

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 **Ching Lee Holdings Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser(s) or transferee(s) or to the bank, stockbroker, registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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Ching Lee Holdings Limited

正利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3728)

**PROPOSALS FOR GENERAL MANDATES TO
ISSUE SHARES AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (the “AGM”) of Ching Lee Holdings Limited (the “Company”) to be held at Shop 6A, 1/F, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Hong Kong on Friday, 26 August 2022 at 10:00 a.m. is set out on pages 22 to 26 of the Circular.

A form of proxy is enclosed with the Circular. Whether or not you are able to attend the AGM, you are requested to read the Circular and complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong (which will be relocated to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) as soon as possible and in any event not less than 48 hours before the time appointed for holding 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 adjourned meeting should you so wish.

SAFE MANAGEMENT MEASURES AT THE ANNUAL GENERAL MEETING

The Company will implement safe management measures at the AGM, including compliance with restrictions on the size of public gatherings, requiring Safe Entry check-in, safe distancing between attendees, and the mandatory wearing of masks, and such other measures as may be imposed in compliance with applicable law and regulation at the time of the AGM. Shareholders who do not adhere to all safe management measures will not be permitted to enter the meeting venue.

28 July 2022

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DEFINITIONS

In the 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 Shop 6A, 1/F, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Hong Kong on Friday, 26 August 2022 at 10:00 a.m. and the notice of which is set out on pages 22 to 26 of the Circular
“Articles of Association”	the articles of association of the Company adopted on 10 March 2016, and as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“Circular”	the circular of the Company dated 28 July 2022
“Companies Act”	Companies Act, Cap 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Company”	Ching Lee Holdings Limited (Stock Code: 3728), an exempted company incorporated in the Cayman Islands with limited liability on 16 November 2015, the issued Shares of which are listed on the Main Board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to allot, issue and deal with the Shares for an aggregate number not exceeding 20% of the number of the issued Shares as at the date of the passing of the relevant resolution granting such mandate

DEFINITIONS

“JT Glory”	JT Glory Limited, being a company incorporated under the laws of the British Virgin Islands with limited liability on 16 November 2015, which is wholly owned by Mr. Ng, and is one of the controlling shareholders
“Latest Practicable Date”	20 July 2022, being the latest practicable date prior to the printing of the Circular for ascertaining certain information contained herein
“Memorandum”	the memorandum of association of the Company adopted on 10 March 2016, and as amended, supplemented or otherwise modified from time to time
“Mr. Ng”	Mr. Ng Choi Wah (吳彩華), being our Chairman, chief executive officer, executive Director and a controlling shareholder
“Ms. Cheung”	Ms. Cheung Yuk Sheung (張玉嫦), one of the controlling shareholders and the spouse of Mr. Ng
“Register”	the register of members of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase the Shares for a total number not exceeding 10% of the number of the issued Shares as at the date of the passing of the relevant resolution granting such mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of the Company with nominal value of HK\$0.01 each
“Share Registrar”	Tricor Investor Services Limited, being the Hong Kong branch share registrar of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Takeovers Code”

The Codes on Takeovers and Mergers and Share Buy-backs as issued by the Securities and Futures Commission of Hong Kong and as amended, supplemented or otherwise modified from time to time

“%”

per cent



Ching Lee Holdings Limited

正利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3728)

Executive Directors:

Mr. Ng Choi Wah (*Chairman*)

Mr. Lui Yiu Wing

Mr. Lam Ka Fai

Registered Office:

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

Independent non-executive Directors:

Dr. Wai Wing Hong Onyx

Mr. Tong Hin Sum Paul

Mr. Chau Kam Wing Donald

*Head office and principal place of
business in Hong Kong:*

Room 203, 2nd Floor

Hang Bong Commercial Centre

28 Shanghai Street, Jordan

Kowloon, Hong Kong

28 July 2022

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR GENERAL MANDATES TO
ISSUE SHARES AND REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of the Circular is to provide you with notice of the AGM and the relevant information regarding the resolutions to be proposed at the AGM relating to:

- (a) the granting of the Issue Mandate to the Directors;
- (b) the granting of the Repurchase Mandate to the Directors;
- (c) the granting of the extension mandate to extend the Issue Mandate by the addition of an amount representing the number of the issued Shares repurchased by the Company pursuant to the Repurchase Mandate;

LETTER FROM THE BOARD

- (d) the re-election of the Directors; and
- (e) the proposed amendments to the Articles of Association.

2. THE ISSUE MANDATE

At an annual general meeting of the Company held on 27 August 2021 granted a general and unconditional mandate to allot, issue and deal with the Shares pursuant to the Main Listing Rules. As at the Latest Practicable Date, such general mandate has not been utilised and will lapse at the conclusion of the AGM. Therefore, an ordinary resolution will be proposed at the AGM that the Directors be granted a general and unconditional mandate to allot, issue and deal with the Shares for an aggregate number not exceeding 20% of the number of the issued Shares as at the date of the passing of the relevant resolution.

Details of the Issue Mandate are set out in the ordinary resolution as referred to in resolution no. 4 of the notice of the AGM.

The Issue Mandate will remain in effect 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 to be held; or (iii) the passing of an ordinary resolution of the Shareholders in general meeting revoking or varying such mandate.

As at the Latest Practicable Date, the Company has in issue an aggregate of 1,013,000,000 Shares. Subject to the passing of the proposed resolutions for the approval of the Issue Mandate and on the basis that no further Shares are issued or repurchased during the period from the Latest Practicable Date until the AGM, the Company would be allowed to allot, issue and deal with a maximum of 202,600,000 Shares.

3. THE REPURCHASE MANDATE

At an annual general meeting of the Company held on 27 August 2021, a general and unconditional mandate to exercise all powers of the Company to repurchase Shares pursuant to the Listing Rules. As at the Latest Practicable Date, such repurchase mandate has not been utilised and will lapse at the conclusion of the AGM. Therefore, an ordinary resolution will be proposed at the AGM that the Directors be granted a general and unconditional mandate to exercise all powers of the Company to repurchase the Shares for a total number not exceeding 10% of the number of the issued Shares as at the date of the passing of the relevant resolution.

An explanatory statement giving the particulars required under the Listing Rules in respect of the Repurchase Mandate to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision whether to vote for or against the resolution is set out in the Appendix I to the Circular.

Details of the Repurchase Mandate are set out in the ordinary resolution as referred to in resolution no. 5 of the notice of the AGM.

LETTER FROM THE BOARD

The Repurchase Mandate will remain in effect until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; or (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 to be held; or (iii) the passing of an ordinary resolution of the Shareholders in general meeting revoking or varying such mandate.

As at the Latest Practicable Date, the Company has in issue an aggregate of 1,013,000,000 Shares. Subject to the passing of the proposed resolutions for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased during the period from the Latest Practicable Date until the AGM, the Company would be allowed to repurchase a maximum of 101,300,000 Shares.

4. EXTENSION OF ISSUE MANDATE

In addition, if the Issue Mandate and the Repurchase Mandate are granted, an ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the number of the Shares which may be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with by the Directors pursuant to the Issue Mandate of an amount representing the number of the issued Shares repurchased by the Company pursuant to the Repurchase Mandate.

Details of the extension of the Issue Mandate are set out in the ordinary resolution as referred to in resolution no. 6 of the notice of the AGM.

5. RE-ELECTION OF DIRECTORS

Pursuant to article 84(1) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, 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 at an annual general meeting at least once every three years.

Pursuant to article 84(2) of the Articles of Association, a retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed by the Board pursuant to Article 83(3) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

LETTER FROM THE BOARD

Pursuant to article 83(3) of the Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Members after his appointment and be subject to re-election at such meeting and 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.

In accordance with the above provisions of the Articles of Association, each of Mr. Lam Ka Fai, Mr. Tong Hin Sum Paul and Mr. Chau Kam Wing Donald will retire from office and, being eligible, offer themselves for re-election at the AGM.

Biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in Appendix II to the Circular.

6. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company proposes to amend its Articles of Association by way of (i) bringing the Articles of Association in line with amendments made to the Listing Rules (including the core shareholder protection standards set out in the amended Appendix 3 to the Listing Rules which came into effect on 1 January 2022) and applicable laws of the Cayman Islands; and (ii) making certain minor housekeeping amendments to the Articles of Association for the purpose of clarifying existing practice and making consequential amendments in line with the amendments to the Articles of Association. In view of the proposed changes, the Board proposes to adopt an amended and restated Articles of Association which consolidates all the proposed amendments mentioned in the Circular, in substitution for, and to the exclusion of, the existing Articles of Association.

The major proposed amendments to the existing Articles of Association are summarised below:

1. to add the definition of “Listing Rules” replacing the phrase “rules of the Designated Stock Exchange” and making corresponding changes to the relevant references;
2. to specify that the Company shall hold an annual general meeting within six months after the end of the Company’s financial year;
3. to provide that any person appointed by the Directors, to fill a casual vacancy on or as an addition to the board shall hold office only until the first annual general meeting of the issuer after his appointment, and shall then be eligible for re-election;
4. to provide that an annual general meeting of the Company must be called by notice in writing of not less than twenty-one (21) clear days while all other general meetings shall be called by notice in writing of not less than fourteen (14) clear days but if permitted by the Listing Rules, a general meeting may be called by shorter notice, if it is so agreed under the circumstances set out in the new Articles of Association;

LETTER FROM THE BOARD

5. to provide that all shareholders shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting of the Company, except where a member is required, by the Listing Rules to abstain from voting to approve the matter under consideration;
6. to provide that the appointment of the auditor of the Company shall be by way of ordinary resolution in general meeting and to clarify that the remuneration of the auditors of the Company shall be fixed by ordinary resolution in general meeting;
7. to update and add to the provision regarding the appointment of the auditor of the Company to fill any casual vacancy in the office of the auditor of the Company to include in the event that Shareholders have failed to appoint or re-appoint the auditor, and that any such auditor appointed shall hold office until the next following annual general meeting of the Company and shall then be subject to appointment by the Shareholders;
8. to add the definition of “financial year” and provide that the financial year end of the Company shall be 31 December in each year, unless otherwise determined by the Directors from time to time; and
9. to make other necessary amendments for updating the Articles of Association and better aligning with the wordings in the applicable laws of Cayman Islands and the Listing Rules.

Details of the proposed amendments are set out in Appendix III of the Circular. Save for the proposed amendments to the Articles of Association, the other provisions of the Articles of Association shall remain unchanged.

The Company has been advised by its legal advisers that the proposed amendments to the Articles of Association are not inconsistent with the requirements of the Listing Rules and do not violate with the applicable laws of the Cayman Islands. The Company also confirms that there is nothing unusual about the proposed amendments to the Articles of Association for a company listed on the Stock Exchange.

A special resolution will be proposed at the AGM for the Shareholders to, among others, consider and, if thought fit, approve the proposed amendments to the Articles of Association.

The amendments to the Articles of Association will take effect upon the proposed amendments being approved at the AGM.

7. RE-APPOINTMENT OF THE AUDITOR

BDO Limited will retire as the independent auditor of the Company at the AGM and, being eligible, offer themselves for re-appointment as the independent auditor of the Company.

LETTER FROM THE BOARD

8. CLOSURE OF REGISTER

The Register will be closed from Tuesday, 23 August 2022 to Friday, 26 August 2022 (both dates inclusive), during which period no transfer of the Shares can be registered. In order to be entitled to attend and vote at the AGM, all completed transfer forms accompanied by the relevant share certificates shall be lodged with the Share Registrar for registration no later than 4:30 p.m. on Monday, 22 August 2022.

9. AGM AND PROXY ARRANGEMENT

The notice convening the AGM to be held at Shop 6A, 1/F, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Hong Kong is set out on pages 22 to 26 of the Circular. Ordinary resolutions will be proposed at the AGM for the purpose of considering and if thought fit, approving, inter alia, the resolutions proposed in the Circular.

A form of proxy for use by the Shareholders at the AGM is enclosed with the Circular. Whether or not you are able to attend the AGM, you are requested to read the Circular and complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Share Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting. 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 should you so wish.

10. VOTING AT THE AGM

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the 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, the resolutions to be considered and, if thought fit, approved at the AGM will be voted by way of a poll by the Shareholders. An announcement on the poll results will be made by the Company after the AGM, in the manner prescribed under Rule 13.39(5) of the Listing Rules, on the results of the AGM.

11. RESPONSIBILITY STATEMENT

The 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 the 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 the Circular misleading.

LETTER FROM THE BOARD

12. RECOMMENDATION

The Directors believe that the proposed resolutions as set out in the notice of the AGM, including, among other things, the proposed resolutions in relation to the Issue Mandate, the Repurchase Mandate, the extension of the Issue Mandate, the re-election of Directors and the proposed amendments to the Articles of Association are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all the Shareholders to vote in favor of all the resolutions to be proposed at the AGM.

13. GENERAL INFORMATION

Your attention is also drawn to the information set out in the appendices to the Circular.

Yours faithfully,
By order of the Board
Ching Lee Holdings Limited
Ng Choi Wah
Chairman

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This appendix serves as an explanatory statement, as required pursuant to Rule 13.08 and other relevant provisions of the Listing Rules, to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, a total of 1,013,000,000 Shares were in issue of nominal value of HK\$0.01. Assuming that no further Shares are issued or repurchased during the period from the Latest Practicable Date until the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 101,300,000 Shares representing not more than 10% of the number of the issued Share of the Company as at the Latest Practicable Date.

2. REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate will provide the Company with the flexibility to make such repurchase when appropriate and beneficial to the Company. Such repurchases, depending on market conditions and funding arrangements at the time, may lead to enhancement of the net asset value of the Company and/or the 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. The number of the Shares to be repurchased on any occasion and the price and other terms on which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

3. SOURCE OF FUNDS FOR REPURCHASE

The Company is empowered by the Articles of Association to repurchase its Shares. In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Listing Rules, the Memorandum, the Articles of Association, the Companies Act and all other applicable laws, rules and regulations, as the case may be.

The Company may not repurchase its own Shares 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 in effect from time to time.

Subject to the foregoing, any repurchase of the Shares by the Company may be made out of profits of the Company, out of share premium, or out of the proceeds of a fresh issue of the Shares made for the purpose of the repurchase or, subject to the Companies Act, out of capital. Any amount of premium payable on the repurchase over the par value of the Shares to be repurchased must be out of profits of the Company, out of the Company's share premium account before or at the time the Shares are repurchased, or subject to the Companies Act, out of capital.

As compared with the position disclosed in the audited consolidated financial statements of the Group as at 31 March 2022, the Directors consider that there could be a material adverse impact on the working capital and on the gearing level of the Company in the event that the

proposed repurchases under the Repurchase Mandate were to be carried out in full during the proposed purchases period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing level which, in the opinion of the Directors, are from time to time appropriate for the Company.

4. DIRECTORS' UNDERTAKING

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

5. INTENTION TO SELL SHARES

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) has any present intention, in the event that the proposed resolution for the Repurchase Mandate is approved by the Shareholders, to sell any of their Shares to the Company pursuant to the Repurchase Mandate.

No core connected person (as defined in the Main Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell their Shares to the Company or has undertaken not to sell any of their Shares to the Company, in the event that the Company is authorised to make repurchases of the Shares.

6. CONSEQUENCES UNDER THE TAKEOVERS CODE

If, as a result of a repurchase of the Shares by the Company pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert (within the meaning under the Takeovers Code) could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any such consequence which may arise under the Takeovers Code if the Repurchase Mandate is exercised.

As at the Latest Practicable Date, to the best of the knowledge of the Directors, 711,060,000 shares representing 70.19% (excluding share options of the Company) of the issued share capital of the Company are owned by Mr. Ng in which JT Glory held 645,000,000 Shares representing 63.67% (excluding share options of the Company) of the issued share capital of the Company. JT Glory is legally and beneficially owned as to 100% by Mr. Ng. By virtue of the SFO, Mr. Ng is deemed, or taken to be, interested in the Shares held by JT Glory in the Company. Another 66,060,000 shares representing 6.52% (excluding share options of the Company) of the issued share capital of the Company are owned by Mr. Ng through the Bank directly. Ms. Cheung is the spouse of Mr. Ng. Under the SFO, Ms. Cheung is deemed, or taken to be, interested in the same number of the Shares in which Mr. Ng is interested.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

If the Repurchase Mandate is exercised in full (and assuming that the issued share capital of the Company remains unchanged from the Latest Practicable Date up to the date on which the Repurchase Mandate, if approved by the Shareholders, is exercised in full), the total number of the Shares which will be repurchased pursuant to the Repurchase Mandate shall be 101,300,000 Shares (being 10% of the total number of issued Shares as at the Latest Practicable Date). The shareholding percentage of the controlling shareholders will be increased to approximately 79.09% of the issued share capital of the Company immediately following the full exercise of the Repurchase Mandate. Any repurchase of the Shares which results in the number of the Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public float under the Listing Rules. However, the Directors have no present intention to exercise the Repurchase Mandate to such an extent as would result in the number of the Shares which are in the hands of the public falling below 25% of the total number of the Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules).

7. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous 12 months up to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2021		
July	0.199	0.172
August	0.192	0.173
September	0.180	0.162
October	0.197	0.156
November	0.187	0.166
December	0.175	0.150
2022		
January	0.176	0.146
February	0.185	0.148
March	0.169	0.135
April	0.167	0.159
May	0.175	0.152
June	0.168	0.142
July (up to the Latest Practicable Date)	0.150	0.131

8. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares had been made by the Company (whether on the Stock Exchange or otherwise) in the 12 months preceding the Latest Practicable Date.

The following are the particulars of the Directors who will retire at the conclusion of the AGM and will be proposed to be re-elected at the AGM.

EXECUTIVE DIRECTORS

Mr. LAM Ka Fai, aged 49, was appointed as an executive Director on 16 December 2015. In May 2003, Mr. Lam Ka Fai joined our Group and acted as a director of Ching Lee Construction Limited and is currently responsible for overseeing the operational management of our Group. Mr. Lam Ka Fai is also a director of Ching Lee Construction Limited and Ching Lee Engineering Limited. He has over 21 years of experience in the building works industry. In January 2014, he became a member of the Chartered Institute of Building and a chartered building engineer of the Chartered Association of Building Engineers, in the United Kingdom.

Mr. Lam Ka Fai worked as a project co-ordinator at W.M. Construction Limited from September 1997 to April 1998. From April 1999 to July 2014, Mr. Lam Ka Fai worked as a project co-ordinator at Hien Lee Engineering Co., Ltd and his last position was project manager. Since July 2014, Mr. Lam Ka Fai has served our Group as a senior E&M project manager.

In November 2007, he obtained a bachelor's degree in engineering in building engineering (building services engineering) from the City University of Hong Kong. In October 2011, Mr. Lam Ka Fai obtained a master's degree in science in project management from The Hong Kong Polytechnic University. He became a member of the Australian Institute of Building in July 2013.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, Mr. Lam Ka Fai (i) has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (ii) is not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iii) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to the above Director which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. TONG Hin Sum Paul, aged 84, was appointed as an independent non-executive Director on 10 March 2016. He is also a member of the audit and nomination committees of our Company. He is primarily responsible for providing independent judgment to bear on issues of strategy, policy, performance, accountability, resource, key appointments and standard of conduct of our Group.

Mr. Tong Hin Sum Paul was called to the bar in 1989 and is currently a barrister. He was appointed as a life fellow of St. John's College, the University of Hong Kong, in 2008. In March 2009, he was also appointed as a panel member of the Securities and Futures Appeals Tribunal for the period between April 2009 and March 2011.

Mr. Tong Hin Sum Paul obtained his bachelor's degree in arts from the University of Hong Kong in November 1963. He then furthered his studies in the University of Cambridge, England, and obtained his bachelor's degree in arts and master's degree in arts in June 1987 and February 1991, respectively. Mr. Tong Hin Sum Paul also went to Yale University and obtained a master's degree in sacred theology in July 1971.

Mr. Tong Hin Sum Paul has been appointed as an independent non-executive director of Hang Tai Yue Group Holdings Limited (stock code: 8081), a company listed on the GEM of the Stock Exchange, since 10 September 2021.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, Mr. Tong Hin Sum Paul (i) has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (ii) is not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iii) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to the above Director which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. CHAU Kam Wing Donald, aged 59, was appointed as an independent non-executive Director on 10 March 2016. He is also the chairman of the audit committee and a member of the remuneration committee of our Company. He is primarily responsible for providing independent judgment to bear on issues of strategy, policy, performance, accountability, resource, key appointments and standard of conduct of our Group.

He has over 30 years of experience in audit, tax and financial management. Mr. Chau Kam Wing Donald is an executive director of Winox Holdings Limited (stock code: 6838), the issued shares of which is listed on the Stock Exchange, since March 2011. He is also an Independent Non-executive Director of 康達國際環保有限公司 (Kangda International Environmental Company Limited) (Stock code: 6136) since April 2019, China Water Affairs Group Limited (stock code: 855) since March 2007, EcoTek Holdings Limited (stock code: 8169) since March 2008, Carpenter Tan Holdings Limited (stock code: 837) since November 2009, 浙江長安仁恒科技股份有限公司 (Zhejiang Chang'an Renheng Technology Co., Ltd.*) (stock code: 8139) since May 2014 till May 2019, the issued shares of which are listed on the Stock Exchange. From November 2009 to June 2015, Mr. Chau Kam Wing Donald was also an independent non-executive director of 浙江世寶股份有限公司 (Zhejiang Shibao Company Limited*) (Hong Kong stock code: 1057 and Shenzhen stock code: 2703), the issued shares of which are listed on the Stock Exchange and Shenzhen Stock Exchange.

Mr. Chau Kam Wing Donald obtained a master's degree in business administration from the University of San Francisco in the USA in December 2000. He is also a fellow member of the Association of Chartered Certified Accountants and a practising member of the Hong Kong Institute of Certified Public Accountants.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, Mr. Chau Kam Wing Donald (i) has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (ii) is not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iii) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to the above Director which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

- (1) By replacing the word “Law” wherever it may appear with the word “Act”.
- (2) By deleting the words “rules of the Designated Stock Exchange” or “rules of any Designated Stock Exchange” wherever they may appear and replacing them with the words “Listing Rules” except for the reference to “rules of the Designated Stock Exchange” in the definition of “Listing Rules”.

Article 2(1)

- (3) By adding the following definition of “Act”:

““Act” the Companies Act, (2022 Revision), Cap. 22 of the Cayman Islands and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor.”

- (4) By deleting the definition of “Business Day” in its entirety.
- (5) By deleting the definition of “Law” in its entirety.
- (6) By adding the following definition of “Listing Rules” after “head office”:

““Listing Rules” the rules and regulations of the Designated Stock Exchange.”

- (7) By deleting the definition of “Subsidiary and Holding Company” in its entirety.

Article 2(2)

- (8) By re-lettering Article 2(2)(i) as 2(2)(j) and adding the following as a new Article 2(2)(i):

“2. (2) (i) where a Member is a corporation, any reference in these Articles to a Member shall, where the context requires, refer to a duly authorised representative of such Member; and”

Article 3

- (9) By re-lettering Article 3(4) as 3(5) and adding the following as a new Article 3(4):

“3. (4) The Board may accept the surrender for no consideration of any fully paid share.”

Article 9

- (10) By deleting Article 9 in its entirety and replacing it with the words “INTENTIONALLY DELETED”.

Article 56

- (11) By deleting Article 56 in its entirety and replacing it with the following:

“56. An annual general meeting of the Company shall be held in each financial year other than the financial year of the Company’s adoption of these Articles and such 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) at such time and place as may be determined by the Board.”

Article 59

- (12) By deleting Article 59(1) in its entirety and replacing it with the following:

“59. (1) An annual general meeting must be called by Notice of not less than twenty-one (21) clear days. All other general meetings must be called by Notice of not less than fourteen (14) clear days but if permitted by the Listing Rules, a general meeting may be called by shorter notice, subject to the Act, if it is so agreed:

- (a) in the case of a meeting called as an annual general meeting, by all the Members entitled to attend and vote thereat; and
- (b) in the case of any other meeting, by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together representing not less than ninety five per cent. (95%) of the total voting rights at the meeting of all the Members.”

Article 73

- (13) By re-lettering Article 73(2) as 73(3) and adding the following as Article 73(2):

“73. (2) All Members have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.”

Article 83

(14) By deleting Article 83(3) in its entirety and replacing it with the following:

“83. (3) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election.”

(15) By adding the word “of” after the words “ordinary resolution” in Article 83(6).

Article 100

(16) By deleting Article 100(1) in its entirety and replacing it with the following:

“100.(1) A Director shall not vote (nor be counted in the quorum) on any resolution of the Board approving any contract or arrangement or any other proposal in which he or any of his close associates is materially interested, but this prohibition shall not apply to any of the following matters namely:

- (i) the giving of any security or indemnity either:—
 - (a) to the Director or his close associate(s) in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries; or
 - (b) to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or his close associate(s) has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;
- (ii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or his close associate(s) is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;
- (iii) any proposal or arrangement concerning the benefit of employees of the Company or its subsidiaries including:
 - (a) the adoption, modification or operation of any employees’ share scheme or any share incentive or share option scheme under which the Director or his close associate(s) may benefit; or

- (b) the adoption, modification or operation of a pension fund or retirement, death or disability benefits scheme which relates to the Director, his close associate(s) and employee(s) of the Company or any of its subsidiaries and does not provide in respect of any Director, or his close associate(s), as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates;
- (iv) any contract or arrangement in which the Director or his close associate(s) is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.”

Article 152

(17) By deleting the word “special” and replacing it with the word “ordinary” in Article 152(2).

(18) By adding the following as a new Article 152(3):

“152.(3) The remuneration of the Auditor shall be fixed by the Company by ordinary resolution in general meeting or in such manner as the Members may determine by a body that is independent of the Board.”

Article 154

(19) By deleting Article 154 in its entirety and replacing it with the words “INTENTIONALLY DELETED”.

Article 155

(20) By deleting Article 155 in its entirety and replacing it with the following:

“The Directors may fill any casual vacancy in the office of Auditor but while any such vacancy continues the surviving or continuing Auditor or Auditors, if any, may act. The remuneration of any Auditor appointed by the Directors under this Article may be fixed by the Board. Subject to Article 152(2), an Auditor appointed under this Article shall hold office until the next following annual general of the Company and shall then be subject to appointment by the Members under Article 152(1) at such remuneration to be determined by the Members under Article 152(3).”

Article 167

(21) By adding the following Article as a new Article 167:

“ **FINANCIAL YEAR**

167. Unless otherwise determined by the Directors, the financial year of the Company shall end on 31 December in each year.”

NOTICE OF ANNUAL GENERAL MEETING



Ching Lee Holdings Limited

正利控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3728)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Ching Lee Holdings Limited (the “Company”) will be held at Shop 6A, 1/F, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Hong Kong on Friday, 26 August 2022 at 10:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

As ordinary business to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

1. To receive, consider and adopt the audited consolidated financial statements, the report of the directors and the independent auditor’s report of the Company for the year ended 31 March 2022.
2. (a) (i) To re-elect Mr. Lam Ka Fai as an Executive director of the Company.
(ii) To re-elect Mr. Tong Hin Sum Paul as an Independent non-executive director of the Company.
(iii) To re-elect Mr. Chau Kam Wing Donald as an Independent non-executive director of the Company.
- (b) To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
3. To re-appoint BDO Limited as the independent auditor of the Company and authorise the board of directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

4. “THAT:

(a) a general and unconditional mandate be and is hereby given to the Directors of the Company to allot, issue and deal with shares of the Company or securities convertible into such shares or options, warrants or similar rights to subscribe for any such shares or such convertible securities (including the power to make or grant any offers, agreements or options which would or might require securities to be issued, allotted or disposed) subject to a restriction that the aggregate number of securities allotted or agreed to be allotted, otherwise than pursuant to:

1. a Rights Issue (as defined below);
2. any scrip dividend schemes or similar arrangements providing for the allotment and issue of shares 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;
3. the exercise of options granted under any share option scheme or other similar arrangement adopted by the Company for the grant or issue to the employees, officers, directors and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for or rights to acquire shares of the Company;
4. the exercise of any right of subscription or conversion under the terms of any bonds, warrants or debentures which may be issued by the Company or any securities which are convertible into shares of the Company; or
5. a specific authority granted by the shareholders of the Company in general meeting,

shall not exceed 20% of the number of the issued shares of the Company as at the date of the passing of this resolution;

(b) the aforesaid mandate shall remain in effect until (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 to be held; or (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this resolution, “Right Issue” means an offer of shares of the Company or offer or issue of options, warrants or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the Directors 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 to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical problems, 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) and an offer, allotment or issue of shares by way of rights shall be construed accordingly.”

5. **“THAT:**

- (a) a general and unconditional mandate be and is hereby given to the directors of the Company authorising them to exercise all powers of the Company to purchase on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of the Securities on the Main Board of the Stock Exchange or of any other stock exchange as amended from time to time, shares of the Company for a total number not exceeding 10% of the number of the issued shares of the Company as at the date of the passing of this resolution; and
- (b) the aforesaid mandate shall remain in effect until (i) the conclusion of the next annual general meeting of the Company; or (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 to be held; or (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first.”

6. **“THAT:**

conditional upon the ordinary resolutions no. 4 and no. 5 as set out in the notice convening the AGM being duly passed (with or without amendments), the general and unconditional mandate granted to the directors of the Company to allot, issue and deal with shares of the Company pursuant to the resolution set out in the said resolution no. 4 be and is hereby extended by the addition to the number of shares of the Company which may be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with by the directors of the Company pursuant to such general mandate of an amount representing the number of issued shares of the Company repurchased by the Company pursuant to the general mandate

NOTICE OF ANNUAL GENERAL MEETING

referred to in the said resolution no. 5 (up to a maximum number equivalent to 10% of the number of the issued shares of the Company as at the date of the passing of the said resolution no. 5).”

SPECIAL RESOLUTION

As special business to consider and, if thought fit, pass with or without amendments, the following resolution as special resolution of the Company:

7. **“THAT:**

the articles of association of the Company be amended in the manner as set out in the circular of the Company dated 28 July 2022 (the “**Circular**”) and the amended and restated articles of association of the Company in the form of the document marked “**A**” and produced to the AGM and for the purpose of identification initialed by the chairman of the AGM, which consolidates all the proposed amendments mentioned in the Circular, be approved and adopted as the amended and restated articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company with immediate effect after the close of the AGM and that the Directors be and are hereby authorised to do all things necessary to implement the adoption of the amended and restated articles of association of the Company.”

By order of the Board
Ching Lee Holdings Limited
Ng Choi Wah
Chairman

Hong Kong, 28 July 2022

Notes:

1. A member of the Company entitled to attend and vote at the AGM shall be entitled to appoint another person as his/her proxy to attend and vote in his/her stead. A member who is the holder of two or more shares of the Company may appoint more than one proxy. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member of the Company from attending the AGM and voting in person should he/she so wish. In such event, his/her form of proxy will be deemed to be revoked.
2. A form of proxy for the AGM is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, shall be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong (which will be relocated to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022), not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting.
3. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint registered holders be 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 share shall alone be entitled to vote in respect thereof.

NOTICE OF ANNUAL GENERAL MEETING

4. To ascertain the members' entitlement to attend and vote at the AGM, the register of members will be closed from Tuesday, 23 August 2022 to Friday, 26 August 2022, both days inclusive, during which period no transfer of shares of the Company can be registered. In order to be eligible to attend and vote at the meeting, all completed transfer forms, accompanied by the relevant share certificates, shall be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (which will be relocated to 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong with effect from 15 August 2022) for registration not later than 4:30 p.m. on Monday, 22 August 2022.
5. An explanatory statement containing further details regarding resolution numbered 5 above is set out in Appendix I to the Circular.
6. Details of the directors proposed to be re-elected as directors of the Company are set out in Appendix II to the Circular.
7. Details of the proposed amendments to the articles of association of the Company are set out in Appendix III to the Circular.
8. Members of the Company or their proxies shall produce documents of their proof of identity when attending the AGM.
9. If typhoon signal number 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the AGM, the meeting will be postponed. The Company will post an announcement on the website of Company at www.chingleeholdings.com and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify shareholders of the Company of the date, time and place of the rescheduled meeting.

As at the date of this notice, the executive Directors are Mr. Ng Choi Wah, Mr. Lui Yiu Wing and Mr. Lam Ka Fai, and the independent non-executive Directors are Dr. Wai Wing Hong Onyx, Mr. Tong Hin Sum Paul and Mr. Chau Kam Wing Donald.