
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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

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

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MOBICON GROUP LIMITED

萬保剛集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1213)

**GENERAL MANDATES FOR THE ISSUE OF NEW SHARES AND
THE REPURCHASE BY THE COMPANY OF ITS OWN SHARES,
RE-ELECTION OF DIRECTORS,
RE-APPOINTMENT OF AUDITORS,
DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (the “AGM”) of Mobicon Group Limited (the “Company”) to be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Thursday, 10 August 2023 at 12:00 p.m. is set out on pages 15 to 18 of this circular. A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar in Hong Kong, Hong Kong Registrars Ltd., at shop 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time for holding the meeting (i.e. before 12:00 p.m. on Tuesday, 8 August 2023 (Hong Kong time)) or any adjournment thereof. Completion and return of the enclosed form of proxy shall not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

* for identification purposes only

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DEFINITIONS

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

“AGM”	annual general meeting of the Company to be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Thursday, 10 August 2023 at 12:00 p.m. (or any adjournment thereof), the notice of which is set out on pages 15 to 18 of this circular
“Audit Committee”	audit committee of the Board
“Board”	board of Directors
“Buyback Mandate”	a general and unconditional mandate proposed to be granted at the AGM to the Directors to exercise all the powers of the Company to repurchase Shares up to a maximum of 10% of all issued Shares as at the date of passing of the relevant resolution
“Bye-laws”	the bye-laws of the Company, as amended from time to time
“Companies Act”	Companies Act 1981 of Bermuda, as amended from time to time
“Company”	Mobicon Group Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Share Issue Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	30 June 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information included herein
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	nomination committee of the Board
“Remuneration Committee”	remuneration committee of the Board
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted at the AGM to the Directors to exercise all the powers of the Company to allot, issue and otherwise deal with Shares up to a maximum of 20% of all issued Shares as at the date of passing of the relevant resolution
“Shareholder(s)”	holder(s) for the time being of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



MOBICON GROUP LIMITED

萬保剛集團有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 1213)

Executive Directors:

Hung Kim Fung, Measure (*Chairman*)
Yeung Man Yi, Beryl (*Deputy Chairman and
Chief Executive Officer*)
Hung Ying Fung
Yeung Kwok Leung, Allix

Independent Non-Executive Directors:

Ip Fu Wa, Benthony
Leung Wai Cheung
Ku Wing Hong, Eric

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Office:

7th Floor, New Trend Centre
704 Prince Edward Road East
San Po Kong
Kowloon
Hong Kong

17 July 2023

To the shareholders of the Company (the "Shareholders")

Dear Sir or Madam,

**GENERAL MANDATES FOR THE ISSUE OF NEW SHARES AND
THE REPURCHASE BY THE COMPANY OF ITS OWN SHARES,
RE-ELECTION OF DIRECTORS,
RE-APPOINTMENT OF AUDITORS,
DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

* *For identification purposes only*

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with information reasonably necessary to enable you to make a decision on whether to vote for or against the ordinary resolutions to be proposed at the AGM which will be convened for the purpose of considering and, if thought fit, approving (*inter alia*):

- (i) General mandates for the issue of new Shares and repurchase of Shares by the Company of its own shares;
- (ii) Re-election of retiring Directors;
- (iii) Re-appointment of auditors; and
- (iv) Declaration of final dividend.

GENERAL MANDATES TO ISSUE NEW SHARES AND THE REPURCHASE BY THE COMPANY

Approval is being sought from the Shareholders at the AGM to grant to the Directors a general mandate to issue new Shares of HK\$0.10 in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable for the Company to issue Shares equal in aggregate to up to 20 per cent. of its issued share capital as at the date of the passing of the relevant resolution (the “Share Issue Mandate”). Assuming that no further Shares will be issued and repurchased prior to the AGM, and on the basis of 200,000,000 Shares in issue as at the Latest Practicable Date, exercise in full of the Share Issue Mandate could accordingly result in up to a maximum of 40,000,000 Shares issued by the Company. The obtaining of the Share Issue Mandate is in accordance with the Listing Rules. The Directors wish to state that they have no immediate plans to issue any new Share of the Company. The Share Issue Mandate authorises the Directors to allot, issue and otherwise deal with the Shares during the period from the passing of the relevant ordinary resolution at the AGM until (i) the conclusion of the next annual general meeting of the Company; or (ii) when revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company; or (iii) the expiration of the period within which the next annual general meeting of the Company is required by statute or the Bye-laws to be held, whichever occurs first.

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their own securities, subject to certain restrictions, on the Stock Exchange. At the AGM, an ordinary resolution will be proposed to grant the Directors a general mandate to, *inter alia*, repurchase up to 10 per cent. of the issued share capital of the Company as at the date of the passing of the relevant resolution (the “Buyback Mandate”). In addition, subject to the passing of the proposed ordinary resolutions regarding the Share Issue Mandate and the Buyback Mandate, a separate resolution will also be proposed at the AGM to grant a general mandate to the Directors to include the aggregate nominal amount of Shares which may from time to time be repurchased by the Company pursuant to the Buyback Mandate to the Share Issue Mandate.

LETTER FROM THE BOARD

The Company is required by the relevant rules set out in the Listing Rules regulating such share repurchases to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Buyback Mandate. Such information is provided in the Appendix in this circular.

Assuming that no further Shares will be issued and repurchased prior to the AGM, and on the basis of 200,000,000 Shares in issue as at Latest Practicable Date, exercise in full of the Buyback Mandate could accordingly result in up to a maximum of 20,000,000 Shares, which represents 10 per cent. of the issued share capital of the Company, repurchased by the Company during the course of the period from the passing of the relevant ordinary resolution granting the Buyback Mandate until (i) the conclusion of the next annual general meeting of the Company; or (ii) when revoked or varied by ordinary resolution of the Shareholders in general meeting of the Company; or (iii) the expiration of the period within which the next annual general meeting of the Company is required by statute or the Bye-laws to be held, whichever occurs first.

RE-ELECTION OF DIRECTORS

Currently, three Directors are subject to retirement by rotation at the AGM under the Bye-laws, namely, Mr. Hung Ying Fung (“Mr. Hung”), Dr. Leung Wai Cheung (“Dr. Leung”) and Mr. Ip Fu Wa, Benthony (“Mr. Ip”). Each of Mr. Hung, Dr. Leung and Mr. Ip being eligible, offer themselves for re-election.

Mr. Hung, aged 59, executive Director

Mr. Hung was appointed on 30 January 2001. He is responsible for the management and both the computer and cosmetic retail business development of the Group. Mr. Hung was a founder of the Group and has over 37 years of experience in the electronics industry. In 2001, he was nominated as the director of the Chamber of Hong Kong Computer Industry Company Limited. Mr. Hung was nominated as an executive member of the Sham Shui Po District Commerce & Industrial Liaison Committee (2021–2023). Other than holding the directorships in the Company and in the following subsidiaries of the Group, Mr. Hung has not held any directorship in any other public listed companies in the last three years:

A Plus 2 Computer Limited, A Plus Computer Holdings Limited, AESI (HK) Limited, APower Holdings Limited, MCU Power Limited, Mobicon (BVI) Limited, Mobicon Agent Limited, Mobicon Holdings Limited and Videocom Technology (HK) Limited.

Save as disclosed above, Mr. Hung did not hold any other position in the Group as at the Latest Practicable Date. Mr. Hung also did not hold any other major appointments or professional qualifications as at the Latest Practicable Date.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the interests and short positions of Mr. Hung in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register maintained by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

Long position in the Shares and shares of an associated corporation

(i) Ordinary shares of HK\$0.10 each in the Company

Number	Capacity	Percentage of issued share capital
26,990,000	Personal interest	13.50%

(ii) Non-voting deferred shares of HK\$1.00 each in a subsidiary – Maxfair Distribution Limited

Number	Capacity	Percentage of issued share capital
200,000	Personal interest	20%

Save as disclosed above, Mr. Hung had no other interests in the shares or underlying shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Hung as an executive Director has entered into a service contract with the Company for an initial fixed term of three years commencing from 1 April 2001 pursuant to which Mr. Hung does not receive any annual emoluments (inclusive of bonus entitlement), and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. The basis of determination of his emoluments is by reference to market terms, and performance, qualification and experience of Mr. Hung. His salary shall be reviewed at the discretion of the Board (or its designated committee) and decided by the Board (or its designated committee) after he completed each year of service. Moreover, Mr. Hung is the brother of Dr. Hung Kim Fung, Measure who is the Chairman and an executive Director of the Company, the brother-in-law of Ms. Yeung Man Yi, Beryl, the Deputy Chairman, an executive Director and the Chief Executive Officer of the Company, and the uncle of Ms. Hung Lok Lam, Joyce and Mr. Hung Lok Tin, the senior management of the Company. Save as disclosed above, Mr. Hung is not related to any other Directors, senior management or substantial or controlling shareholders of the Company.

LETTER FROM THE BOARD

Dr. Leung, aged 59, independent non-executive Director

Dr. Leung was appointed as an independent non-executive Director on 18 April 2001. Dr. Leung is a qualified accountant, chartered secretary and Chartered Governance Professional with over 36 years of experience in accounting, auditing and financial management. He holds the Doctor of Philosophy degree in Forensic Accounting and Auditing, the Doctor of Philosophy degree in Management, the Doctor of Education degree in Educational Management, a Doctor of Business Administration degree, a Honorary Doctor of Accounting, a Master of Science in Finance and Strategy, a Master of Professional Accounting degree, a Master of Law in International and Commercial Law, a Postgraduate Diploma in Corporate Administration, a Bachelor of Commerce degree majoring in Accounting, and a Diploma in Forensic Accounting. He is an associate member of each of the Hong Kong Institute of Certified Public Accountants, Chartered Professional Accountants of British Columbia, Canada, CPA Australia, Chartered Governance Institute and the Taxation Institute of Hong Kong and a fellow member of the Association of Chartered Certified Accountants and the Institute of Chartered Accountants in England & Wales. Dr. Leung is also an adjunct lecturer of the Hong Kong University (SPACE). He is currently an independent non-executive director of AV Promotions Holdings Limited (stock code: 8419), and chief financial officer of HM International Holdings Limited (stock code: 8416) He was an executive director of Bamboos Health Care Holdings Limited (stock code: 2293) in 2021.

Pursuant to code provision B.2.3 of the Corporate Governance Code of the Listing Rules, the length of tenure (i.e. serving more than nine years as an independent non-executive director of a company) is one of the factors in determining the independence of an independent non-executive director, and the further appointment of an independent non-executive director shall be subject to a separate resolution to be approved by shareholders of the Company.

Notwithstanding Dr. Leung has served as an independent non-executive Director for more than 21 years since 18 April 2001, the Board is of the view that his independence is not affected by his long service as Dr. Leung met the independence guidelines set out in Rule 3.13 of the Listing Rules. Dr. Leung is also independent from the business operations of the Company and he is not related to any of the Directors, controlling or substantial shareholders of the Company. Dr. Leung has from time to time provided independent advice to the Board and continued to demonstrate a firm commitment to his role as an independent non-executive Director throughout the past years. The Nomination Committee and the Board have considered his contributions and services to the Company and reviewed his expertise and professional qualifications and his independence pursuant to Rule 3.13 of the Listing Rules to determine whether Dr. Leung satisfies the selection criteria of the nomination policy of the Company. Both the Board and the Nomination Committee believe that he possesses the required character and integrity to act as a Director of the Company. Hence, the Board considers that Dr. Leung as independent and recommends the re-election of Dr. Leung as an independent non-executive Director at the upcoming annual general meeting.

LETTER FROM THE BOARD

Dr. Leung has entered into a letter of appointment with the Company and is not appointed for a specific term but is subject to retirement by rotation at annual general meetings of the Company in accordance with the Bye-laws. The director's fee of Dr. Leung is currently HK\$120,000 per annum. The basis of determination of his director's fee is by reference to the market terms, and performance, qualification and experience of Dr. Leung. Other than the director's fee, Dr. Leung is not entitled to any other emoluments. His salary shall be reviewed at the discretion of the Board (or its designated committee) and decided by the Board (or its designated committee) after he completed each year of service.

Save as disclosed above, Dr. Leung did not hold any directorship in the last three years in public companies the shares of which are listed on any securities markets in Hong Kong or overseas nor did he have any other major appointments nor professional qualifications as at the Latest Practicable Date.

Mr. Ip, aged 64, independent non-executive Director

Mr. Ip was appointed as an independent non-executive Directors on 31 August 2022. Mr. Ip has over 26 years in the finance and administration sectors. Mr. Ip first started his career in England and later joined an international firm as an assistant audit manager until 1989. He then pursued his career in the commercial sector by involving in property investment in the U.S. and engaging in the trading operations. From 2001 to 2013, Mr. Ip joined a listed company in Hong Kong and worked as the company secretary and assistant to the company's chairman. In 2000, Mr. Ip established his own consultancy firm to provide consulting services to companies established in Hong Kong and overseas.

Mr. Ip obtained a bachelor's degree in mathematics from University College London in 1981. He has been a member of Institute of Chartered Accountants in England and Wales since May 1988. He is also a non-practising member of Hong Kong Institute of Certified Public Accountants.

Mr. Ip is not related to any other Directors, senior management or substantial or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Ip did not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr. Ip has entered into a letter of appointment with the Company for a term of two years commencing from 31 August 2022 and is subject to retirement by rotation at annual general meetings of the Company in accordance with the Bye-laws. The director's fee of Mr. Ip is currently HK\$80,000 per annum. The basis of determination of his director's fee is by reference to the market terms, and performance, qualification and experience of Mr. Ip. Other than the director's fee, Mr. Ip is not entitled to any other emoluments. His salary shall be reviewed at the discretion of the Board (or its designated committee) and decided by the Board (or its designated committee) after he completed each year of service.

LETTER FROM THE BOARD

Save as disclosed above, Mr. Ip did not hold any directorship in the last three years in public companies the shares of which are listed on any securities markets in Hong Kong or overseas nor did he have any other major appointments nor professional qualifications as at the Latest Practicable Date.

RE-APPOINTMENT OF AUDITORS

HLB Hodgson Impey Cheng Limited (“HLB”) will retire as the auditors of the Company at the AGM and, being eligible, offer themselves for re-appointment as the auditors of the Company.

The Board, upon the recommendation of the Audit Committee, proposed to re-appoint HLB as the auditors of the Company for the year ended 31 March 2024 and to hold office until the conclusion of the next annual general meeting of the Company. A resolution will also be proposed to authorise the Board to fix the auditors’ remuneration for the ensuing year.

DECLARATION OF FINAL DIVIDEND

By the announcement of the annual results for the year ended 31 March 2023 of the Company dated 28 June 2022, the Company announced that the Board has resolved to recommend the payment of a final dividend of HK0.5 cents per Share in respect of the year ended 31 March 2023 to the Shareholders whose names appear on the register of members of the Company on Friday, 18 August 2023. Subject to the passing of the resolution approving the payment of such final dividend at the AGM, the final dividend is expected to be paid on Tuesday, 29 August 2023. In order to determine the entitlement to the final dividend for the year ended 31 March 2023, the register of members of the Company will be closed from Wednesday, 16 August 2023 to Friday, 18 August 2023, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the final dividend, all completed share transfer documents, accompanied by the relevant share certificates, must be lodged with the Company’s branch share registrar and transfer office, Hong Kong Registrars Limited, Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 15 August 2023.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

The AGM is scheduled to be held on Thursday, 10 August 2023. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 7 August 2023 to Thursday, 10 August 2023, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of Shares should ensure that all the share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited, Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 4 August 2023. For the purpose of determining the entitlement to the final dividend for the year ended 31 March 2023, subject to the approval of the Shareholders at the AGM, the register of members of the Company will be closed from Wednesday, 16 August 2023 to Friday, 18 August 2023, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible for the entitlement to the final dividend for the year ended 31 March 2023, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited, Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Tuesday, 15 August 2023.

ANNUAL GENERAL MEETING

The AGM will be convened and held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Thursday, 10 August 2023. The notice convening the AGM at which ordinary resolutions will be proposed, *inter alia*, (i) the adoption of the Share Issue Mandate and the Buyback Mandate; (ii) the re-election of Directors; (iii) the re-appointment of auditors; and (iv) the declaration of final dividend are set out on pages 15 to 18 of this circular.

A proxy form for the AGM is enclosed herewith. Whether you are able to attend the AGM or not, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the completed proxy form to the Company's branch share registrar and transfer office, Hong Kong Registrars Limited, at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible so that it is received at least 48 hours (i.e. 12:00 p.m. on Tuesday, 8 August 2023) before the time appointed for the AGM. Submission of a proxy form shall not preclude you from attending the AGM and voting in person should you so wish.

LETTER FROM THE BOARD

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, the chairman of the AGM will demand a poll for all the resolutions to be put forward at the AGM pursuant to Bye-law 73 of the Bye-laws. The poll results of the AGM will be announced as soon as possible after the AGM in accordance with Rule 13.39(5) of the Listing Rules and published on the websites of the Stock Exchange and the Company.

RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and, 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.

RECOMMENDATION

The Directors consider that the adoption of the Share Issue Mandate and the Buyback Mandate, the re-election of retiring Directors, the re-appointment of auditors and the declaration of final dividend are in the best interests of the Company and its Shareholders as a whole and accordingly the Directors recommend that all Shareholders should vote in favour of the relevant ordinary resolutions as set out in the Notice of AGM at the AGM.

Yours faithfully,
For and on behalf of the Board
Mobicon Group Limited
Hung Kim Fung, Measure
Chairman

APPENDIX EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

This Appendix serves as an explanatory statement as required by the Listing Rules to provide the requisite information to you for your consideration of the Buyback Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$200,000,000 divided into 2,000,000,000 Shares, among which a total of 200,000,000 Shares were issued and fully paid-up. Subject to the passing of the relevant ordinary resolution at the AGM approving the Buyback Mandate and assuming that no further Shares will be issued or repurchased by the Company on or prior to the AGM, the Company will be allowed to repurchase up to 20,000,000 Shares pursuant to the Buyback Mandate.

2. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to have a general authority from the Shareholders to enable the Company to repurchase the Shares on the market. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company 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.

3. FUNDING OF REPURCHASE

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the laws of Bermuda. It is envisaged that the funds required for any repurchase would be derived from the distributable profits of the Company. In the event that any repurchase will or will be likely to have an adverse impact on the working capital or gearing position of the Company, the Company will not proceed with such repurchase.

There may be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts of the Company for the financial year ended 31 March 2023, such audited accounts were contained in the Company's Annual Report 2022/2023) in the event that the proposed share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Buyback Mandate to such extent as would, in the circumstances and in the opinion of the Directors, have a material adverse effect on the working capital of the Company or its gearing level.

APPENDIX EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

4. SHARE PRICES

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

2022

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
June	0.425	0.38
July	0.39	0.36
August	0.485	0.365
September	0.49	0.365
October	0.43	0.43
November	0.49	0.37
December	0.40	0.36

2023

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
January	0.36	0.36
February	0.36	0.36
March	0.36	0.36
April	0.36	0.36
May	0.44	0.36
June (up to the Latest Practicable Date)	0.44	0.44

5. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their respective associates, has any present intention, if the Buyback Mandate is approved by the Shareholders, to sell any Shares to the Company or its subsidiaries.

No connected person (as defined in the Listing Rules) of the Company has notified the Company that he or she or it has a present intention to sell the Shares to the Company, or has undertaken not to do so, if the Buyback Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will only exercise the power of the Company to make repurchases pursuant to the proposed Buyback Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

APPENDIX EXPLANATORY STATEMENT ON THE BUYBACK MANDATE

If as a result of a Share repurchase, 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 the Takeovers Code currently in force and issued by the Securities and Futures Commission of Hong Kong. As a result, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and becomes obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, M2B Holding Limited, Bestmark Management Limited and Mr. Hung Ying Fung were the registered holders of 90,000,000 Shares, 30,000,000 Shares and 26,990,000 Shares respectively representing approximately 45 per cent., 15 per cent. and 13.50 per cent. of the issued share capital of the Company respectively. In the event that the power to repurchase Shares is exercised in full, the shareholding of M2B Holding Limited, Bestmark Management Limited and Mr. Hung Ying Fung together with their respective associates, in the Company would be increased to approximately 50 per cent., 16.67 per cent. and 14.99 per cent. of the issued share capital of the Company respectively. The Directors are aware that such increase may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code and reduce the amount of Shares held by the public to less than 25 per cent. The Company has no intention to repurchase Shares to such an extent which will result in the amount of Shares held by the public being reduced to less than 25 per cent. The Company has no present intention to exercise the Buyback Mandate to such an extent as would result in takeover obligations.

The Company has not repurchased any securities of the Company on the Stock Exchange or otherwise in the six months prior to the date of this circular.

NOTICE OF ANNUAL GENERAL MEETING



MOBICON GROUP LIMITED

萬保剛集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1213)

NOTICE IS HEREBY GIVEN that the annual general meeting of the abovenamed company (the “Company”) will be held at Yau Yat Chuen Garden City Club, 7 Cassia Road, Yau Yat Chuen, Kowloon, Hong Kong on Thursday, 10 August 2023 at 12:00 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and auditors for the year ended 31 March 2023.
2. To declare a final dividend of HK0.5 cent per share for the year ended 31 March 2023.
3. To re-elect Mr. Hung Ying Fung as an executive Director of the Company.
4. To re-elect Dr. Leung Wai Cheung as an independent non-executive Director of the Company.
5. To re-elect Mr. Ip Fu Wa, Benthony as an independent non-executive Director of the Company.
6. To authorise the remuneration committee of the Company to fix the remuneration of the Directors of the Company.
7. To re-appoint HLB Hodgson Impey Cheng Limited as the auditors of the Company and to authorise the board of directors of the Company to fix their remuneration.
8. As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

A. **“THAT:**

- (a) subject to paragraph (c) of this resolution and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the exercise by the Directors during the

* *For identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING

Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the Company (the “Shares”) and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period (as hereinafter defined);
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to a Rights Issue (as hereinafter defined) or scrip dividend scheme of the Company or the exercise of the subscription rights under the share option scheme of the Company shall not exceed twenty per cent. (20%) of the aggregate nominal amount of the share capital of the Company in issue as at the date 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 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 bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to the holders of Shares 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 may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

B. “**THAT**:

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase its own shares, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of Shares repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period (as hereinafter defined) shall not exceed ten per cent. (10%) of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from 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 bye-laws of the Company or any applicable law to be held; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- C. “**THAT** conditional upon resolution no. 7B above being passed, the aggregate nominal amount of the number of Shares which are repurchased by the Company under the authority granted to the Directors as mentioned in resolution no. 7B above shall be added to the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to resolution no. 7A above.”

The register of members of the Company will be closed (i) from Monday, 7 August 2023 to Thursday, 10 August 2023 (both dates inclusive); and (ii) from Wednesday, 16 August 2023 to Friday, 18 August 2023 (both dates inclusive) in order to ascertain (i) the right to attend the meeting and (ii) the right to receive the final dividend, if any, respectively.

By order of the Board
Mobicon Group Limited
Tsoi Ho Yin
Company Secretary

Hong Kong, 17 July 2023

NOTICE OF ANNUAL GENERAL MEETING

Principal Office:

7th Floor, New Trend Centre
704 Prince Edward Road East
San Po Kong
Kowloon
Hong Kong

MEMBERS OF THE BOARD

As at the date of this notice, the board of directors of the Company comprises Dr. Hung Kim Fung, Measure, Madam Yeung Man Yi, Beryl, Mr. Hung Ying Fung, and Mr. Yeung Kwok Leung, Allix as executive Directors and Mr. Ip Fu Wa, Benthony, Dr. Leung Wai Cheung and Mr. Ku Wing Hong, Eric as independent non-executive Directors.

Notes:

- (1) In order to ascertain the right to attend the meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Branch Share Registrar in Hong Kong, Hong Kong Registrars Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m., Friday, 4 August 2023.
- (2) In order to ascertain the right to receive the final dividend, if any, payable on Tuesday, 29 August 2023, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Branch Share Registrar in Hong Kong, Hong Kong Registrars Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m., Tuesday, 15 August 2023.
- (3) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (4) In order to be valid, the form of proxy must be lodged with the Company's Share Registrar in Hong Kong as aforesaid, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or adjourned meeting.
- (5) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.