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

If you have sold or transferred all your shares in Sterling Group Holdings Limited (the “**Company**”), you should at once hand this circular with the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.

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

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1825)

**(1) PROPOSED CAPITAL REORGANISATION;
(2) CHANGE IN BOARD LOT SIZE; AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular unless otherwise stated.

A notice convening the extraordinary general meeting (“**EGM**”) of the Company to be held at 19/F, Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on Monday, 2 March 2026 at 1:00 p.m. is set out on pages 16 to 19 of this circular. A form of proxy for use at the EGM is enclosed in this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) at www.hkexnews.hk and the Company at www.sterlingapparel.com.hk.

Whether or not you are able to attend the EGM, you are advised to read this circular and to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish. Delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed revoked.

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DEFINITIONS

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

“Announcement”	the announcement of the Company dated 15 January 2026 in relation to the proposed Capital Reorganisation and Change in Board Lot Size
“Articles”	the articles of association of the Company, as amended from time to time
“Board”	board of Director(s)
“Business Day(s)”	day(s) (excluding Saturdays, Sundays and public holidays) on which banks are open for business in Hong Kong
“Capital Reduction”	the proposed reduction of the issued share capital of the Company whereby the paid up capital of each of the issued Consolidated Shares will be reduced from HK\$0.40 each to HK\$0.01 each by cancelling the paid up capital to the extent of HK\$0.39 on each issued Consolidated Share
“Capital Reorganisation”	the Share Consolidation, the Capital Reduction and the Share Sub-division
“CCASS”	Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Change in Board Lot Size”	the proposed change in board lot size from 2,500 Shares into 2,000 New Shares
“Companies Act”	the Companies Act (Revised), of the Cayman Islands as consolidated and revised
“Company”	Sterling Group Holdings Limited 美臻集團控股有限公司*, an exempted company incorporated in the Cayman Islands with limited liability, whose shares are listed on main board of the Stock Exchange (stock code: 1825)

DEFINITIONS

“Consolidated Share(s)”	the ordinary share(s) of par value HK\$0.40 each in the share capital of the Company upon the Share Consolidation becoming effective
“Directors”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, to approve the Capital Reorganisation
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	collectively, the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	2 February 2026, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Committee”	has the meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum of association of the Company, as amended from time to time
“New Share(s)”	the ordinary share(s) of par value HK\$0.01 each in the issued and unissued share capital of the Company upon the Capital Reorganisation becoming effective
“Placing”	the placing of 69,120,000 Shares under general mandate as announced by the Company on 29 December 2025 and completed on 22 January 2026

DEFINITIONS

“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Share(s)”	the ordinary share(s) of par value HK\$0.04 each in the share capital of the Company before the Capital Reorganisation becoming effective
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Shares of par value of HK\$0.04 each in the share capital of the Company into one (1) Consolidated Share of par value of HK\$0.40 each
“Share Sub-division”	the proposed sub-division of each of the authorised but unissued Consolidated Share of par value HK\$0.40 each into forty (40) New Shares of par value of HK\$0.01 each
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

* *For identification purpose only*

EXPECTED TIMETABLE

The expected timetable for the Capital Reorganisation and the Change in Board Lot Size is set out below:

Event(s)	Time and Date
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM	4:30 p.m. on Tuesday, 24 February 2026
Closure of register of members for determining the entitlement to attend and vote at the EGM (both dates inclusive)	Wednesday, 25 February 2026 to Monday, 2 March 2026
Latest date and time for lodging the proxy form for the EGM	1:00 p.m. on Saturday, 28 February 2026
Record date for the EGM	Monday, 2 March 2026
Expected date and time of the EGM	1:00 p.m. on Monday, 2 March 2026
Publication of announcement of poll results of the EGM	Monday, 2 March 2026
The following events are conditional upon the results of the EGM and therefore the dates are tentative only.	
Effective date and time of the Capital Reorganisation	9:00 a.m. on Monday, 16 March 2026
First day for free exchange of existing share certificates for new share certificates of the New Shares	Monday, 16 March 2026
Dealings in the New Shares commence	9:00 a.m. on Monday, 16 March 2026
Original counter for trading in existing Shares in board lots of 2,500 Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Monday, 16 March 2026
Temporary counter for trading in New Shares in board lots of 250 New Shares (in the form of existing share certificates) opens	9:00 a.m. on Monday, 16 March 2026
Original counter for trading in New Shares in board lots of 2,000 New Shares (in the form of new share certificates for New Shares) re-opens	9:00 a.m. on Monday, 30 March 2026

EXPECTED TIMETABLE

Parallel trading in the New Shares (in the form of new share certificates for the New Shares and existing share certificates) commences 9:00 a.m. on
Monday, 30 March 2026

Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the New Shares 9:00 a.m. on
Monday, 30 March 2026

Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of the New Shares 4:00 p.m. on
Wednesday, 22 April 2026

Temporary counter for trading New Shares in board lots of 250 New Shares (in the form of existing share certificates) closes 4:10 p.m. on
Wednesday, 22 April 2026

Parallel trading in New Shares (in the form of new share certificates for the New Shares and existing share certificates) ends 4:10 p.m. on
Wednesday, 22 April 2026

Last date and time for free exchange of existing share certificates for the new shares certificates of the New Shares 4:30 p.m. on
Friday, 24 April 2026

All times and dates specified in this circular refer to the Hong Kong local times and dates. The expected timetable is subject to the results of the EGM and satisfaction of the conditions of the Capital Reorganisation and is therefore for indicative purpose only. Any subsequent changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

LETTER FROM THE BOARD

Sterling Group Holdings Limited

美臻集團控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1825)

Executive Directors:

Ms. Wong Mei Wai Alice (Chairperson)

Mr. Yang Lun

Ms. Zhang Man

Independent non-executive Directors

Ms. Chen Jie

Ms. Wu Jing

Registered Office:

3rd Floor, Century Yard

Cricket Square

P.O. Box 902

Grand Cayman, KY1-1103

Cayman Islands

*Headquarters and principal place of
business in Hong Kong:*

18-19/F, Win Plaza

9 Sheung Hei Street

San Po Kong, Kowloon

Hong Kong

9 February 2026

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED CAPITAL REORGANISATION;
(2) CHANGE IN BOARD LOT SIZE; AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement.

The purpose of this circular is to provide you with information containing, among other things, (i) further details in relation to the Capital Reorganisation involving the Share Consolidation, the Capital Reduction and the Share Sub-division; (ii) the Change in Board Lot Size; and (iii) the notice of the EGM.

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every ten (10) issued and unissued Shares of par value of HK\$0.04 each be consolidated into one (1) Consolidated Share of HK\$0.40 each.

LETTER FROM THE BOARD

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$100,000,000 divided into 2,500,000,000 Shares with par value of HK\$0.04 each, of which 414,720,000 Shares have been issued and are fully paid or credited as fully paid.

After the completion of the Placing and assuming that no further Shares will be issued or repurchased from the date hereof until the date of the EGM, immediately upon the Share Consolidation becoming effective, the authorised share capital of the Company will become HK\$100,000,000 divided into 250,000,000 Consolidated Shares with par value of HK\$0.40 each, of which 41,472,000 Consolidated Shares will be in issue and fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

On 21 September 2018, the Company adopted a share option scheme (the “**Share Option Scheme**”) by passing the written resolutions of its then Shareholders. Under the Share Option Scheme, the Directors may grant options to eligible participants to subscribe for the Shares subject to the terms and conditions stipulated therein. From the date of adoption and up to the Latest Practicable Date, no option under the Share Option Scheme has been granted. As at the Latest Practicable Date, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or similar rights which are convertible or exchangeable into, any Shares or Consolidated Shares.

As at the Latest Practicable Date, the number of Shares which may be issued upon exercising the options available for grant under the Share Option Scheme mandate is 20,000,000 Shares. Upon the Share Consolidation becoming effective, the number of Consolidated Shares which may be issued upon exercising the options available for grant under the Share Option Scheme mandate will be 2,000,000 Consolidated Shares. There is no service provider sub-limit under the Share Option Scheme.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to the Shareholders who may otherwise be entitled. The Directors are of the view that the Share Consolidation will not have any material adverse effect on the financial position of the Group and is in the interest of the Company and the Shareholders as a whole.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation;

LETTER FROM THE BOARD

- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares upon the Capital Reorganisation becoming effective; and
- (iii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on Monday, 16 March 2026.

As at the Latest Practicable Date, none of the conditions above have been fulfilled.

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares arising from the Share Consolidation (if any) will be disregarded and will not be allocated to the Shareholders, but will be aggregated and, if possible, sold for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the existing Shares regardless of the number of share certificates held by such holder.

Odd lots arrangement and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Share Consolidation, the Company has appointed Cinda International Securities Ltd. as its designated broker to provide matching services, on a best efforts basis, regarding the sale and purchase of odd lots of Consolidated Shares from 9:00 a.m. on Monday, 30 March 2026 to 4:00 p.m. on Wednesday, 22 April 2026 (both days inclusive). Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares, should contact Mr. Leung Siu Wa of Cinda International Securities Ltd. at Suites 5801-04 & 08, 58/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong (telephone number: (852) 2235-7801) during office hours (i.e. 9:00 a.m. to 12:00 noon and 1:00 p.m. to 4:00 p.m.).

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lot matching arrangement, is recommended to consult his/her/its own professional advisers.

Shareholders or potential investors should note that (i) odd lots will be created after the Share Consolidation; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price in the market.

LETTER FROM THE BOARD

Exchange of share certificates for the Consolidated Shares

Since the Company expects the Share Consolidation and the Capital Reduction and the Share Sub-division will take effect at the same time, the Company will only arrange exchange of share certificates for the New Shares. Please refer to the paragraphs headed “Exchange of share certificates for the New Shares” in this circular below.

Reasons for the Share Consolidation

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or proceed with a consolidation or splitting of securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” (the “**Guide**”) issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and last updated in September 2024 has further stated that (i) market price of the Shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

For the past 6 months, the share price of the Company has been traded below or close to extremity, the closing price of the Share ranging from around HK\$0.093 to HK\$0.19. Based on the closing price of HK\$0.097 per Share as of the date of the Latest Practicable Date, the Board resolved to propose the Share Consolidation, resulting in HK\$0.97 per Consolidated Share (which will be higher than the extremity of HK\$0.10 as mentioned in the Guide), with the view to complying with the trading requirements under the Listing Rules and to facilitate trading activities.

The Board considers that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange. Further, the Share Consolidation would reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge minimum transaction costs for each securities trade. In view of the above reasons, the Board considers that the Share Consolidation is justifiable notwithstanding the potential costs and impact arising from the creation of odd lots to Shareholders. Accordingly, the Board is of the view that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation, and the Company does not have any concrete plan to conduct any other equity fundraising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct equity fundraising exercises when suitable fundraising and/or investment opportunities arise in order to meet its operational needs or support future development of the Group. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

LETTER FROM THE BOARD

The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group nor result in a change in the relative rights of the Shareholders.

PROPOSED CAPITAL REDUCTION AND SHARE SUB-DIVISION

The Board further proposes that immediately following the Share Consolidation becoming effective, the Capital Reduction and the Share Sub-division will be implemented, pursuant to which:

- (i) the issued share capital of the Company will be reduced by cancelling the paid up capital to the extent of HK\$0.39 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$0.40 to HK\$0.01; and
- (ii) immediately following the Capital Reduction, each of the authorised but unissued Consolidated Shares of par value of HK\$0.40 each be sub-divided into forty (40) New Shares of par value of HK\$0.01 each.

Each of the New Shares arising from the Capital Reduction and the Share Sub-division shall rank *pari passu* in all respects with each other in accordance with the Memorandum and the Articles and have rights and privileges and be subject to the restrictions as contained in the Memorandum and the Articles.

Effect of the Capital Reduction and the Share Sub-division

Immediately upon the Capital Reduction and the Share Sub-division becoming effective and assuming no further Shares will be issued or repurchased from the Latest Practicable Date up to and including the date of which the Capital Reduction and the Share Sub-division shall become effective, the authorised share capital of the Company shall be HK\$100,000,000 divided into 10,000,000,000 New Shares with par value of HK\$0.01 each, of which 41,472,000 New Shares will be in issue and fully paid or credited as fully paid.

Based on the 414,720,000 Shares in issue as at the Latest Practicable Date, and assuming no further Shares or (as the case may be) Consolidated Shares will be issued or repurchased prior to the date of which the Capital Reduction and the Share Sub-division shall become effective, a credit amounting to HK\$16,174,080 will arise as a result of the Capital Reduction. It is proposed that the credit arising from the Capital Reduction will be credited to the distributable reserve account of the Company, which will be utilised by the Company in such manner as the Board may deem fit and permitted under all applicable laws and the Memorandum and the Articles.

LETTER FROM THE BOARD

Assuming that there is no change in the number of issued Shares from the Latest Practicable Date up to and including the date on which the Capital Reorganisation becoming effective, the share capital structure of the Company will be as follows:

	As at the Latest Practicable Date	Immediately upon the Capital Reorganisation becoming effective
Par value	HK\$0.04 per Share	HK\$0.01 per New Share
Number of authorised shares of the Company	2,500,000,000 Shares	10,000,000,000 New Shares
Amount of authorised share capital of the Company	HK\$100,000,000	HK\$100,000,000
Number of issued shares of the Company	414,720,000 Shares	41,472,000 New Shares
Amount of issued share capital of the Company	HK\$16,588,800	HK\$414,720

As at 31 March 2025, the Company recorded an audited accumulated loss of approximately HK\$177,526,000. Assuming that the amount of accumulated loss of the Company remains unchanged from 31 March 2025 to the date on which the Capital Reorganisation becoming effective, the amount of accumulated loss of the Company will be reduced to approximately HK\$161,352,000.

Other than the expenses to be incurred in relation to the Capital Reduction and Share Sub-division, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to the Shareholders who may otherwise be entitled. The Directors are of the view that the Capital Reduction and the Share Sub-division will not have any material adverse effect on the financial position of the Group and are in the interest of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Conditions of the Capital Reduction and the Share Sub-division

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

- (i) the Share Consolidation has become effective;
- (ii) passing of a special resolution by the Shareholders at the EGM to approve the Capital Reduction and the Share Sub-division;
- (iii) the Directors signing the solvency statement in accordance with the requirements of the Companies Act;
- (iv) registration by the Registrar of Companies in the Cayman Islands of a copy of the solvency statement and the EGM minute which approved the Capital Reduction;
- (v) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares upon the Capital Reduction and the Share Sub-division becoming effective; and
- (vi) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Capital Reduction and Share Sub-division.

The Capital Reduction and the Share Sub-division will become effective when the conditions mentioned above are fulfilled. Upon the approval by the Shareholders of the Capital Reorganisation at the EGM, the Company will file the requisite documents with the Registrar of Companies in the Cayman Islands. It is expected that the Capital Reduction and the Share Sub-division shall be completed and take effect at the same time when the Share Consolidation takes effect.

As at the Latest Practicable Date, none of the above conditions have been fulfilled.

Application for listing of the New Shares

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the New Shares upon the Capital Reduction and the Share Sub-division becoming effective.

Subject to the granting of listing of, and permission to deal in, the New Shares on the Stock Exchange upon the Capital Reorganisation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the

LETTER FROM THE BOARD

General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the Shares are listed or dealt in any other stock exchange other than the Stock Exchange, and at the time the Capital Reorganisation becoming effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

Exchange of share certificates for the New Shares

Subject to the Capital Reorganisation becoming effective, Shareholders may, during the period from Monday, 16 March 2026 to 4:30 p.m. on Friday, 24 April 2026 (both days inclusive), submit share certificates for the existing Shares (in red colour) to the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in exchange, at the expense of the Company for new share certificates for the New Shares (in yellow colour). Thereafter, share certificates for the existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may be allowed by the Stock Exchange from time to time) for each share certificate for the Shares cancelled or each new share certificate issued for the New Shares, whichever the number of certificates cancelled/issued is higher.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:10 p.m. on Wednesday, 22 April 2026, and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of legal title to the New Shares on the basis of ten (10) Shares for one (1) New Share.

The new share certificates for the New Shares will be issued in yellow colour in order to distinguish them from the share certificates for the Shares which are in red colour.

Reasons for the Capital Reduction and Share Sub-division

Under the Companies Act, a company may not issue shares at a discount to the nominal value of such shares. Immediately after completion of the Share Consolidation but before implementation of the Capital Reduction and the Share Sub-division, the nominal value of the Consolidated Shares will be HK\$0.40 per Consolidated Share. The Capital Reduction and the Share Sub-division will keep the nominal value of the New Shares at a lower level of HK\$0.01 per New Share, which allows greater flexibility in the pricing for any issue of new Shares in the future, as the Company is not allowed to issue any new Shares below the par value under the Companies Act unless approved by the Shareholders and the Cayman Islands Grand Court. The credit in the distributable reserve account arising from the Capital Reduction will enable the Company to reduce its accumulated loss. The Board considers that the Capital Reduction and the Share Sub-division is beneficial to and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Shares are traded on the Stock Exchange in board lots of 2,500 Shares. In addition to the proposed Capital Reorganisation, it is proposed that, subject to and conditional upon the Capital Reorganisation becoming effective, the board lot size for trading on the Stock Exchange shall be changed from 2,500 Shares to 2,000 New Shares.

Based on the closing price of HK\$0.097 per Share (equivalent to the theoretical closing price of HK\$0.97 per New Share) as at the Latest Practicable Date, (i) the value per board lot of 2,500 Shares is HK\$242.5; and (ii) the value of each board lot of 2,500 New Shares would be HK\$2,425 assuming the Capital Reorganisation becoming effective; and (iii) the estimated value per board lot of 2,000 New Shares would be HK\$1,940 on the assumption that the Change in Board Lot Size has also become effective.

REASONS FOR THE CHANGE IN BOARD LOT SIZE

Pursuant to the consultation paper titled “Board Lot Framework Enhancement in Hong Kong Securities Market” issued by the Stock Exchange in December 2025 (the “**Consultation Paper**”), it is proposed that the Stock Exchange will implement standardisation of board lot units, where listed issuers would have to select their board lot unit from a defined set of eight standardised board lot units: 1, 50, 100, 500, 1,000, 2,000, 5,000, and 10,000 share(s). The current board lot size of 2,500 Shares does not fall within the proposed eight standardised board lot units proposed by the Stock Exchange. As such, the Company would like to early adopt the proposed standardised of board lot units by taking the opportunity after the Capital Reorganisation becoming effective.

In addition, the Consultation Paper also proposes lowering the board lot value floor guidance level from HK\$2,000 to HK\$1,000. It is expected that the board lot value after the reduction of board lot size from 2,500 Shares to 2,000 New Shares will be greater than HK\$1,000 after taking into account the minimum transaction costs for a securities trade. In view of the prevailing trading price of the Shares, the Board proposes to implement the Change in Board Lot Size together with the Capital Reorganisation. The Change in Board Lot Size would enable the Company to comply with the new trading requirements proposed under the Consultation Paper. The Company also considers that the Change in Board Lot Size will maintain the trading amount for each board lot at a reasonable level and attract more investors and broaden the shareholder base of the Company. As such, the Board considers that the Change in Board Lot Size is beneficial to and in the interest of the Company and the Shareholders as a whole.

EGM

The EGM will be held at at 19/F., Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on Monday, 2 March 2026 at 1:00 p.m. for the Shareholders to consider and, if thought fit, pass the necessary resolutions for approving the Capital Reorganisation. The necessary resolutions approving the Capital Reorganisation will be conducted by way of poll at the EGM and an announcement on the results of the EGM will be made by the Company after the EGM.

LETTER FROM THE BOARD

To the best knowledge, information and belief of the Directors, no Shareholder has a material interest in the Capital Reorganisation or is required to abstain from voting on the necessary resolutions for approving the Capital Reorganisation at the EGM.

The notice of the EGM is set out on pages 16 to 19 of this circular.

For the purposes of determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 25 February 2026 to Monday, 2 March 2026 (both dates inclusive) during which period no transfer of the Shares will be registered. In order to qualify for attendance and voting at the EGM, each Shareholder must lodge all properly completed transfer forms, accompanied by the relevant share certificates, with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 24 February 2026. The record date for ascertaining shareholders' entitlement to attend and vote at the EGM is Monday, 2 March 2026.

RESPONSIBILITY STATEMENT

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

RECOMMENDATIONS

The Directors consider that the proposed resolutions in relation to the Capital Reorganisation to be put forward at the EGM are in the best interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the ordinary resolutions to be proposed at the EGM to approve the Capital Reorganisation.

On behalf of the Board
Sterling Group Holdings Limited
美臻集團控股有限公司*
Yang Lun
Executive Director

* For identification purpose only

NOTICE OF THE EGM

Sterling Group Holdings Limited

美臻集團控股有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1825)

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Sterling Group Holdings Limited (the “**Company**”) will be held at 19/F, Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on 2 March 2026 at 1:00 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions of the Company:

ORDINARY RESOLUTION

1. “**THAT** subject to and conditional upon (i) the granting of approval by the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) of the listing of, and permission to deal in, the Consolidated Shares (as defined below); and (ii) compliance with the relevant procedures and requirements under the applicable laws of Cayman Islands and the Rules Governing the Listing of Securities of the Stock Exchange (the “**Listing Rules**”) to effect the Share Consolidation (as defined below), with effect from the second business day immediately following the date on which this resolution is passed or the above condition is fulfilled (whichever is later):
 - (a) every ten (10) issued and unissued ordinary shares of par value HK\$0.04 each in the share capital of the Company be consolidated into one (1) share (each a “**Consolidated Share**”) of par value of HK\$0.40 (the “**Share Consolidation**”), such Consolidated Shares to rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions contained in the memorandum and articles of association of the Company;
 - (b) the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation be and is hereby rounded down to a whole number by cancelling any fraction in the issued share capital of the Company arising from the Share Consolidation (if applicable);
 - (c) immediately following the Share Consolidation, the authorised share capital of the Company be changed from HK\$100,000,000 divided into 2,500,000,000 ordinary shares of par value of HK\$0.04 each to HK\$100,000,000 divided into 250,000,000 ordinary shares of par value of HK\$0.40 each; and

NOTICE OF THE EGM

- (d) any one or more of the directors of the Company be and is/are hereby authorised to do all such acts and things and execute (under hand or as a deed and, where appropriate, under the common seal of the Company) all such documents which relate to the Share Consolidation and are of administrative nature, on behalf of the Company, as such director(s) consider(s) necessary, desirable or expedient to give effect to the foregoing arrangements for the Share Consolidation.”

SPECIAL RESOLUTION

2. “**THAT** subject to and conditional upon (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares (as defined below) in issue and to be issued upon the Capital Reduction (as defined below) and the Share Sub-division (as defined below) becoming effective; (ii) the Directors signing the solvency statement in accordance with the requirements of the Companies Act; (iii) the registration by the Registrar of Companies in the Cayman Islands of a copy of the solvency statement and the minutes which approved the Capital Reduction; (iv) compliance with the relevant procedures and requirements under the applicable laws of the Cayman Islands and the Listing Rules to effect the Capital Reduction and the Share Sub-division; and (v) the obtaining of all necessary approvals from any regulatory authority or otherwise which may be required in respect of the Capital Reduction and the Share Sub-division, with effect from the date on which the above conditions are fulfilled (the “**Effective Date**”):
- (a) the issued share capital of the Company be reduced by cancelling the paid-up capital of the Company to the extent of HK\$0.39 on each of the then issued Consolidated Shares of the Company of par value of HK\$0.40 each such that the par value of each issued Consolidated Share will be reduced from HK\$0.40 to HK\$0.01 (the “**Capital Reduction**”);
- (b) immediately after the Capital Reduction becomes effective, each of the authorised but unissued Consolidated Shares of par value HK\$0.40 each be sub-divided (the “**Sub-division**”) into forty (40) unissued new shares of the Company of par value HK\$0.01 each (the “**New Shares**”), such New Shares to rank *pari passu* in all respects with each other and have the rights and privileges, and be subject to the restrictions, in respect of ordinary shares contained in the memorandum and articles of association of the Company;
- (c) immediately following the Capital Reduction and the Share Sub-division, the authorised share capital of the Company be changed from HK\$100,000,000 divided into 250,000,000 ordinary shares of par value of HK\$0.40 each to HK\$100,000,000 divided into 10,000,000,000 ordinary shares of par value of HK\$0.01 each;

NOTICE OF THE EGM

- (d) the credit arising from the Capital Reduction be applied towards offsetting the accumulated losses of the Company (the “**Accumulated Losses**”) as at the Effective Date and the balance of any such credit remaining after offsetting the Accumulated Losses (if any) be transferred to a distributable reserve account of the Company which may be applied by the Company in any manner permitted under all applicable laws and the memorandum and articles of association of the Company; and
- (e) any one or more of the directors of the Company be and is/are hereby authorised to do all such acts and things and execute (under hand or as a deed and, where appropriate, under the common seal of the Company) all such documents, on behalf of the Company, as such director(s) consider(s) necessary, desirable or expedient to give effect to or in connection with the Capital Reduction or the Share Sub-division.”

On behalf of the Board
Sterling Group Holdings Limited
美臻集團控股有限公司*
Yang Lun
Executive Director

Hong Kong, 9 February 2026

* *For identification purpose only*

Registered Office:
3rd Floor, Century Yard
Cricket Square
P.O. Box 902
Grand Cayman, KY1-1103
Cayman Islands

*Headquarters and principal place of
business in Hong Kong:*
18-19/F, Win Plaza
9 Sheung Hei Street
San Po Kong, Kowloon
Hong Kong

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company.
2. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not less than 48 hours before the time appointed for holding the Meeting.
3. Completion and return of the form of proxy will not preclude a member of the Company from attending the Meeting and voting in person at the Meeting or any adjournment thereof if he/she/it so desires. If a member of the Company attends the Meeting after having deposited the form of proxy, his/her/its form of proxy will be deemed revoked.

NOTICE OF THE EGM

4. Where there are joint registered holders of any share of the Company, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he/she/it were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, then one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holder stand on the register in respect of the relevant joint holding.
5. For the purposes of determining the entitlement of the shareholders of the Company to attend and vote at the Meeting, the register of members of the Company will be closed from Wednesday, 25 February 2026 to Monday, 2 March 2026 (both dates inclusive) during which period no transfer of the shares of the Company will be registered. In order to qualify for entitlement to attend and vote at the Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 24 February 2026. The record date for ascertaining shareholders' entitlement to attend and vote at the EGM is Monday, 2 March 2026.
6. As at the date of this notice, the executive directors of the Company are Ms. Wong Mei Wai Alice (*Chairperson*), Mr. Yang Lun, Ms. Zhang Man, and the independent non-executive directors of the Company are Ms. Chen Jie and Ms. Wu Jing.