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## **ALCO HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

Website: <http://www.alco.com.hk>

**(Stock Code: 328)**

### **NOTICE OF SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a Special General Meeting (the “**Meeting**”) of Alco Holdings Limited will be held at 11/F, Metropole Square, 2 On Yiu Street, Sha Tin, New Territories, Hong Kong, on Thursday, 13 April 2023 at 11:00 a.m. for the following purposes:

#### **SPECIAL RESOLUTION**

“**THAT** subject to and conditional upon: (i) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and permission to deal in, the Adjusted Shares (as defined below) arising from the Capital Reorganisation (as defined below); and (ii) the compliance by the Company with section 46(2) of the Companies Act 1981 of Bermuda and the Listing Rules to effect the Share Consolidation (as defined below), Capital Reduction (as defined below) and the Share Subdivision (as defined below), with effect from the second business day immediately following the day of passing of this resolution, being a day on which the shares of the Company are traded on the Stock Exchange:

- (a) every fifty (50) issued and unissued existing Shares of par value of HK\$0.10 each in the authorised share capital of the Company be consolidated (the “**Share Consolidation**”) into one (1) ordinary share of par value of HK\$5.00 each (the “**Consolidated Share(s)**”);
- (b) immediately following the Share Consolidation becoming effective, the issued share capital of the Company be reduced by (a) rounding down the number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by cancelling any fraction of a Consolidated Share in the issued share capital of the Company; and (b) cancelling the paid-up share capital to the extent of HK\$4.99 on each issued Consolidated Share such that the par value of each issued Consolidated Share will be reduced from HK\$5.00 to HK\$0.01 (the “**Capital Reduction**”);

- (c) the credit arising from the Capital Reduction be applied to set off against the accumulated losses of the Company or be applied in any other manner as may be permitted under the bye-laws of the Company and all applicable laws of Bermuda;
- (d) immediately following the Capital Reduction becoming effective, each of the then authorised but unissued Consolidated Shares of par value of HK\$5.00 each in the share capital of the Company be subdivided into five hundred (500) authorised but unissued shares of par value of HK\$0.01 each in the share capital of the Company (the “**Adjusted Share(s)**”) such that the authorised share capital of the Company will be HK\$299,840,886.27 divided into 29,984,088,627 Adjusted Shares of par value of HK\$0.01 each (the “**Share Subdivision**”, together with the Share Consolidation and the Capital Reduction, the “**Capital Reorganisation**”) immediately following the Share Subdivision becoming effective and such Adjusted Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the bye-laws of the Company; and
- (e) any one of the Directors be and are hereby authorised to do all such acts and things and execute and deliver all such documents, which are ancillary to the Capital Reorganisation, on behalf of the Company, including under common seal where applicable, as they may consider necessary, desirable or expedient to carry out or give effect to any or all of the foregoing arrangements in respect of the Capital Reorganisation.”

#### **ORDINARY RESOLUTION**

“**THAT** subject to and conditional upon the passing of the resolutions numbered 1, and the fulfilment of all conditions as set out in the section headed “Letter from the Board – Proposed Rights Issue – Conditions of the Rights Issue” in the circular of the Company dated 17 March 2023:

- (a) the issue of up to 63,645,492 new Shares (assuming no further issue and repurchase of the shares of the Company up to the Record Date (as defined below)) (the “**Rights Shares**”) pursuant to an offer by way of rights to the shareholders of the Company (the “**Shareholders**”) at the subscription price of HK\$1.425 per Rights Share (the “**Subscription Price**”) on the basis of four (4) Rights Shares for every one (1) Adjusted Share held by the Shareholders (“**Qualifying Shareholders**”) whose names appear on the register of members of the Company on Wednesday, 26 April 2023, or such other date as may be determined by the Company for determining entitlements of the Shareholders to participate in the Rights Issue (as defined below) (the “**Record Date**”), save for the Shareholders whose addresses as of the Record Date are outside of Hong Kong (if any) to whom the Directors, based on legal opinions to be provided by the legal advisers to the Company, consider it necessary or expedient not to offer the Rights Shares on account either of the legal restrictions under the laws of the relevant place(s) of their registered address(es) or the requirements of the relevant regulatory body(ies) or stock exchange(s) in such place(s) (the “**Non-Qualifying Shareholders**”), and on and subject to such terms and conditions as may be determined by the Directors (the “**Rights Issue**”), and the transactions contemplated thereunder, be and are hereby approved, confirmed and ratified;

- (b) the placing agreement dated 27 January 2023 entered into between the Company and Innovax Securities Limited (a copy of which has been produced to the Meeting marked “A” and signed by the chairman of the Meeting for the purpose of identification), in relation to the placing of the Rights Shares not subscribed by the Qualifying Shareholders and/or the Rights Share(s) which would otherwise has/have been provisionally allotted to the Non-Qualifying Shareholder(s) in nil-paid form that has/have not been sold by the Company at the placing price of not less than the Subscription Price on a best effort basis, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (c) the board of Directors or a committee thereof be and is hereby authorised to allot and issue the Rights Shares pursuant to or in connection with the Rights Issue notwithstanding that the Rights Shares may be offered, allotted or issued otherwise than pro rata to the Qualifying Shareholders and, in particular, any Directors be and is hereby authorised to make such exclusions or other arrangements in relation to any Non-Qualifying Shareholders, and to do all such acts and things or make such arrangements as he/she considers necessary, desirable or expedient having regard any restrictions under the bye-laws of the Company or the laws of, or the rules and regulations of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong to give effect to any or all other transactions contemplated in this resolution; and
- (d) the Directors be and are hereby authorised to do all such acts and things and execute and deliver all such documents, which are ancillary to the Rights Issue and the Placing Agreement, on behalf of the Company, including under common seal where applicable, as they may consider necessary, desirable or expedient to implement or give effect to any matters in connection with the Rights Issue, the Placing Agreement, and the transactions contemplated thereunder.”

By order of the Board  
**Alco Holdings Limited**  
**LEI Kam Chao**  
*Chairman*

Hong Kong, 17 March 2023

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Head Office and Principal Place of*

*Business in Hong Kong:*  
11/F, Metropole Square  
2 On Yiu Street  
Sha Tin  
New Territories  
Hong Kong

*Notes:*

1. A member entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. Proxy forms must be lodged with the Company's share registrar in Hong Kong at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
2. Where there are joint holders of any share of the Company, any one of such joint holders may vote at the Meeting or its adjourned meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at any meeting, 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 in respect of the joint holding.
3. A form of proxy for use at the Meeting or its adjourned meeting is enclosed.
4. 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, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event, not less than 48 hours before the time appointed for holding the Meeting or its adjourned meeting. Completion and return of the form of proxy will not preclude a Member from attending and voting in person at the Meeting or its adjourned meeting and in such event, the form of proxy shall be deemed to be revoked.
5. The voting at the Meeting or its adjourned meeting will be taken by poll.
6. If tropical cyclone warning signal No. 8 or above, or a "black" rainstorm warning or "extreme conditions after super typhoons" announced by the Government of Hong Kong is/are in effect any time after 7:00 a.m. on the date of the Meeting, the Meeting will be postponed. The Company will post an announcement on the website of the Company at [www.alco.com.hk](http://www.alco.com.hk) and on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) to notify the Shareholders of the date, time and place of the re-scheduled Meeting.

If a tropical cyclone warning signal No. 8 or above or a "black" rainstorm warning signal is lowered or cancelled at or before 7:00 a.m. on the date of the Meeting and where conditions permit, the Meeting will be held as scheduled.

The Meeting will be held as scheduled when an "amber" or "red" rainstorm warning signal is in force.

*As at the date of this notice, the executive directors of the Company are Mr. LEI Kam Chao, Mr. Ho Chak Yu. The independent non-executive directors of the Company are Mr. CHU Hoi Kan, Mr. LAM Chi Wing and Mr. TANG Sher Kin.*