible and offer themselves for re-election at the AGM.

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By taking into account the nomination policy of the Company, the Nomination Committee considered that the cultural background, educational background and work experience of each of Mr. Wong Tik Tung, Mr. Chen Yiliang and Ms. Liang Zhijun can bring further contributions to the Board's diversity. The Nomination Committee has also taken into account the structure and size of the Board as well as various diversity aspects, including gender diversity. The Nomination Committee has assessed the independency of the independent non-executive Directors based on the independence criteria as set out in Rule 5.09 of the GEM Listing Rules and reviewed the written confirmations of independence of Mr. Wong Tik Tung and Ms. Liang Zhijun and considered them to be independent. The Nomination Committee has evaluated the performance of the retiring Director Mr. Wong Tik Tung during the year ended 31 December 2022 and satisfied with his performance. The re-appointment of Directors has been reviewed by the Nomination Committee which made recommendation to the Board. Upon the nomination of the Nomination Committee, the Board has recommended Mr. Wong Tik Tung, Mr. Chen Yiliang and Ms. Liang Zhijun to stand for re-election at the AGM. The relevant Directors have abstained from voting on relevant proposals for their re-elections in the decisions made by the Nomination Committee and the Board.

Particulars of each of the Directors proposed to be re-elected at the AGM which are required to be disclosed by the GEM Listing Rules are set out in Appendix II to this circular.

5. PROPOSED AMENDMENTS TO THE MEMORANDUM AND THE ARTICLES AND ADOPTION OF THE NEW MEMORANDUM AND ARTICLES

At the Annual General Meeting, special resolution number 9 of the notice of Annual General Meeting will be proposed in respect of the Proposed Amendments and the proposed adoption of the New Memorandum and Articles.

The Board proposes the Proposed Amendments and the adoption of the New Memorandum and Articles incorporating the Proposed Amendments in substitution for, and to the exclusion of, the Memorandum and the Articles in order to (i) bring the Memorandum and the Articles in line with the amendments made to the applicable laws of the Cayman Islands and the GEM Listing Rules, in particular Appendix 3 to the GEM Listing Rules regarding the core shareholder protection standards which became effective on 1 January 2022; (ii) incorporate certain consequential and housekeeping amendments; and (iii) update and clarify provisions where it is considered desirable. As such, the Board proposes to adopt the New Memorandum and Articles in substitution for the Memorandum and the Articles.

Upon the passing of the resolution of the Proposed Amendments at the AGM, the New Memorandum and Articles will be adopted on 28 June 2023. As the expected effective date of the Share Consolidation, upon the passing of the respective resolution by the Shareholders at the AGM, will be 30 June 2023, the authorised share capital of the Company on the date of adoption of the New Memorandum and Articles still remains at HK\$10,000,000 divided into 6,250,000,000 Shares of HK\$0.0016 each.

Details of the Proposed Amendments are set out in Appendix III to this circular. The Chinese translation of the proposed New Memorandum and Articles is for reference only. In case of any discrepancy or inconsistency between the English version and its Chinese

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translation, the English version shall prevail. The proposed adoption of the New Memorandum and Articles is subject to the passing of a special resolution at the AGM. Prior to the passing of the special resolution at the AGM, the Memorandum and the Articles shall remain valid.

The legal advisers to the Company as to Hong Kong laws have confirmed that the Proposed Amendments comply with the requirements of the GEM Listing Rules and the legal advisers to the Company as to the laws of the Cayman Islands have confirmed that the Proposed Amendments do not violate the applicable laws of the Cayman Islands. The Company has also confirmed that there is nothing unusual about the Proposed Amendments for a company listed in Hong Kong.

6. AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages 31 to 36 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, the granting of the Issue Mandate, the Repurchase Mandate, the Extension Mandate, the re-election of the Directors, and the Proposed Amendments and the adoption of the New Memorandum and Articles.

Pursuant to the GEM Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be made by the Company after the AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the “Latest Listed Company Information” page of the GEM of the Stock Exchange’s website (www.hkexnews.hk) for at least 7 days from the date of its posting and on the website of the Company (www.mpgroup.hk). Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

7. 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.

LETTER FROM THE BOARD

8. RECOMMENDATIONS

The Directors consider that all the proposed resolutions at the AGM, including but not limited to the granting of the Issue Mandate, the Repurchase Mandate, the Extension Mandate, the Share Consolidation and the re-election of the Directors are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

Yours faithfully,
For and on behalf of the Board
Millennium Pacific Group Holdings Limited
Zhou Chuang Qiang
Executive Director

This Appendix serves as an explanatory statement, as required by the GEM Listing Rules, to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,030,738,970 Shares.

The Repurchase Mandate will enable the Directors to repurchase the Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing the relevant ordinary resolution at the AGM. Subject to the passing of the proposed resolution granting the Repurchase Mandate and assuming that no further Shares will be issued or repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 103,073,897 Shares.

2. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interest of the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

Any repurchase by our Company may only be funded out of funds legally available for such purpose in accordance with the Company's memorandum of association, the Articles, the GEM Listing Rules and the applicable laws of the Cayman Islands.

4. EFFECT OF EXERCISING THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2022) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period.

However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which, in the opinion of the Directors, are from time to time appropriate for the Company.

5. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates currently intends to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders at the AGM.

No core connected person has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so if the Repurchase Mandate is approved by the Shareholders at the AGM.

6. DIRECTORS' UNDERTAKING

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

7. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purpose of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Wang Lianghai held 316,981,250 Shares, representing approximately 30.75% of the issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the interests of Mr. Wang Lianghai in the Company would increase to approximate 34.17% of the issued share capital of the Company. Such increase will give rise to an obligation on the part of Mr. Wang Lianghai to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent that would result in any takeover obligation. Besides, the Directors have no present intention to repurchase Shares to an extent which will result in the number of Shares held by the public being reduced to less than 25%.

8. REPURCHASE OF SHARES

No repurchases of Shares have been made by the Company in the six months preceding the Latest Practicable Date, whether on the GEM or otherwise.

9. SHARE PRICES

The highest and lowest prices per Share at which the Shares have traded on GEM during each of the previous twelve months preceding the Latest Practicable Date were as follows:

	Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
May	0.034	0.028
June	0.049	0.025
July	0.046	0.030
August	0.040	0.034
September	0.040	0.036
October	0.038	0.033
November	0.037	0.031
December	0.037	0.031
2023		
January	0.032	0.030
February	0.034	0.027
March	0.033	0.025
April	0.030	0.020
May (up to the Latest Practicable Date)	0.030	0.026

The following are the particulars of the Directors (as required by the GEM Listing Rules) who are subject to re-election at the AGM.

Mr. Wong Tik Tung (“**Mr. Wong**”), aged 66, has been an independent non-executive Director of the Company since 17 July 2017. He has also been the chairman of the remuneration committee and compliance committee of the Company and a member of each of the nomination committee and audit committee of the Company since then. Mr. Wong, FCCA, CPA, has over thirty years’ experience in the fields of accounting, auditing and financial management. Being an accountant in Hong Kong, he is also a fellow member of the Association of Chartered Certified Accountants (ACCA) and an associate member of the Hong Kong Institute of Certified Public Accountants.

Mr. Wong entered into a service agreement with the Company for a term of three years commencing on 17 July 2017 and shall continue thereafter, 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 a director’s fee of HK\$120,000 per annum, which was determined with reference to his relevant qualifications, experience, responsibilities and duties in the Company and the prevailing market benchmarks. The service agreement can be terminated by either party by giving one month’s written notice.

Save as disclosed above, Mr. Wong has not held any directorships in any other public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas, in the last three years and does not have any other major appointment or professional qualifications.

As far as the Directors are aware, Mr. Wong does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules) or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

As at the Latest Practicable Date, Mr. Wong was not interested or deemed to be interested in any Shares or underlying Shares or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above, there is no other information relating to Mr. Wong that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules nor are there any other matters that need to be brought to the attention of the Shareholders and the Stock Exchange.

Mr. Chen Yiliang (“**Mr. Chen**”), aged 35, is mainly engaged in international trade, international settlement, marketing and operation and management of businesses, being familiar with policies on operations relating to customs, immigration, quarantine, taxation and logistics. He has accumulated rich work experience and industry resources in management and leadership positions. He was the vice-president of Shenzhen Smart Wearable Association from 2017 to 2020. Since 2015, he has served as the deputy general manager and general manager of several companies. From 2015 to 2020, he was the director and deputy general manager of Shenzhen Ampeq Technology Company Limited* (深圳市艾普科技有限公司) (an indirect wholly-owned subsidiary of an associate of the Company). He has served as the general manager of Guangzhou Idall Audio and Visual Co., Ltd.* (廣州市愛多影音有限公司) from 2015 to 2023, the general manager of TengXiang (ShenZhen) Technology Co., Ltd.* (騰翔科技(深圳)有限公司) from 2017 to 2023 and the general manager of Shenzhen Guangyi Xiangtong Trading Co., Ltd.* (深圳市廣翊翔通貿易有限公司) from 2020 to 2023.

Mr. Chen entered into a service agreement with the Company for a term of three years commencing on 29 May 2023 and shall continue thereafter, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Mr. Chen is entitled to a director’s fee of HK\$180,000 per annum, which was determined with reference to his relevant qualifications, experience, responsibilities and duties in the Company and the prevailing market benchmarks. The service agreement can be terminated by either party by giving three months’ written notice.

Save as disclosed above, Mr. Chen has not held any directorships in any other public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas, in the last three years and does not have any other major appointment or professional qualifications.

As far as the Directors are aware, Mr. Chen does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules) or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

As at the Latest Practicable Date, Mr. Chen was not interested or deemed to be interested in any Shares or underlying Shares or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above, there is no other information relating to Mr. Chen that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules nor are there any other matters that need to be brought to the attention of the Shareholders and the Stock Exchange.

* For identification purposes only

Ms. Liang Zhijun (“**Ms. Liang**”), aged 32, graduated from the Swan College of Central South University of Forestry and Technology in the PRC in 2013 with a bachelor’s degree in finance, and holds the qualification of intermediate accountant in the PRC. She has extensive experience in accounting practice in the PRC.

Ms. Liang entered into a service agreement with the Company for a term of three years commencing on 29 May 2023 and shall continue thereafter, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles. Ms. Liang is entitled to a director’s fee of HK\$48,000 per annum, which was determined with reference to her relevant qualifications, experience, responsibilities and duties in the Company and the prevailing market benchmarks. The service agreement can be terminated by either party by giving one month’s written notice.

Save as disclosed above, Ms. Liang has not held any directorships in any other public companies, the securities of which are or have been listed on any securities market in Hong Kong or overseas, in the last three years and does not have any other major appointment or professional qualifications.

As far as the Directors are aware, Ms. Liang does not have any relationships with any other Directors, senior management, substantial shareholders (as defined in the GEM Listing Rules) or controlling shareholders (as defined in the GEM Listing Rules) of the Company.

As at the Latest Practicable Date, Ms. Liang was not interested or deemed to be interested in any Shares or underlying Shares or its associated corporations pursuant to Part XV of the SFO.

Save as disclosed above, there is no other information relating to Ms. Liang that is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules nor are there any other matters that need to be brought to the attention of the Shareholders and the Stock Exchange.

Unless otherwise specified, paragraphs and article numbers referred to herein are paragraphs and article numbers of the New Memorandum and Articles respectively. If the serial numbering of the New Memorandum and Articles is changed due to the addition, deletion or re-arrangement of certain paragraphs and articles made in these amendments, the serial numbering as so amended shall be changed accordingly, including cross-references.

A summary of details of the Proposed Amendments to the Memorandum and the Articles are as follows (deletions are shown by way of strikethrough and additions are shown by way of underline).

SUMMARY OF MEMORANDUM AMENDMENTS

(for reference purposes, marked up against the Memorandum, where applicable)

1. To rename the Memorandum as “Second Amended and Restated Memorandum of Association”.
2. To replace the words “Companies Law” wherever they may appear with the words “Companies Act” or “Companies Act (as revised)”.
3. To amend the following paragraph in the Memorandum:

Paragraph 2

2. The registered office ~~will be~~ is situated at the offices of Ocorian Trust (Cayman) Limited, Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands ~~Appleby Trust (Cayman) Ltd., Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands~~ or at such other place in the Cayman Islands as the Directors may from time to time decide.

Paragraph 7

7. The authorised share capital of the Company is HK\$10,000,000 consisting of ~~1,000,000,000~~ 6,250,000,000 shares of ~~HK\$0.0100016~~ each with the power for the Company to increase or reduce the said capital and to issue any part of its capital, original or increased, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions; and so that, unless the condition of issue shall otherwise expressly declare, every issue of shares, whether declared to be preference or otherwise, shall be subject to the power hereinbefore contained.

SUMMARY OF ARTICLES AMENDMENTS

(for reference purposes, marked up against the Articles, where applicable)

1. To rename the Articles as “Second Amended and Restated Articles of Association”.
2. To replace the words “Companies Law” wherever they may appear with the words “Companies Act”.
3. To amend the following paragraphs in the Articles:

Paragraph 1(a)

1. (a) Table “A” of the Companies ~~Law~~ Act (as revised) shall not apply to the Company.

The definition of “Listing Rules” in Article 1(b)

“Listing Rules” shall mean the Rules Governing the Listing of Securities on ~~the Growth Enterprise Market~~ GEM of The Stock Exchange of Hong Kong Limited (as amended from time to time);

The definition of “Relevant Period” in Article 1(b)

“Relevant Period” means the period commencing from the date on which any of the securities of the Company first become listed on the HK Stock Exchange to and including the date immediately before the day on which none of such securities are so listed (and so that if at any time ~~listing trading~~ of any such securities is suspended for any reason whatsoever and for any length of time, they shall nevertheless be treated, for the purpose of this definition, as listed);

Article 1(c)

- (c) At all times during the Relevant Period a resolution shall be a Special Resolution when it has been passed by a majority of not less than $\frac{3}{4}$ of the votes cast by such Shareholders as, being entitled so to do, vote in person or by proxy or, in the cases of Shareholders which are corporations, by their respective duly authorised representatives at a general meeting held in accordance with these Articles of which ~~not less than 21 days’~~ notice, specifying (without prejudice to the power contained in the Articles to amend the same) the intention to propose the resolution as a Special Resolution, has been duly given. ~~Provided that, except in the case of an annual general meeting if it is so agreed by a majority in number of the Shareholders having a right to attend and vote at any such meeting, being a majority together holding not less than 95 % in nominal value of the Shares giving that right (or, in the case of an annual general meeting, by all Shareholders of the Company having that right), a resolution may be proposed and passed as a Special Resolution at a meeting of which less than 21 days’ notice has been given.~~

Article 1(d)

- (d) A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such Shareholders as, being entitled so to do, vote in person or, where proxies are allowed, by proxy or, in the case of any Shareholder being a corporation, by its duly authorised representative at a general meeting held in accordance with these Articles and of which ~~not less than 14 days'~~ notice has been duly given.

Article 6

6. The authorised share capital of the Company on the date of the adoption of these Articles is HK\$10,000,000 divided into ~~1,000,000,000~~6,250,000,000 Shares of HK\$~~0.04~~0.0016 each.

Article 15(b)

- (b)(i) Subject to the provisions of the Companies ~~Act~~Law and the Memorandum of Association of the Company, and to any special rights conferred on the holders of any Shares or attaching to any class of Shares, Shares may be issued on the terms that they may, at the option of the Company or the holders thereof, be liable to be redeemed on such terms and in such manner, including out of capital, as the Board may deem fit.
- (ii) ~~Where the Company purchases for redemption a redeemable Share, purchases not made through the market or by tender shall be limited to a maximum price, and if purchases are by tender, tenders shall be available to all Shareholders alike.~~

Article 62

62. At all times during the Relevant Period ~~other than the year of the Company's adoption of these Articles,~~ the Company shall in each financial year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; ~~and not more than 15 Months (or such longer period as may be authorised by the HK Stock Exchange) shall elapse between the date of one annual general meeting of the Company and that of the next.~~ The annual general meeting must be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the Listing Rules, if any) and shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.

Article 65

65. An annual general meeting ~~of the Company or an extraordinary general meeting called for the passing of a Special Resolution~~ shall be called by at least 21 clear days' notice in writing, and a general meeting of the Company (other than an annual general meeting ~~or an extraordinary general meeting for the passing of a Special Resolution of the Company~~) shall be called by at least 14 clear days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day, the hour and the agenda of the meeting and particulars of the resolutions to be considered at that meeting and in case of special business (as defined in Article 67), the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:

- (a) in the case of a meeting called as the annual general meeting, by all the Shareholders entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the Shares giving that right.

Article 67

67. ~~(a)~~ All business shall be deemed special that is transacted at an extraordinary general meeting and also all business shall be deemed special that is transacted at an annual general meeting with the exception of the following, which shall be deemed ordinary business:-

- ~~(i)~~ the declaration and sanctioning of Dividends;
- ~~(ii)~~ the consideration and adoption of the accounts and balance sheets and the reports of the Directors and Auditors and other documents required to be annexed to the balance sheets;
- ~~(iii)~~ the election of Directors in place of those retiring;
- ~~(iv)~~ the appointment of Auditors;
- ~~(v)~~ the fixing of, or the determining of the method of fixing of the remuneration of the Directors and of the Auditors;

(~~vii~~f) the granting of any mandate or authority to the Board to offer, allot, grant options over, or otherwise dispose of the unissued Shares representing not more than 20% (or such other percentage as may from time to time be specified in the Listing Rules) in nominal value of its then existing issued share capital and the number of any securities repurchased pursuant to paragraph (~~viii~~g) of this Article; and

(~~viii~~g) the granting of any mandate or authority to the Board to repurchase securities of the Company.

Insert Article 67A

67A. All Shareholders have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.

Article 92(b)

(b) Where a Shareholder is a Clearing House (or its nominee(s)), it may (subject to Article 93) authorise such person or persons as it thinks fit to act as its representative or representatives at any meeting of the Company or at any meeting of any class of Shareholders provided that if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such representative is so authorised. A person so authorised pursuant to the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House (or its nominee(s)) which he represents as that Clearing House (or its nominee(s)) could exercise as if such person were an individual Shareholder, including the right to vote and the right to speak~~individually on a show of hands.~~

Article 112

112. The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director so appointed by the Board ~~to fill a casual vacancy~~ shall hold office only until the first annual general meeting of the Company after his appointment and ~~be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.~~

Article 172

172. The Board shall cause proper books of account to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipts and expenditure take place; and of the assets and liabilities of the Company and of all other matters required by the Companies ~~Act~~^{Law} necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions. The financial year end of the Company shall be 31 December in each calendar year or as otherwise determined by the Board.

Article 176

176. (a) ~~The Shareholders may by Ordinary Resolution~~^{Company shall at each annual general meeting} appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditors (if any) may act. The remuneration of the Auditors shall be fixed by the Shareholders in a general meeting by Ordinary Resolution or in such manner as the Shareholders may determine.~~or on the authority of the Company in the annual general meeting except that in any particular year the Company in general meeting may delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Board.~~
- (b) The Shareholders may, at any general meeting convened and held in accordance with these Articles, remove the Auditors by ~~Special~~^{Ordinary} Resolution at any time before the expiration of the term of office and shall, by Ordinary Resolution, at that meeting appoint new auditors in its place for the remainder of the term.

NOTICE OF ANNUAL GENERAL MEETING

MILLENNIUM PACIFIC GROUP HOLDINGS LIMITED

匯思太平洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8147)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM”) of Millennium Pacific Group Holdings Limited (“Company”) will be held at the Room 815–818, China Insurance Group Building, No. 141 Des Voeux Road, Central, Hong Kong, on Wednesday, 28 June 2023 at 11:00 a.m. for the purposes of considering and, if thought fit, passing, with or without modifications, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements and the reports of directors and auditors of the Company for the financial year ended 31 December 2022.
2.
 - (a) To re-elect Mr. Wong Tik Tung as an independent non-executive director of the Company;
 - (b) To re-elect Mr. Chen Yiliang as an executive director of the Company;
 - (c) To re-elect Ms. Liang Zhijun as an independent non-executive director of the Company.
3. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
4. To re-appoint the Company’s auditors and to authorise the board of directors to fix their remuneration.
5. As special business, to consider and, if thought fit, pass, with or without modification, the following resolutions as ordinary resolutions:
 - (A) “**THAT:**
 - (a) subject to paragraph (c) below and in substitution for all previous authorities, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined in this resolution) of all the powers of the Company to allot, issue and otherwise deal with additional shares or securities convertible into shares, options, warrants or similar rights to subscribe for any shares, and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of shares upon the exercise of options which may be granted under any share option scheme or under any option scheme or similar arrangement for the time being adopted for the grant or issue to directors, officers and/or employees of the Company and/or any of its subsidiaries or any other person of shares or rights to acquire shares of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (iv) any adjustment, after the date of grant or issue of any options, rights to subscribe or other securities referred to above, in the price at which shares in the Company shall be subscribed, and/or in the number of shares in the Company which shall be subscribed, on exercise of relevant rights under such options, warrants or other securities, such adjustment being made in accordance with, or as contemplated by, the terms of such options, rights to subscribe or other securities; or (v) any issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into shares of the Company, or (vi) a specific authority granted by the shareholders of the Company in general meeting, shall not exceed 20% of the total number of issued Shares on the date of the passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of Cayman Islands to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares of the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject in all cases to such exclusions or other arrangements as the directors of the Company 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).”

6. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of the Company on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with the rules and regulations of the Securities and Futures Commission of Hong Kong, the Stock Exchange, the Companies Law (as revised) of the Cayman Islands and all other applicable laws in this regard, be and is hereby generally and unconditionally approved;
- (b) the total number of Shares is authorised to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of issued Shares on the date of the passing of this resolution, and the authority granted pursuant to paragraph (a) above shall be limited accordingly;

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this resolution, “**Relevant Period**” means the period from passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of Cayman Islands to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- 7. “**THAT** conditional upon the ordinary resolutions set out in resolutions nos. 5 and 6 above being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with shares of the Company pursuant to the resolution no. 5 above be and is hereby extended by the addition to the total number of Shares which may be allotted by the directors of the Company pursuant to such general mandate of an amount representing the total number of Shares repurchased by the Company under the authority granted pursuant to the resolution no. 6 above, provided that such extended amount shall not exceed 10% of the total number of issued Shares the date of the passing of this resolution.”

- 8. “**THAT**
 - (a) subject to and conditional upon the granting of approval by the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares (as defined below) of the Company;
 - (b) with effect from the second trading day of the Stock Exchange immediately following the date on which this resolution is passed or the date at which the above condition is fulfilled (whichever is the later), every ten (10) issued and unissued ordinary shares of HK\$0.0016 each in the share capital of the Company (the “**Existing Share(s)**”) be consolidated into one (1) ordinary share of HK\$0.016 (each a “**Consolidated Share**”), such Consolidated Shares ranking pari passu in all respects with each other (“**Share Consolidation**”);
 - (c) All entitlements to fractional Consolidated Shares will be disregarded and will not be issued to the holders of the Existing Shares but all fractional Consolidated Shares will be aggregated, sold and retained for the benefit of the Company, if possible and acceptable; and
 - (d) the directors of the Company be and is hereby authorised to do all such acts and things and execute all such documents, including under seal where applicable, as they consider necessary, desirable or expedient to give effect to the Share Consolidation.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTIONS

9. To consider and, if thought fit, passing with or without amendments, the following resolutions as special resolutions:

“**THAT:**

- (a) the proposed amendments (the “**Proposed Amendments**”) to the existing amended and restated memorandum of association and amended and restated articles of association of the Company (the “**Memorandum and Articles**”), the details of which are set forth in Appendix III to the circular of the Company dated 6 June 2023 (the “**Circular**”), be and are hereby approved;
- (b) the second amended and restated memorandum of association and second amended and restated articles of association of the Company (incorporating the Proposed Amendments) (the “**New Memorandum and Articles**”) in the form of the document marked “A” and produced to this meeting and for the purpose of identification initialled by the chairman of the meeting, be and are hereby approved and adopted as the new memorandum and articles of association of the Company in substitution for, and to the exclusion of, the Memorandum and Articles respectively with immediate effect; and
- (c) any one director, secretary or registered office provider of the Company be and is hereby authorised to do all such acts and things and execute all such documents, deeds and make all such arrangements that he/she shall, in his/her absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the New Memorandum and Articles and to make relevant registrations and filings in accordance with the relevant requirements of the applicable laws, rules and regulations in the Cayman Islands and Hong Kong.”

By order of the Board
Millennium Pacific Group Holdings Limited
Zhou Chuang Qiang
Executive Director

Hong Kong, 6 June 2023

Registered Office:

Windward 3
Regatta Office Park
75 Fort Street
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

Headquarters in the PRC:

A709-A22, 7/F., Block A
Jiangsu Building
6013 Yitian Road
Fuxin Community
Lianhua Street
Futian District
Shenzhen
Guangdong Province
PRC

Principal Place of Business

in Hong Kong:
Unit 5, 4/F, Energy Plaza
No. 92 Granville Road
Tsim Sha Tsui East, Kowloon
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the AGM is entitled to appoint another person as his proxy to attend and vote instead of his. A shareholder who is the holder of 2 or more shares may appoint more than one proxy to represent him and vote on his behalf at the AGM. A proxy need not be a member of the Company.
2. Whether or not you intend to attend the AGM in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending and voting in person at the AGM and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
3. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
4. In the case of joint holders of shares, any one of such joint holders may vote at the AGM, either in person or by proxy, in respect of such share as if he/she/it was solely entitled thereto, but if more than one of such joint holders are present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
5. The registers of members of the Company will be closed from Friday, 23 June 2023 to Wednesday, 28 June 2023 (both days inclusive) during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged for registration with Tricor Investor Services Limited at the above address not later than 4:30 p.m. on Wednesday, 21 June 2023.
6. All the resolutions set out in this notice shall be decided by way of poll.

As at the date of this notice, the executive Directors are Mr. Zhou Chuang Qiang and Mr. Chen Yiliang; and the independent non-executive Directors are Mr. Man Wai Lun, Mr. Wong Tik Tung and Ms. Liang Zhijun.

This notice, 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 notice 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 notice misleading.

This notice will remain on the "Latest Listed Company Information" page of the GEM of the Stock Exchange's website (<http://www.hkexnews.hk>) for at least 7 days from the date of its posting and on the website of the Company (<http://www.mpgroup.hk>).