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

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

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

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**SIMPLICITY HOLDING LIMITED**  
**倩碧控股有限公司\***  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 8367)**

**CAPITAL REORGANIZATION**  
**AND**  
**NOTICE OF EXTRAORDINARY GENERAL MEETING**

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A notice convening the extraordinary general meeting of the Company to be held at Orange Financial Printing Limited, Unit 1103-06, China Building, 29 Queen's Road Central, Central, Hong Kong on Friday, 3 January 2025 at 2:30 p.m., is set out on pages 15 to 18 of this circular. Whether or not you propose to attend the meeting, you are advised to complete the form of proxy attached to the notice of the extraordinary general meeting in accordance with the instructions printed thereon and return the same to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the extraordinary general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting should you so wish.

\* *For identification purpose only*

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## CHARACTERISTICS OF GEM

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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

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

“Board”	the board of Directors
“Business day”	a day (excluding Saturday) upon which banks are open for business in Hong Kong
“Capital Reduction”	the proposed share capital reduction by rounding down the total number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by cancelling any fraction of a Consolidated Share in the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation and reducing the par value of each issued Consolidated Share from HK\$0.20 to HK\$0.0001 by cancelling the paid up share capital to the extent of HK\$0.1999 on each issued Consolidated Share
“Capital Reorganization”	the proposed capital reorganization of the Company’s share capital involving (i) the Share Consolidation; (ii) the Capital Reduction and (iii) the Sub-division
“CCASS”	the Central Clearing and Settlement System established and operated by the HKSCC
“Companies Act”	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the laws of Cayman Islands
“Company”	Simplicity Holding Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Consolidated Shares”	new ordinary share(s) of par value HK\$0.20 each in the share capital of the Company after the Share Consolidation becoming effective but before the Capital Reduction and Sub-division becoming effective
“Court”	the Grand Court of the Cayman Islands

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## DEFINITIONS

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“Directors”	the directors of the Company and each a “Director”
“EGM”	the extraordinary general meeting of the Company to be held at Orange Financial Printing Limited, Unit 1103–06, China Building, 29 Queen’s Road Central, Central, Hong Kong on Friday, 3 January 2025 at 2:30 p.m. to consider and, if thought fit, approve the Capital Reorganization
“Existing Share(s)”	ordinary share(s) of par value HK\$0.01 each in the share capital of the Company before the Share Consolidation becoming effective
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administration Region of the People’s Republic of China
“Latest Practicable Date”	13 December 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“New Share(s)”	new ordinary share(s) of par value HK\$0.0001 each in the share capital of the Company after the Capital Reduction and Sub-division becoming effective
“Share(s)”	Existing Share(s) or Consolidated Share(s) or New Share(s), as the case may be

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## DEFINITIONS

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“Share Consolidation”	the proposed consolidation of every twenty (20) issued and unissued Shares into one (1) Consolidated Share in the share capital of the Company
“Shareholders”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Sub-division”	the proposed sub-division of each authorized but unissued Consolidated Share into 2,000 New Shares of par value HK\$0.0001 each
“Terminated Option Scheme”	the share option scheme adopted by the Company on 14 June 2013 and terminated on 18 January 2024
“%”	per cent

*In this circular, references to masculine gender include references to the feminine and neuter gender and references to the singular include references to the plural and vice versa.*

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## EXPECTED TIMETABLE

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*Set out below is an indicative timetable for the implementation of the Capital Reorganization. The timetable is subject to the results of the EGM and other changes. The Company will notify the Shareholders of any significant changes to the expected timetable by way of announcement(s) as and when appropriate.*

Despatch of circular with notice of EGM . . . . . On or before Wednesday, 18 December 2024

Latest time for lodging transfers of Shares in order  
to qualify for EGM . . . . . 4:30 p.m. on Friday, 27 December 2024

Register of members closes (both days inclusive) . . . . . From Monday, 30 December 2024 to  
Friday, 3 January 2025

Latest time for lodging proxy form. . . . . 2:30 p.m. on Wednesday, 1 January 2025

Record date for EGM . . . . . Friday, 3 January 2025

Date of EGM. . . . . 2:30 p.m. on Friday, 3 January 2025

Announcement on results of EGM . . . . . Friday, 3 January 2025

Effective date for the Share Consolidation . . . . . Tuesday, 7 January 2025

First day for free exchange of existing share certificates  
for new share certificates . . . . . Tuesday, 7 January 2025

Dealing in Consolidated Shares commences . . . . . 9:00 a.m. Tuesday, 7 January 2025

Original counter for trading in Shares in board lots  
of 10,000 Shares (in the form of existing share certificates)  
temporarily closes . . . . . 9:00 a.m. Tuesday, 7 January 2025

Temporary counter for trading in Consolidated Shares  
in board lots of 500 Consolidated Shares (in the form  
of existing share certificates) opens . . . . . 9:00 a.m. Tuesday, 7 January 2025

Original counter for trading in Consolidated Shares  
in board lots of 10,000 Consolidated Shares (in the form  
of new share certificates) re-opens . . . . . 9:00 a.m. Tuesday, 21 January 2025

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## EXPECTED TIMETABLE

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Parallel trading in Consolidated Shares  
(in the form of new share certificates and  
existing share certificates) commences . . . . . 9:00 a.m. Tuesday, 21 January 2025

Designated broker starts to stand in the market to provide  
matching services for odd lots of Consolidated Shares . . . . 9:00 a.m. Tuesday, 21 January 2025

Designated broker ceases to stand in the market to provide  
matching services for odd lots of Consolidated Shares . . 4:00 p.m. Thursday, 13 February 2025

Temporary counter for trading in Consolidated Shares in  
board lots of 500 Consolidated Shares (in the form of  
existing share certificates) closes. . . . . 4:10 p.m. Thursday, 13 February 2025

Parallel trading in Consolidated Shares in the form of new share  
certificates and existing share certificates closes . . . . . 4:10 p.m. Thursday, 13 February 2025

Last day for free exchange of existing share certificates  
for new share certificates . . . . . Monday, 17 February 2025

*The following events are conditional on the results of the EGM and the approval of the Court to the Capital Reduction (if required under the Companies Act). If approval of the Court for the Capital Reduction is required under the Companies Act, it may take approximately 2 to 3 months for the Company to obtain hearing dates before the Court which will be subject to the availability of the Court over which the Company has no control. The dates are therefore tentative.*

Effective date for the Capital Reduction and Sub-division. . . . . After 4:00 p.m. on  
Friday, 16 May 2025



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**LETTER FROM THE BOARD**

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**SIMPLICITY HOLDING LIMITED**

**倩碧控股有限公司\***

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

**(Stock Code: 8367)**

*Executive Directors:*

Mr. Choi Pun Lap

Mr. Leung Wai Tai

*Independent Non-Executive Directors:*

Mr. Lo Cheuk Fei Jeffrey

Mr. Cheung Hiu Fung

*Registered Office:*

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman

KY1-1111

Cayman Islands

*Principal place of business in Hong Kong:*

35/F, Central Plaza,

18 Harbour Road,

Wanchai, Hong Kong

18 December 2024

*To Shareholders of the Company*

Dear Sir or Madam,

**CAPITAL REORGANIZATION  
AND  
NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

Reference is made to the announcement of the Company dated 29 November 2024 that the Board proposes to effect the Capital Reorganization.

The purpose of this circular is to provide you with information regarding the Capital Reorganization and the notice of EGM for the purpose of considering and, if thought fit, approving the resolutions relating to the Capital Reorganization.

\* For identification purpose only

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## LETTER FROM THE BOARD

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### CAPITAL REORGANIZATION

The Board proposed to reorganize the share capital of the Company in the following manner:

1. the Shares will be consolidated on the basis that every 20 issued and unissued Shares of par value HK\$0.01 each will be consolidated into one Consolidated Share of par value HK\$0.20 each;
2. subject to and after the Share Consolidation becomes effective, to conduct a capital reduction by (i) rounding down the total number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by cancelling any fraction of a Consolidated Share in the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation and (ii) reducing the par value of each issued Consolidated Share of HK\$0.20 to HK\$0.0001 by cancelling the paid-up share capital to the extent of HK\$0.1999 on each issued Consolidated Share; and
3. upon the Capital Reduction becoming effective, each authorized but unissued Consolidated Share will be sub-divided into 2,000 New Shares of par value HK\$0.0001 each.

### Effects of the Capital Reorganization

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$20,000,000 divided into 2,000,000,000 Shares of par value HK\$0.01 each, of which 1,150,839,695 Shares are in issue and are fully paid or credited as fully paid. Assuming no further Shares will be issued or repurchased after the Latest Practicable Date, after the Share Consolidation becoming effective but before the Capital Reduction and Sub-division becoming effective, the authorized share capital of the Company will be HK\$20,000,000 divided into 100,000,000 Consolidated Shares of par value HK\$0.20 each, of which 57,541,984 Consolidated Shares (with a fraction of 0.75 Consolidated Share) will have been issued and fully paid or credited as fully paid.

After the Capital Reduction and Sub-division becoming effective, the authorized share capital of the Company will be HK\$20,000,000 divided into 200,000,000,000 New Shares of par value HK\$0.0001 each, of which 57,541,984 New Shares will have been issued and fully paid or credited as fully paid.

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## LETTER FROM THE BOARD

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Assuming no further Shares will be issued or repurchased after the Latest Practicable Date, a credit of approximately HK\$11.50 million will arise as a result of the Capital Reduction. Such credit will be transferred to a distributable reserve account of the Company. The account will be applied by the Directors for such purposes permitted under the applicable laws.

The Consolidated Shares and New Shares will rank *pari passu* in all respects with each other in accordance with the Company's memorandum and articles of association. Fractional Consolidated Shares will be disregarded and not issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Consolidated Shares regardless of the number of share certificates held by such holder.

Other than the expenses to be incurred in relation to the Capital Reorganization, the implementation thereof will not alter the underlying assets, business operations or management of the Company or the interests or rights of the Shareholders. The Board believes that the Capital Reorganization will not have any material adverse effect on the financial position of the Company.

Based on the board lot size of 10,000 which the Shares are currently trading and the closing price of the Shares of HK\$0.018 as at the Latest Practicable Date, the expected board lot value immediately before and after the Share Consolidation becoming effective will be HK\$180 and HK\$3,600 respectively.

### **Conditions for Capital Reorganization**

The Share Consolidation is conditional upon the following:

1. the passing of the ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM;
2. the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Share Consolidation; and
3. the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the fulfilment of the above conditions, the effective date of the Share Consolidation is expected to be Tuesday, 7 January 2025, being the second business day immediately following the fulfillment of the above conditions.

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## LETTER FROM THE BOARD

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The Capital Reduction and Sub-division are conditional upon the following:

1. the Share Consolidation has become effective;
2. the passing of a special resolution to approve the Capital Reduction and the Share Sub-division by the Shareholders at the EGM;
3. the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reduction and the Share Sub-division;
4. if required under the Companies Act, the Court granting an order confirming the Capital Reduction;
5. if applicable, compliance with any conditions which the Court may impose in relation to the Capital Reduction;
6. if required under the Companies Act, registration by the Registrar of Companies in the Cayman Islands of a copy of the order of the Court confirming the Capital Reduction and the minutes approved by the Court containing the particulars required under the Companies Act with respect to the Capital Reduction; and
7. the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Capital Reduction and Share Sub-division.

The Capital Reduction and the Share Sub-division will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Share Consolidation, the Capital Reduction and the Share Sub-division at the EGM, the legal advisers to the Company (as to Cayman Islands law) will, if required under the Companies Act, apply to the Court for hearing date(s) to confirm the Capital Reduction and further announcement(s) will be made by the Company on the preliminary timetable as soon as the Court hearing dates are confirmed.

On 11th March 2024, the Cayman Islands government issued the Companies (Amendment) Act, 2024 (the “**Amendment Act**”). The Amendment Act seeks to amend the Companies Act to address various matters, including the streamlining of the share capital reduction process. The Amendment Act introduces a new alternative method for share capital reduction in addition to the existing court-sanctioned procedure. A Cayman Islands exempted company, such as the Company, may reduce its share capital by a special resolution of members supported by a solvency statement from its directors. The solvency statement must be made no more than 30 days before the date of the special resolution for reducing share capital. The effective date of the Amendment Act is yet to

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## LETTER FROM THE BOARD

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be announced as of the Latest Practicable Date. If the Amendment Act becomes effective before the Capital Reorganization takes effect, subject to compliance with the solvency requirement as described and any other applicable requirements, the Company may no longer be required to obtain the approval of the Court for the Capital Reduction. If this becomes the case, the Company will make further announcement on the implication of such changes to the Capital Reorganization.

### **Listing Application**

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares and New Shares arising from the Capital Reorganization.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares and New Share on the Stock Exchange, the Consolidated Shares and New 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 and New Shares on the Stock Exchange or, under contingent situation, 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 trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the equity or debt securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

### **EXPECTED TIMETABLE**

The expected timetable for the implementation of the Capital Reorganization is set out on pages 4 of this circular.

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## LETTER FROM THE BOARD

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### REASONS FOR THE CAPITAL REORGANIZATION

According to GEM Rule 17.76 of the GEM Listing Rules, where the market price of the securities of the 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. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchanges and Clearing Limited on 28 November 2008 and last updated on 1 October 2020 states that (i) market price of the Shares at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value per board lot should be greater than HK\$2,000.

In view of the prevailing trading prices of the Existing Shares, the Board proposes to implement the Capital Reorganization. It is expected that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange. As a result, the proposed Share Consolidation would enable the Company to comply with the trading requirements under the GEM Listing Rules. Based on the closing price of HK\$0.018 per Existing Share (equivalent to HK\$0.36 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the expected market value of each board lot of 10,000 Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$3,600, which is greater than HK\$2,000 and complies with the requirement as set out in the said “Guide on Trading Arrangements for Selected Types of Corporate Actions”.

In addition, the Company is prohibited from issuing new shares at below their par value under the Company’s articles of association and the Companies Act. The Capital Reduction will give the Company greater flexibility in pricing any future issue of shares.

Although the Share Consolidation may lead to the creation of odd lots of Shares, the Company will appoint a securities firm as agent to provide matching services for odd lots of Shares for a period of not less than three weeks, which will alleviate the difficulties caused by the creation of odd lots of Shares.

In view of the above, the Board considers that the Capital Reorganization is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate actions in the next twelve months which may have an effect of undermining or negating the intended purpose of the Capital Reorganization. Other than the proposed placing of new Shares announced by the Company on 18 November 2024, the Company does not have any concrete plan to conduct any fundraising activities in the next twelve months. However, the Board cannot rule

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## LETTER FROM THE BOARD

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out the possibility that the Company will conduct debt and/or equity fundraising exercises when suitable opportunities arise in order to support future development of the Group. The Company will make further announcement(s) in this regard in accordance with the GEM Listing Rules as and when appropriate.

### **ARRANGEMENT ON ODD LOT TRADING**

In order to facilitate the trading of odd lots of the Consolidated Shares, the Company has appointed Cheong Lee Securities Limited, as an agent to provide matching service, on a best effort basis, for the sale and purchase of odd lots of Consolidated Shares arising from the Capital Reorganization. Shareholders who wish to take advantage of this facility should contact Miss Yu of Cheong Lee Securities Limited at Room 16B, 16/F., Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong at telephone number 3426 2664 during office hours. Shareholders should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Please refer to the section headed “EXPECTED TIMETABLE” on pages 4 to 5 of this circular for the period during which the Company will provide matching service for the sale and purchase of odd lots of the Consolidated Shares.

### **EXCHANGE OF SHARE CERTIFICATES**

The new share certificates will be in the colour of purple in order to distinguish them from the existing share certificates which are green in colour. Subject to the Share Consolidation becoming effective, Shareholders may during the prescribed period submit share certificates for Existing Shares to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, to exchange, at the expense of the Company, for certificates of the Consolidated Shares (on the basis of twenty (20) existing Shares for one (1) Consolidated Share) within the prescribed time. Thereafter, certificates of Shares will remain effective as documents of title but 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) per certificate issued or cancelled, whichever is higher, payable by Shareholders.

### **ADJUSTMENTS TO SHARE OPTIONS**

As at the Latest Practicable Date, there are outstanding share options granted under the Terminated Option Scheme to subscribe for 80,000,000 new Shares. The auditor of the Company or an independent financial adviser will be engaged by the Company in accordance with the terms of the Terminated Option Scheme to certify in writing as to the adjustments (if any) required to be made in respect of the share options as a result of the Capital Reorganization. The Company will make further announcements about the adjustments in due course.

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## LETTER FROM THE BOARD

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### **EGM**

A notice convening the EGM is set out on pages 15 to 18 of this circular. All resolutions to be proposed at the EGM will be voted on by poll.

A form of proxy for the EGM is enclosed with this circular. Whether or not you intend to be present at the EGM, you are advised to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the EGM. The completion and delivery of a form of proxy will not preclude you from attending and voting at the meeting in person.

As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required under the GEM Listing Rules to abstain from voting on the proposed resolution(s) at the EGM.

### **CLOSURE OF REGISTER OF MEMBERS**

For the purpose of determining Shareholders' entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 30 December 2024 to Friday, 3 January 2025 (both days inclusive), during which period no transfer of Shares will be registered. In order to be entitled to attend and vote at the EGM, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 27 December 2024.

### **RECOMMENDATION**

The Directors are of the opinion that the proposed Capital Reorganization is in the interest of the Company and the Shareholders as a whole and so recommend you to vote in favour of the resolutions to be proposed at the EGM.



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## LETTER FROM THE BOARD

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### 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,  
On behalf of the Board of  
**Simplicity Holding Limited**  
**Choi Pun Lap**

*Executive Director and Company Secretary*

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

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### SIMPLICITY HOLDING LIMITED

倩碧控股有限公司\*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8367)

**NOTICE IS HEREBY GIVEN THAT** an extraordinary general meeting of Simplicity Holding Limited (the “**Company**”) will be held at Orange Financial Printing Limited, Unit 1103-06, China Building, 29 Queen’s Road Central, Central, Hong Kong on Friday, 3 January 2025 at 2:30 p.m. to consider and, if thought fit, to pass with or without amendments, the following resolutions:

#### ORDINARY RESOLUTION

1. “**THAT** subject to and conditional upon the Listing Committee of The Hong Kong Stock Exchange Limited granting approval for the listing of, and permission to deal in, the Consolidated Shares (as defined below), with effect from the second Business Day (as defined in the circular of the Company dated 18 December 2024, the “**Circular**”) after the passing of this resolution:
  - (a) every twenty (20) issued and unissued Shares of par value HK\$0.01 each in the share capital of the Company be consolidated into one (1) share of par value HK\$0.20 each (each a “**Consolidated Share**”) (the “**Share Consolidation**”) so that the authorised share capital of the Company shall change from HK\$20,000,000 divided into 2,000,000,000 Shares of par value HK\$0.01 each to HK\$20,000,000 divided into 100,000,000 Consolidated Shares of par value HK\$0.20 each, and such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the memorandum and articles of association of the Company; and
  - (b) the directors (“**Directors**”) of the Company be and are hereby authorised to do all such acts, deeds and things and execute all such documents (including under seal where appropriate) and to effect all necessary actions as they may consider necessary or desirable in order to effect, implement and complete any and all of the foregoing, including without limitation, to make arrangements for the settlement and disposal of fractional entitlements, if any, arising from the Share Consolidation.”

\* For identification purpose only

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### SPECIAL RESOLUTION

2. **“THAT** as a special resolution, subject to and conditional upon (i) the passing of resolution numbered 1 above and the Share Consolidation has become effective; (ii) if required under the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands (**“Companies Act”**), an order being made by the Grand Court of the Cayman Islands (**“Court”**) confirming the Capital Reduction (as defined below) and if applicable, compliance with any condition which the Court may impose in relation to the Capital Reduction (as defined below); (iii) if required under the Companies Act, registration by the Registrar of Companies of Cayman Islands of the order of the Court confirming the Capital Reduction and the minute approved by the Court containing the particulars required under the Companies Act of Cayman Islands in respect of the Capital Reduction (as defined below); (iv) the Listing Committee of The Hong Kong Stock Exchange Limited granting approval for the listing of, and permission to deal in, the New Shares (as defined below); and (v) the compliance with all procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules (as defined in the Circular) to effect the Capital Reduction (as defined below) and Share Sub-division (as defined below), upon the date on which the aforesaid conditions are fulfilled:
- (a) the issued share capital of the Company shall be reduced by rounding down the total number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by cancelling any fraction of a Consolidated Share in the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation and the par value of each issued Consolidated Share in the share capital of the Company be reduced from HK\$0.20 to HK\$0.0001 (each a **“New Share”**) by cancelling paid-up capital to the extent of HK\$0.1999 on each issued Consolidated Share (**“Capital Reduction”**) and any liability of the holders of such shares to make any further contribution to the capital of the Company on each such share shall be treated as satisfied and that the amount of issued capital thereby cancelled be made available for issue of new shares of the Company;
- (b) immediately following the Capital Reduction, each of the then authorized but unissued Consolidated Shares of par value HK\$0.20 each in the capital of the Company be sub-divided into 2,000 New Shares of HK\$0.0001 each (**“Sub-division”**) so that immediately following the Capital Reduction and Sub-division, the authorised share capital of the Company shall become HK\$20,000,000 divided into 200,000,000,000 New Shares of HK\$0.0001 each;

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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- (c) the credit arising from the Capital Reduction be transferred to a distributable reserve account of the Company which may be utilised by the Directors in accordance with memorandum and the articles of association of the Company and all applicable laws, including, without limitation, eliminating or setting off the accumulated losses of the Company from time to time;
- (d) each New Share shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the memorandum and articles of association of the Company; and
- (e) the Directors be and are hereby authorised to do all such acts, deeds and things and execute all such documents (including under seal where appropriate) and to effect all necessary actions as they may consider necessary or desirable in order to effect, implement and complete any and all of the foregoing.”

By order of the Board  
**Simplicity Holding Limited**  
**Choi Pun Lap**

*Executive Director and Company Secretary*

Hong Kong, 18 December 2024

*Notes:*

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association, vote in his stead. A proxy need not be a member of the Company but must be an individual and be present in person at the meeting to represent the member. If more than one proxy is appointed, the appointment shall specify the number of Shares in respect of which each of such proxy is so appointed.
2. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the office of Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the meeting or adjourned meeting.
3. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting, and in such event the instrument appointing a proxy shall be deemed to be revoked.
4. For the purpose of determining shareholders' entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Monday, 30 December 2024 to Friday, 3 January 2025 (both days inclusive), during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the meeting, shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 27 December 2024.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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*As at the date of this notice, the executive Directors of the Company are Mr. Choi Pun Lap and Mr. Leung Wai Tai; and the independent non-executive Directors of the Company are Mr. Lo Cheuk Fei Jeffrey and Mr. Cheung Hiu Fung.*

*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 Stock Exchange's website at <http://www.hkexnews.hk> on the "Latest Listed Company Information" page for at least seven days from the date of its publication and posting and will be published and remains on the website of the Company at <http://www.simplicityholding.com>.*

*\* For identification purposes only*