
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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Sterling Group Holdings Limited
美臻集團控股有限公司*

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1825)

**PROPOSED GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Sterling Group Holdings Limited to be held at 19/F., Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on 31 August 2022 (Wednesday) at 10:00 a.m. is set out on pages 17 to 20 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company at www.sterlingapparel.com.hk. Whether or not you are able to attend such meeting, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or authority, to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the form of proxy will be lodged before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the form of proxy will be lodged on or after 15 August 2022) as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at such meeting or any adjourned meeting thereof (as the case may be) should you so wish.

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PRECAUTIONARY MEASURES FOR ANNUAL GENERAL MEETING

Due to the constantly evolving COVID-19 pandemic situation, the Company may need to take certain precautionary measures at the venue of the annual general meeting (“AGM”) to ensure the safety of attendees, including (but not limited to) requiring all attendees to scan the “LeaveHomeSafe” venue and vaccination record QR codes and comply with requirements under the directions issued pursuant to the Prevention and Control of Disease (Vaccine Pass) Regulation (Chapter 599L of the Laws of Hong Kong), have body temperature check and wear face masks. In addition, no refreshments will be served and no corporate gift will be distributed at the AGM. The Company reserves the right to deny admission to the AGM venue if any person does not comply with the precautionary measures to be taken at the AGM or such person is subject to any Hong Kong Government prescribed quarantine.

LIMITING ATTENDANCE IN PERSON AT THE VENUE OF THE AGM

The Company will limit attendance in person at the venue of the AGM in compliance with the requirement(s) under the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation (Chapter 599G of the Laws of Hong Kong) prevailing at the time of the AGM. Given the limited capacity of the venue of the AGM and the requirements for social distancing to ensure the attendees’ safety, only Shareholders and/or their representatives and the relevant AGM staff will be admitted to the AGM on a first-come-first-serve basis. Admission to the venue of the AGM will not be granted in excess of the capacity of the venue of the AGM.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 19/F., Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on 31 August 2022 (Wednesday) at 10:00 a.m., the notice of which is set out on pages 17 to 20 of this circular, or any adjourned meeting thereof;
“Articles of Association”	the articles of association of the Company as amended and restated, supplemented or modified from time to time;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Company”	Sterling Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 1825);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with additional Shares of up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate;

DEFINITIONS

“Latest Practicable Date”	15 July 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular;
“Listing Date”	19 October 2018, the date on which the issued Shares were initially listed;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the AGM to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.

LETTER FROM THE BOARD

Sterling Group Holdings Limited
美臻集團控股有限公司*

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1825)

Executive Directors:

Ms. Wong Mei Wai Alice (*Chairperson*)
Mr. Siu Yik Ming
Mr. Chung Sam Kwok Wai

Independent non-executive Directors:

Mr. Chan Kee Huen Michael
Mr. Tsang Ho Yin
Ms. Zhang Lingling
Mr. Choi Wai Hin

Registered Office:

2nd Floor, Century Yard
Cricket Square
P.O. Box 902
Grand Cayman KY1-1103
Cayman Islands

*Headquarters and principal of
business in Hong Kong:*

18–19/F., Win Plaza
9 Sheung Hei Street
San Po Kong
Kowloon
Hong Kong

22 July 2022

To the Shareholders

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM for: (i) the granting of the Issue Mandate and the Repurchase Mandate; (ii) the extension of the Issue Mandate by adding to it the aggregate nominal amount of the issued Shares repurchased by the Company under the Repurchase Mandate; and (iii) the re-election of the retiring Directors.

* *For identification purpose only*

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

The existing general mandates to issue and repurchase Shares will expire at the conclusion of the AGM. Accordingly, the following ordinary resolutions will be proposed at the AGM to seek the approval from Shareholders for the granting to the Directors of general mandates authorising them to:

- (i) exercise the powers of the Company to allot, issue and otherwise deal with new Shares with an aggregate nominal amount not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution;
- (ii) repurchase Shares on the Stock Exchange with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution; and
- (iii) subject to the passing of the ordinary resolutions to approve the Issue Mandate and the Repurchase Mandate at the AGM, extend the Issue Mandate by an amount representing the aggregate nominal amount of Shares repurchased under the Repurchase Mandate.

As at the Latest Practicable Date, the Directors have not exercised the existing general mandates to issue and repurchase Shares and the Company had 200,000,000 Shares in issue.

Subject to the passing of the ordinary resolutions to approve the Issue Mandate and the Repurchase Mandate at the AGM and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed to issue up to a maximum of 40,000,000 new Shares under the Issue Mandate and to repurchase up to a maximum of 20,000,000 Shares under the Repurchase Mandate.

The Issue Mandate and the Repurchase Mandate, if approved by the Shareholders at the AGM, will continue until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of such authority by ordinary resolution of the Shareholders in general meeting.

With reference to the Issue Mandate and the Repurchase Mandate, the Directors wish to state that they have no immediate plan to issue any new Shares or repurchase any Shares pursuant thereto. The Directors will not exercise the Repurchase Mandate to such an extent that the public holding of Shares would be reduced below 25% of the issued share capital of the Company.

LETTER FROM THE BOARD

The explanatory statement providing the requisite information regarding the Repurchase Mandate as required to be sent to the Shareholders under the Listing Rules is set out in the appendix to this circular.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with the article 84 of the Articles of Association, Ms. Wong Mei Wai Alice and Mr. Chan Kee Huen Michael will retire by rotation at the AGM. In accordance with article 83 of the Articles of Association, Mr. Tsang Ho Yin, Ms. Zhang Lingling and Mr. Choi Wai Hin shall hold office only until the AGM. Ms. Wong Mei Wai Alice, Mr. Tsang Ho Yin, Ms. Zhang Lingling and Mr. Choi Wai Hin, being eligible, will offer themselves for re-election as Directors at the AGM. Mr. Chan Kee Huen Michael has decided not to offer himself for re-election as Director at the AGM so as to devote more time to his personal commitments. Mr. Chan Kee Huen Michael has confirmed that he has no disagreement with the Board and there are no other matters that need to be brought to the attention of the Shareholders in relation to his retirement. The nomination committee of the Company (the “**Nomination Committee**”), having reviewed the Board’s composition, nominated Ms. Wong Mei Wai Alice, Mr. Tsang Ho Yin, Ms. Zhang Lingling and Mr. Choi Wai Hin, to the Board for it to recommend to Shareholders for re-election at the AGM. Each of Ms. Wong Mei Wai Alice, Mr. Tsang Ho Yin, Ms. Zhang Lingling and Mr. Choi Wai Hin, being members of the Nomination Committee, abstained from voting on their respective nomination when it was being considered. Details of the above Directors who are required to be disclosed under the Listing Rules are set out in Appendix II of this circular.

The nomination was made in accordance with the Nomination Policy and took into account the diversity aspects (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity. The Nomination Policy and the Board Diversity Policy are available under the Corporate Governance section of the Group’s annual report. The Nomination Committee also took into account the different expertise, background, experience, skills and knowledge of each Director and believes each of them would provide related valuable advice to the business development and their re-election can enhance the diversity of the Board.

The Nomination Committee was satisfied with the independence of each independent non-executive Director with reference to the criteria as set out in Rule 3.13 of the Listing Rules. All of our independent non-executive Directors provide valuable contributions and insights to the Board. Each of the independent non-executive Directors has submitted to the Stock Exchange a written confirmation concerning his/her independence to the Company and has also given the Company an annual confirmation of his/her independence. Having regard to the confirmations as well as the actual contributions that each of the independent non-executive Directors has made, the Board considers each of the independent non-executive Directors to be independent.

LETTER FROM THE BOARD

On 30 June 2022, the Board accepted the Nomination Committee's nomination and recommended Ms. Wong Mei Wai Alice, Mr. Tsang Ho Yin, Ms. Zhang Lingling and Mr. Choi Wai Hin to stand for re-election as Directors by Shareholders at the AGM. The Board considers that the re-election of each of them is in the best interest of the Company and Shareholders as a whole. Each of the said Directors abstained from the discussion and voting at the Board meeting regarding his/her respective nomination.

AGM

A notice convening the AGM to be held at 19/F., Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on 31 August 2022 (Wednesday) at 10:00 a.m. is set out on pages 17 to 20 of this circular.

ACTION TO BE TAKEN

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company at www.sterlingapparel.com.hk. Whether or not you are able to attend the AGM in person, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or authority, to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the form of proxy will be lodged before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the form of proxy will be lodged on or after 15 August 2022), 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 adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof (as the case may be) should you so wish and in such event, your appointment of proxy under any proxy form shall be deemed to be revoked.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the 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. Accordingly, all the resolutions proposed at the AGM will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every Share held which is fully paid or credited as fully paid.

After the conclusion of the AGM, the poll vote results will be published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.sterlingapparel.com.hk.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the granting of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate and the proposed re-election of the retiring Directors are in the best interests of the Group and the Shareholders as a whole. Accordingly, the Directors recommend you to vote in favour of all the resolutions to be proposed at the AGM.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 26 August 2022 to 31 August 2022 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the meeting, all transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the transfer will be lodged before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the transfer will be lodged on or after 15 August 2022), for registration not later than 4:30 p.m. on 25 August 2022.

RESPONSIBILITY STATEMENT

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

GENERAL INFORMATION

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

MISCELLANEOUS

This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.

Yours faithfully,
By order of the Board
Sterling Group Holdings Limited
Wong Mei Wai Alice
Chairperson

The following is the explanatory statement as required by the Listing Rules to be provided to the Shareholders concerning the Repurchase Mandate proposed to be granted to the Directors at the AGM.

LISTING RULES FOR REPURCHASES OF SHARES

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

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

SHARE CAPITAL

As at the Latest Practicable Date, the authorised share capital of the Company was 2,500,000,000 Shares, of which a total of 200,000,000 Shares were issued and fully paid.

Subject to the passing of the proposed ordinary resolution to approve the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 20,000,000 Shares during the period from the date of the AGM up to (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 or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of such authority by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

REASONS FOR REPURCHASE

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

FUNDING AND IMPACT OF REPURCHASE

Any repurchase of Shares will be made out of funds which are legally available for the purpose in accordance with the Articles of Association and the Companies Law of the Cayman Islands. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, any repurchases by the Company may be made out of profits of the Company, out of the Company's share premium account, out of proceeds of a new issue of Shares made for the purpose of the repurchase or, if authorised by the Articles of Association and subject to the Companies Law of the Cayman Islands, out of capital. Any amount of premium payable on the purchase over the par value of the Shares to be repurchased must be paid out of profits of the Company or from sums standing to the credit of the Company's share premium account or, if authorised by the Articles of Association and subject to the Companies Law of the Cayman Islands, out of capital.

As compared with the financial position of the Company as at 31 March 2022 (being the date to which the latest audited accounts of the Company were made up), the Directors consider that there might be a material adverse impact on the working capital or the gearing position of the Company in the event that the Repurchase Mandate was to be exercised in full during the proposed repurchase period. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) has any present intention, in the event that the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company. No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF THE DIRECTORS

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

EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors' exercising the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer for Shares under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Moonlight Global Holdings Limited ("**Moonlight**") was interested in 40,100,000 Shares, representing 20.05% of the total issued Shares. The issued share capital of Moonlight is wholly owned by Mr. Siu Chi Wai. Mr. Siu Chi Wai is deemed to be interested in the Shares in which Moonlight is interested in under Part XV of the SFO. On the basis that there will be no further issue or repurchase of Shares during the period from the Latest Practicable Date up to and including the date of the AGM, the beneficial interests of Moonlight in the issued Shares would increase to approximately 22.3% respectively if the Repurchase Mandate were exercised in full.

The Directors are not aware of any consequence under the Takeovers Code as a result of a repurchase of Shares made under the Repurchase Mandate and have no present intention to exercise the power to repurchase Shares pursuant to the Repurchase Mandate to such an extent as to result in takeover obligations.

The Directors will not exercise the Repurchase Mandate if the repurchase would result in the number of Shares which are in the hands of the public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules).

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company (whether on the Stock Exchange or otherwise) during the six months immediately prior to the Latest Practicable Date.

SHARE PRICES

The Shares are trading on the Stock Exchange and the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the 12 months immediately preceding to the Latest Practicable Date are as follows:

	Per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2021		
July (<i>Note</i>)	3.750	0.235
August	0.310	0.210
September	0.221	0.171
October	0.206	0.180
November	0.239	0.170
December	0.250	0.170
2022		
January	0.206	0.172
February	0.190	0.170
March	0.350	0.168
April	0.250	0.182
May	0.208	0.170
June	0.208	0.179
July (up to and including the Latest Practicable Date)	0.186	0.170

Source: Quoted prices from the Stock Exchange's website (www.hkex.com.hk)

Note: Consolidation of every four (4) issued and unissued Shares of HK\$0.01 each into one (1) consolidated Share of HK\$0.04 each became effective on 6 July 2021.

Save for the information disclosed in this circular and set out in Explanatory Notes, as at the latest practicable date, there is no other information that need to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules nor are there other matters that need to be brought to the attention of Shareholders in respect of the Directors who stand for re-election at the AGM.

EXECUTIVE DIRECTOR

Ms. Wong Mei Wai Alice (王美慧), aged 65, is pivotal in developing the company's business since early 1990's and has been the Chief Executive Officer of Sterling Apparel Limited ("**Sterling Apparel**"), the wholly-owned operating subsidiary of the Company, since November 2012. She was further appointed as an executive Director of the Group on 6 June 2017. She has been the chairperson of our Company since 23 March 2022 and is also the chairperson of our Nomination Committee and a member of our Remuneration Committee of the Company. Ms. Alice Wong is primarily responsible for implementing corporate strategy, business development, product development, managing key client relationship and overall corporate performance. Ms. Alice Wong is the spouse of Mr. Siu Chi Wai ("**CW Siu**"), a substantial shareholder of the Company, and the mother of Mr. Siu Yik Ming ("**YM Siu**"), an executive Director of the Group.

Ms. Alice Wong has accumulated more than twenty-eight years of experience in the apparel industry. She was the general manager of Sterling Possessions (H.K.) Limited ("**SPHK**") from 1 July 1994 to 31 October 2012, which was the predecessor company of Sterling Apparel.

Ms. Alice Wong was adjudged bankrupt in Hong Kong on 18 December 1992 and was subsequently discharged from bankruptcy on 1 April 1999. Having regard to the fact that (i) the discharge of Ms. Alice Wong's bankruptcy was in 1999; (ii) our Directors were not aware that her bankruptcy resulted from or was related to dishonesty or any integrity issue; and (iii) Ms. Alice Wong's contribution to the success of the Group, our Directors believe that Ms. Alice Wong has the character, experience and integrity to act as our Director and will be able to demonstrate a standard of competence commensurate with her position as a director of a listed issuer as required under the Listing Rules.

Ms. Wong Mei Wai Alice is deemed to be interested in 40,100,000 Shares in which Mr. CW Siu (her spouse) is interested in under Part XV of the SFO. Moonlight Global Holdings Limited ("**Moonlight**"), is wholly owned by Mr. CW Siu. Moonlight is the beneficial owner of 20.05% of the shareholding of the Company.

Save as disclosed above, as at the Latest Practicable Date, Ms. Alice Wong (i) had no other interests in our Shares within the meaning of Part XV of the SFO; (ii) did not have any other relationship with any Directors, senior management of the Company, substantial shareholders or Controlling Shareholders; and (iii) did not hold any other directorship in any other public companies, the securities of which were listed on any securities market in Hong Kong or overseas in the last three years.

Ms. Wong has entered into a service contract with a wholly owned subsidiary of the Company and there is no specified or proposed length of service. The service contract may be terminated by either party by giving to other party not less than three months' notice without payment of any compensation (other than statutory compensation). In addition, she is also entitled to receive a director fee under her service contract with the Company for a term of three years. The service contract will continue thereafter until terminated by either party by giving to other party not less than three months' notice. However, she is also subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. For the year ended 31 March 2022, she received a Director's fee of HK\$211,750 and other emolument of approximately HK\$2,809,000. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tsang Ho Yin (曾浩賢) ("Mr. Tsang"), aged 36, was appointed as an independent non-executive Director on 28 September 2021 and is the chairman of our remuneration committee. Mr. Tsang is also a member of each of our audit committee and nomination committee. Mr. Tsang is primarily responsible for providing independent advice on our Group's strategy, policy formulation, corporate accountability and resources allocation.

Mr. Tsang was admitted as a solicitor in Australia and Hong Kong in May 2012 and December 2013, respectively. Mr. Tsang is currently a partner of Stevenson, Wong & Co., specialising in corporate finance and commercial law. Mr. Tsang obtained a bachelor in laws degree and a bachelor in commerce (accounting) degree, both from the University of Melbourne, Australia in August 2008. Mr. Tsang obtained a master in laws degree from the University of Melbourne, Australia in August 2010. Mr. Tsang obtained the postgraduate certificate in laws from the City University of Hong Kong in July 2011.

Mr. Tsang has also been a non-executive director of China Regenerative Medicine International Limited (stock Code: 8158), the issued shares of which are listed on the GEM of the Stock Exchange, since January 2020 and an independent non-executive director of Crosstec Group Holdings Limited (stock Code: 3893), the issued shares of which are listed on the Main Board of the Stock Exchange, with effect from 28 September 2021.

Mr. Tsang was an independent non-executive director of Inno-Tech Holdings Limited ("**Inno-Tech**", together with its subsidiaries, collectively, the "**Inno-Tech Group**") (a company whose shares were listed on GEM of the Stock Exchange and delisted on 13 July 2021, stock code: 8202) from June 2019 to June 2020. Inno-Tech was a company incorporated in Bermuda with limited liability and the principal activities of the Inno-Tech Group were (i) provision of outdoor advertising business through different advertising media network; (ii) television advertising operation; (iii) the event management business; (iv) seafood business; and (v) money lending business in Hong Kong. As disclosed in the announcements of Inno-Tech dated 1 June 2020, 3 July 2020 and 11 September 2020, Inno-Tech received a letter from the Official Receiver's Officer dated 9 June 2020 which stated that Gram Capital Limited has filed a

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

winding-up petition to the High Court of the Government of the Hong Kong Special Administrative Region against Inno-Tech for principal sum of HK\$195,000 on 7 May 2020. On 9 September 2020, Inno-Tech was ordered to be wound up by the High Court of Hong Kong Special Administrative Region in HCCW 82/2020 and the Official Receiver was appointed as the provisional liquidator.

Mr. Tsang confirmed that (i) he was not a party to such winding-up petition and there is no wrongful act on his part leading to the cancellation of listing and liquidation of Inno-Tech; (ii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the cancellation of listing and liquidation of Inno-Tech.

Mr. Tsang takes up the following roles of the following companies, the issued shares of which are listed on the Stock Exchange: (i) the joint company secretary and authorised representative of Mabpharm Limited (stock code: 2181) since May 2019; (ii) the company secretary and the authorised representative of Sunshine 100 China Holdings Limited (stock code: 2608) since November 2019; and (iii) the joint company secretary and authorised representative of Sundry Service Group Co. Limited (stock code: 9608) since January 2021.

He was also the company secretary and the authorised representative of Mobile Internet (China) Holdings Limited (stock code: 1439) from February 2020 to February 2021; an independent non-executive director of Inno-Tech Holdings Limited (a company whose shares were listed on GEM of the Stock Exchange and delisted on 13 July 2021, stock code: 8202) from June 2019 to June 2020; the company secretary of Moody Technology Holdings Limited (stock code: 1400) from January 2019 to November 2019; and the company secretary and authorised representative of Sino Energy International Holdings Group Limited (stock code: 1096) from November 2018 to July 2019.

As at the Latest Practicable Date, save as disclosed above, Mr. Tsang (i) does not hold any other position with the Company or any member of the Group; (ii) does not hold any interest in the securities of the Company within the meaning of Part XV of the SFO; (iii) does not have any relationship with any Directors, senior management of the Company, substantial shareholders or Controlling Shareholders; and (iv) has not held any directorship in any other public companies, the securities of which were listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Tsang has accepted his appointment as independent non-executive Director by entering into a letter of appointment with the Company for a term of three years, subject to retirement by rotation and re-election at annual general meeting in accordance with the Articles of Association. Pursuant to the letter of appointment, Mr. Tsang is entitled to a director's fee of HK\$220,500 per annum which was determined with reference to his responsibilities and performance, remuneration benchmark in the industry as well as prevailing market conditions.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Ms. Zhang Lingling (張玲玲) (“Ms. Zhang”), aged 30, was appointed as an independent non-executive Director on 1 December 2021 and is a member of each of our audit committee, remuneration committee and nomination committee. Ms. Zhang is primarily responsible for providing independent advice on our Group’s strategy, policy formulation, corporate accountability and resources allocation.

Ms. Zhang graduated from Chengdu University of Information Technology with a bachelor’s degree in Accountancy in 2013 and The Open University of Hong Kong with a master’s degree in Business Administration in 2019. She has solid experience in financial analysis, initial public offerings and fund raising in secondary market. Ms. Zhang obtained the securities qualification certificate of The Securities Association of China, the fund qualification certificate of Asset Management Association of China and the Certification of China Banking Professional. She is now the vice president and a representative of Funderstone Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO, and a representative of Funderstone Futures Limited, a corporation licensed to carry out Type 2 (dealing in future contracts) regulated activity under the SFO. Ms. Zhang is currently the independent non-executive director of Huisen Household International Group Limited (stock code: 2127), a company listed on the Main Board of the Stock Exchange.

As at the Latest Practicable Date, save as disclosed above, Ms. Zhang (i) does not hold any other position with the Company or any member of the Group; (ii) does not hold any interest in the securities of the Company within the meaning of Part XV of the SFO; (iii) does not have any relationship with any Directors, senior management of the Company, substantial shareholders or Controlling Shareholders; and (iv) has not held any directorship in any other public companies, the securities of which were listed on any securities market in Hong Kong or overseas in the last three years.

Ms. Zhang has accepted her appointment as independent non-executive Director by entering into a letter of appointment with the Company for a term of three years, subject to retirement by rotation and re-election at annual general meeting in accordance with the Articles of Association. Pursuant to the letter of appointment, Ms. Zhang is entitled to a director’s fee of HK\$126,000 per annum which was determined with reference to her responsibilities and performance, remuneration benchmark in the industry as well as prevailing market conditions.

Mr. Choi Wai Hin (蔡瑋軒) (“Mr. Choi”), aged 42, was appointed as an independent non-executive Director on 8 July 2022 and is a member of each of our audit committee, remuneration committee and nomination committee. Mr. Choi is primarily responsible for providing independent advice on our Group’s strategy, policy formulation, corporate accountability and resources allocation.

APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Mr. Choi obtained a bachelor degree in accountancy from The Hong Kong Polytechnic University in November 2002. He is a fellow of the Hong Kong Institute of Certified Public Accountants and has 20 years of practical experience in relation to accounting, budgeting and controlling, treasury, fund raising, corporate finance, PRC tax planning, group reorganisation and regulatory requirements of capital market in Hong Kong. Mr. Choi has been the chief financial officer of Weiye Holdings Limited (stock code: 1570), the issued shares of which are listed on the Main Board of the Stock Exchange, since December 2019. He was also the chief financial officer of Karrie International Holdings Limited (stock code: 1050), the issued shares of which are listed on the Main Board of the Stock Exchange, from August 2014 to December 2019.

As at the Latest Practicable Date, save as disclosed above, Mr. Choi (i) does not hold any other position with the Company or any member of the Group; (ii) does not hold any interest in the securities of the Company within the meaning of Part XV of the SFO; (iii) does not have any relationship with any Directors, senior management of the Company, substantial shareholders or Controlling Shareholders; and (iv) has not held any directorship in any other public companies, the securities of which were listed on any securities market in Hong Kong or overseas in the last three years.

Mr. Choi has accepted his appointment as independent non-executive Director by entering into a letter of appointment with the Company for a term of three years, subject to retirement by rotation and re-election at annual general meeting in accordance with the Articles of Association. Pursuant to the letter of appointment, Mr. Choi is entitled to a director's fee of HK\$126,000 per annum which was determined with reference to his responsibilities and performance, remuneration benchmark in the industry as well as prevailing market conditions.

NOTICE OF ANNUAL GENERAL MEETING

Sterling Group Holdings Limited 美臻集團控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1825)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of shareholders of Sterling Group Holdings Limited (the “**Company**”) will be held at 19/F., Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on 31 August 2022 (Wednesday) at 10:00 a.m. for the following purposes:

1. To receive and approve the audited consolidated financial statements and the directors’ report of the Company and the independent auditor’s report for the year ended 31 March 2022.
2. To re-appoint Messrs BDO Limited as auditors of the Company and to authorise the board of directors of the Company to fix their remuneration.
3.
 - A. To re-elect Ms. Wong Mei Wai Alice as an executive director of the Company.
 - B. To re-elect Mr. Tsang Ho Yin as an independent non-executive director of the Company.
 - C. To re-elect Ms. Zhang Lingling as an independent non-executive director of the Company.
 - D. To re-elect Mr. Choi Wai Hin as an independent non-executive director of the Company.
 - E. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
4. To consider and, if thought fit, pass with or without amendments, the following resolutions as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph 4(c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the

* *For identification purpose only*

NOTICE OF ANNUAL GENERAL MEETING

Company) which might require the exercise of such powers, subject to and in accordance with all applicable laws and the articles of association of the Company, be and is hereby generally and unconditionally approved;

- (b) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs 4(a) and 4(b) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or pursuant to the exercise of any options granted under the share option scheme adopted by the Company or an issue of shares upon the exercise of subscription or conversion rights attached to the warrants or the convertible securities which might be issued by the Company or an issue of shares in lieu of the whole or part of a dividend on shares or any scrip dividend scheme or similar arrangement in accordance with the articles of association of the Company, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

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

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares whose names stand on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph 5(b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph 4(d) above) of all the powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of the share capital of the Company which the Directors are authorised to repurchase pursuant to the approval in paragraphs 5(a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of this resolution, and the said approval shall be limited accordingly.”
6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the ordinary resolutions numbered 4 and 5 as set out above, the aggregate nominal amount of the shares in the issued capital of the Company which are repurchased by the Company under the authority granted to the directors of the Company pursuant to and in accordance with the said resolution numbered 5 shall be added to the aggregate nominal amount of the share capital of the Company that may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the directors of the Company pursuant to and in accordance with the said resolution numbered 4.”

By Order of the Board
Sterling Group Holdings Limited
Wong Mei Wai Alice
Chairperson

Hong Kong, 22 July 2022

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the above meeting may appoint another person as his proxy to attend and to vote instead of him. A proxy need not be a member of the Company.
2. All resolutions at the annual general meeting will be taken by way of poll pursuant to the Listing Rules and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
3. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting 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 share shall alone be entitled to vote in respect thereof. The vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
4. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be delivered to the office of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the form of proxy will be lodged before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the form of proxy will be lodged on or after 15 August 2022) not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
5. A form of proxy for use at the meeting is being despatched to the shareholders of the Company together with a copy of this notice.
6. The register of members of the Company will be closed from 26 August 2022 to 31 August 2022 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the meeting, all transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (if the transfer will be lodged before 15 August 2022) or 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (if the transfer will be lodged on or after 15 August 2022), for registration not later than 4:30 p.m. on 25 August 2022.