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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

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

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

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1825)**

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

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A notice convening the annual general meeting of Sterling Group Holdings Limited to be held at 20/F., Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on 30 August 2019 at 10:00 a.m. is set out on pages 25 to 28 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.sterlingapparel.com.hk](http://www.sterlingapparel.com.hk). Whether or not you are able to attend such meeting, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or authority, to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at such meeting or any adjourned meeting thereof (as the case may be) should you so wish.

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 20/F., Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on 30 August 2019 at 10:00 a.m., the notice of which is set out on pages 25 to 28 of this circular, or any adjourned meeting thereof;
“Articles of Association”	the articles of association of the Company as amended and restated, supplemented or modified from time to time;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules;
“Company”	Sterling Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 1825);
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Controlling Shareholder”	has the meaning ascribed to it under the Listing Rules;
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with additional Shares of up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate;

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## DEFINITIONS

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“Latest Practicable Date”	22 July 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular;
“Listing Date”	19 October 2018, the date on which the issued Shares were initially listed;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the AGM to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	per cent.

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LETTER FROM THE BOARD

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

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

*Executive Directors:*

Ms. Wong Mei Wai Alice  
Mr. Siu Yik Ming  
Mr. Chung Sam Kwok Wai

*Non-executive Director*

Mr. Choi Siu Wai William (*Chairman*)

*Independent non-executive Directors:*

Mr. Chan Kee Huen Michael  
Mr. Cheng King Hoi Andrew  
Mr. Ko Ming Tung Edward

*Registered Office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Headquarters and principal of  
business in Hong Kong:*

18-20/F, Win Plaza  
9 Sheung Hei Street  
San Po Kong  
Kowloon  
Hong Kong

29 July 2019

*To the Shareholders*

Dear Sir or Madam,

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

**INTRODUCTION**

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

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

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

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

As at the Latest Practicable Date, the Directors have not exercised the existing general mandates to issue and repurchase Shares and the Company had 800,000,000 Shares in issue.

Subject to the passing of the ordinary resolutions to approve the Issue Mandate and the Repurchase Mandate at the AGM and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed to issue up to a maximum of 160,000,000 new Shares under the Issue Mandate and to repurchase up to a maximum of 80,000,000 Shares under the Repurchase Mandate.

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

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

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## LETTER FROM THE BOARD

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

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

### RE-ELECTION OF RETIRING DIRECTORS

The Nomination Committee, having reviewed the Articles of Association of the Company (the “Articles”) and the Board’s composition, and recommended that all the Directors will retire from office at the AGM. All the retiring Directors are eligible for nomination. The Nomination Committee nominated all the retiring Directors to the Board for it to recommend to Shareholders for re-election at the AGM. Any director, who is a member of the Nomination Committee, abstained from voting on his or her nomination when it was being considered.

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

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

On 26 June 2019, the Board accepted the Nomination Committee’s nomination and recommend all the Directors to stand for re-election as Directors by Shareholders at the AGM. The Board considers that the re-election of each of them is in the best interest of the Company and Shareholders as a whole. The director is abstained from the discussion and voting at the Board meeting regarding his or her nomination.

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## LETTER FROM THE BOARD

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

### **Directors**

Our Board currently consists of seven Directors, comprising three executive Directors, one non-executive Director and three independent non-executive Directors.

#### *Executive Directors*

**Ms. Wong Mei Wai Alice** (王美慧), aged 62, is pivotal in developing the company's business since early 1990's and has been the Chief Executive Officer of Sterling Apparel Limited ("**Sterling Apparel**"), the wholly-owned operating subsidiary of the Company, since November 2012. She was further appointed as an executive Director of our Group on 6 June 2017. She is also a member of our Remuneration Committee and Nomination Committee of our Company. Ms. Alice Wong is primarily responsible for implementing corporate strategy, business development, product development, managing key client relationship and overall corporate performance. Ms. Alice Wong is the spouse of Mr. Siu Chi Wai ("**CW Siu**"), a Controlling Shareholder of our Company, and the mother of Mr. Siu Yik Ming ("**YM Siu**"), an executive Director of our Group. Ms. Alice Wong is also the aunt of Mr. Wong Chi Wai Kelven, a member of our senior management.

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

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

Ms. Wong Mei Wai Alice is deemed to be interested in 300,000,000 Shares in which Mr. Siu Chi Wai ("**CW Siu**") (her spouse) is interested in under Part XV of the SFO. Moonlight Global Holdings Limited ("**Moonlight**"), a controlled corporation of the Company, is wholly owned by Mr. Siu Chi Wai. Moonlight is the beneficial owner of 37.5% of Shareholding of the Company.



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## LETTER FROM THE BOARD

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

Ms. Wong is entitled to receive a HK\$266,000 monthly salary at present under her service contract with a wholly owned subsidiary of the Company and there is no specified or proposed length of service. The service contract may be terminated by either party by giving to other party not less than three months' notice without payment of any compensation (other than statutory compensation). She is also entitled to receive a director fee of HK\$200,000 per annum under her service contract with the Company for a term of three years. The service contract may be terminated by either party by giving to other party not less than three month's notice. However, she will also be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

**Mr. Siu Yik Ming (蕭翊銘)**, aged 33, was appointed as a director of Zhi Wei (Guangzhou) Garment Manufacturing Co., Limited ("Zhi Wei"), a wholly owned Subsidiary of the Company, on 14 July 2017 and was further appointed as an executive Director of our Group on 31 July 2017. Mr. YM Siu has been the director of the Katunayake Factory and the Meegoda Factory in Sri Lanka for almost three years prior to them being acquired by our Group in 2017. He is now responsible for the management of our manufacturing facilities in Sri Lanka and the PRC.

Mr. YM Siu is the son of Mr. CW Siu, a Controlling Shareholder of our Company and Ms. Alice Wong, an executive Director of our Group. Mr. YM Siu is also the cousin of Mr. Wong Chi Wai Kelven, a member of our senior management.

Mr. YM Siu graduated from the Curtin University of Technology in Australia with a bachelor's degree in commerce in August 2009.

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## LETTER FROM THE BOARD

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Mr. YM Siu was previously a director of the following company prior to its dissolution:

<b>Company name</b>	<b>Place of incorporation or establishment</b>	<b>Principal business activity immediately prior to its dissolution</b>	<b>Date of dissolution</b>	<b>Details</b>
D.A.S. Enterprise Limited (騰達企業有限公司)	HK	Trading of mobile phone accessories	3 January 2014	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. ( <i>Note</i> )

*Note:* Under section 291AA of the Predecessor Companies Ordinance (Chapter 32), an application for de-registration can only be made if (a) all the members of such company agreed to such de-registration; (b) such company has never commenced business or operation, or has ceased to carry on business or ceased operation for more than three months immediately before the application; and (c) such company has no outstanding liabilities.

Mr. YM Siu confirmed that (i) there is no wrongful act on his part leading to the dissolution of the above company; (ii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the dissolution of the above company; and (iii) the above company was solvent at the time of its dissolution.

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

Mr. Siu is entitled to receive a HK\$85,000 monthly salary at present under his service contract with a wholly owned subsidiary of the Company and there is no specified or proposed length of service. The service contract may be terminated by either party by giving to other party not less than three months' notice without payment of any compensation (other than statutory compensation). He is also entitled to receive a director fee of HK\$200,000 per annum under his service contract with the Company for a term of three years. The service contract may be terminated by either party by giving to other party not less than three month's notice. However, he will also be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

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## LETTER FROM THE BOARD

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**Mr. Chung Sam Kwok Wai (鍾國偉)**, aged 64, was appointed as a director of Elegant Maker Limited, a wholly owned Subsidiary of the Company, on 23 November 2016, and was further appointed as an executive Director of our Group on 31 July 2017. Mr. Chung has been the chief financial officer of Sterling Apparel since December 2013. Mr. Chung is responsible for monitoring the overall management and the finance operation of our Group.

Mr. Chung graduated from the University of British Columbia in Canada with a master of business administration in November 1982 and the Simon Fraser University in Canada with a bachelor of arts in June 1980. He obtained the qualification of Certified General Accountant of Canada in June 1984 (now re-designated as Chartered Professional Accountant of Canada). Mr. Chung has accumulated more than twenty-five years of experience in senior finance and operations roles in a number of industries in Hong Kong, U.S. and Canada, which include: (i) CFO of M&V International Manufacturing (HK) Limited, a knitwear manufacturer, from May 2010 to May 2012; (ii) CFO of Singpoli Pacifica LLC, a California real estate developer, from January 2009 to December 2009; (iii) CFO & Director of Yangtze Telecom Corp., a Canadian public company in telecom value-added services in China, from February 2004 to November 2008; (iv) President of EAS International (USA) Inc., an international freight forwarder, from June 1996 to May 2001; (v) President of Manchu NY Inc. from September 1994 to June 1996 and VP Finance/Administration of Manchu Inc., a garment trading and manufacturing company, from September 1989 to September 1994.

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

Mr. Chung is entitled to receive a HK\$160,000 monthly salary at present under his service contract with a wholly owned subsidiary of the Company and there is no specified or proposed length of service. The service contract may be terminated by either party by giving to other party not less than three months' notice without payment of any compensation (other than statutory compensation). He is also entitled to receive a director fee of HK\$200,000 per annum under his service contract with the Company for a term of three years. The service contract may be terminated by either party by giving to other party not less than three month's notice. However, he will also be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

### *Non-executive Director*

**Mr. Choi Siu Wai William (蔡少偉) ("Mr. Choi")**, aged 67, is one of our Controlling Shareholders and was appointed as a director of Sterling Apparel and Chiefway International Limited on 19 September 2012 and 10 June 2014 respectively and was further appointed as our

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## LETTER FROM THE BOARD

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non-executive Director and chairman of our Board on 31 July 2017. Mr. Choi is also the chairman of our Nomination Committee and a member of our Remuneration Committee. His primary role as the Chairman of the Board is to provide leadership to the Board of Directors, ensuring its effectiveness in setting and implementing the company's strategy and corporate policies.

In addition to his experience in the apparel industry and directorship in a number of apparel trading companies, Mr. Choi also has interests in multiple businesses and non profit organizations. He currently also holds a number of roles such as the (i) managing director of the Federation of Hong Kong Chiu Chow Community Organisations; (ii) vice president of the Hong Kong Chiu Chow Chamber of Commerce; (iii) co-president of the Overseas Teo Chew Entrepreneurs Association; (iv) vice president of the Chiu Yang Residents Association of Hong Kong Ltd.; (v) director of the Federation of Hong Kong Garment Manufacturers; (vi) executive vice chairman of HK Bio-Med Innotech Association; (vii) president of the Hong Kong Food Safety Association; (viii) executive director of the Federation of Hong Kong Guangdong Community Organisations; (ix) president of Hong Kong Federation of Senior Citizen Industries; (x) honorary president of Central District Junior Police Call Honorary President Council; and (xi) honorary president of Central District Senior Police Call Honorary President Council. In addition, he is also the supervisor of the Chiu Yang Primary School of Hong Kong and director of Chiu Yang Por Yen Primary School and Yan Chai Hospital Choi Hin To Primary School.

Mr. Choi graduated from the University of California, Berkeley in the U.S. with a master of business administration in December 1975. In 2010, Mr. Choi was granted an honorary professorship from the Lincoln University in the USA and in 2011, he also received an honorary professorship from the Hong Kong Polytechnic University.

Mr. William Choi was previously a director of the following companies prior to their dissolutions:

<b>Company name</b>	<b>Place of incorporation or establishment</b>	<b>Principal business activity immediately prior to its dissolution</b>	<b>Date of dissolution</b>	<b>Details</b>
C F I Hong Kong Limited (賽輝香港有限公司) (formerly known as C.F.L. International Limited (賽輝國際有限公司))	HK	Trading	15 January 2016	It was de-registered under section 751 of the Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. ( <i>Note</i> )

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## LETTER FROM THE BOARD

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Company name	Place of incorporation or establishment	Principal business activity immediately prior to its dissolution	Date of dissolution	Details
CFL Concepts Limited	HK	Trading	13 May 2005	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Cheer Bingo Limited (齊佰有限公司)	HK	Trading	7 March 2014	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Grand Treasure Industries Limited (君寶實業有限公司)	HK	Apparel manufacturing	20 June 2014	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Effeil Asia Investment Limited (埃菲爾亞洲投資有限公司)	HK	Trading	29 March 2018	It was de-registered under section 751 of the Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Happy Great Investment Limited (喜勁投資有限公司)	HK	Property investment	23 December 2016	It was de-registered under section 751 of the Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Hg Fashions Limited (億志時裝有限公司) (formerly known as Trans Americaine Diffusion Limited)	HK	Apparel trading	29 December 2006	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>

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## LETTER FROM THE BOARD

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Company name	Place of incorporation or establishment	Principal business activity immediately prior to its dissolution	Date of dissolution	Details
Joinmind Limited (再達有限公司)	HK	Apparel trading	4 April 2007	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Kada Garment Manufacturing Company Limited (奇達製衣有限公司)	HK	Apparel manufacturing	20 May 2010	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
LPG Education International Limited (萊諾巴黎高級餐飲教育有限公司)	HK	Trading	6 March 2015	It was de-registered under section 751 of the Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
New Sense Garments Limited (新誠製衣有限公司)	HK	Apparel trading	5 July 2002	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Oi Kuen Limited (愛娟有限公司)	HK	Investment	22 September 2017	It was de-registered under section 751 of the Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Poda Laundry And Dyeing Company Limited (寶達洗染有限公司) (formerly known as Running Industrial Limited 運盈寶業有限公司)	HK	Apparel manufacturing	14 December 2012	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>

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## LETTER FROM THE BOARD

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Company name	Place of incorporation or establishment	Principal business activity immediately prior to its dissolution	Date of dissolution	Details
System Clothing Company Limited (formerly known as Kentlight Investment Limited (建潤投資有限公司))	HK	Apparel trading	3 September 2010	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Treasure Double Enterprises Limited (添寶企業有限公司)	HK	Property investment	3 February 2017	It was de-registered under section 751 of the Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>
Vieco World Trade Limited (綠糖生活環球貿易有限公司)	HK	Trading	29 March 2018	It was de-registered under section 751 of the Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>

*Note:* Under section 291AA of the Predecessor Companies Ordinance (Chapter 32) and section 751 of the Companies Ordinance (Chapter 622), an application for de-registration can only be made if (a) all the members of such company agreed to such de-registration; (b) such company has never commenced business or operation, or has ceased to carry on business or ceased operation for more than three months immediately before the application; and (c) such company has no outstanding liabilities.

Mr. William Choi confirmed that (i) there is no wrongful act on his part leading to the above dissolutions of companies; (ii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the above dissolutions of the companies; and (iii) the above companies were solvent at the time of their dissolutions.

Mr. Choi Siu Wai William is deemed to be interested in 272,000,000 Shares of the Company in which Rainbow Galaxy Limited is interested in under Part XV of the SFO. These 272,000,000 Shares are held by Rainbow Galaxy Limited which is ultimately wholly owned by two revocable trusts (“**Choi’s Family Trust**”), both of which Mr. Choi Siu Wai William is the settlor.

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

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## LETTER FROM THE BOARD

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He is entitled to receive a director's fee of HK\$200,000 per annum for a term of three year under his appointment letter with the Company. The appointment can be terminated by either party by giving to other party not less than one month's notice. He will also be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

### *Independent non-executive Directors*

**Mr. Chan Kee Huen Michael (陳記煊)**, aged 67, was appointed as an independent non-executive Director on 21 September 2018 and is the chairman of our Audit Committee. Mr. Chan is also a member of our Remuneration Committee and Nomination Committee. Mr. Chan is primarily responsible for providing independent advice on our Group's strategy, policy formulation, corporate accountability and resources allocation.

Mr. Chan graduated from the Hong Kong Polytechnic (now known as the Hong Kong Polytechnic University) with a higher diploma in accountancy in November 1976 and was awarded the postgraduate diploma from University of Surrey in the U.K. in March 1998. Mr. Chan is a fellow member of (i) the Hong Kong Institute of Certified Public Accountants, (ii) the Association of Chartered Certified Accountants; and (iii) the Hong Kong Institute of Directors; and a fellow member and specialist in Information Technology of CPA Australia and an associate of the Institute of Chartered Accountants in England and Wales. He was admitted as a certified information systems auditor of the Information Systems Audit and Control Association in 1985.

Mr. Chan is the chief executive of C&C Advisory Services Limited since January 2009. Prior to that, Mr. Chan was the deputy general manager of group compliance at Ping An Insurance (Group) Company of China, Limited, an insurance company listed on the Stock Exchange (stock code: 2318) from December 2006 to December 2009. Mr. Chan has over thirty years of working experience in auditing, financial management, internal audit and compliance in Hong Kong, the U.K., the PRC and Australia. He was an adjunct professor of the School of Accounting and Finance, Hong Kong Polytechnic University from September 2009 to August 2014.

Mr. Chan is currently an independent non-executive director of companies listed on the Stock Exchange, namely Lansen Pharmaceutical Holdings Limited (Stock Code: 0503), Huarong Investment Stock Corporation Limited (Stock Code: 2277) and China Baoli Technologies Holdings Limited (Stock Code: 164). He was also an independent non-executive director of K.H. Group Holdings Limited (Stock Code: 1557) from February 2016 to August 2018.

Save as disclosed above, as at the Latest Practicable Date, Mr. Chan (i) had no interest in our Shares within the meaning of Part XV of the SFO; (ii) he is independent from and did not have any other relationship with any Directors, senior management of our Company, substantial shareholders or Controlling Shareholders; and (iii) did not hold any other directorship in any



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## LETTER FROM THE BOARD

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other public companies, the securities of which were listed on any securities market in Hong Kong or overseas in the last three years.

He is entitled to receive a director's fee of HK\$200,000 per annum for a term of three year under his appointment letter with the Company. The appointment can be terminated by either party by giving to other party not less than one month's notice. He will also be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

**Mr. Cheng King Hoi Andrew (鄭敬凱)**, aged 61, was appointed as an independent non-executive Director on 21 September 2018. Mr. Cheng is also a member of our Audit, Remuneration and Nomination Committee. Mr. Cheng is primarily responsible for providing independent advice on our Group's strategy, policy formulation, corporate accountability and resources allocation. Mr. Cheng is a committee member of 中國人民政治協商會議四川省第十、十一屆委員會 (the tenth and eleventh committee of the Chinese Peoples' Political Consultative Conference of Sichuan Province of the PRC) since December 2007, the senior economic advisor of 哈爾濱利民經濟技術開發區 (Li Min-Harbin Economic and Technological Development Zone) since July 2012, the vice president of the Hong Kong Chiu Chow Chamber of Commerce (香港潮州商會) since September 2016 and the co-president of the Overseas Teo Chew Entrepreneurs Association Limited (海外潮人企業家協會有限公司) since January 2015. Mr. Cheng was also awarded as a 中國交通企業十大傑出管理人物 (China Public Transport Ten Outstanding Management Award) from the China Association of Communication Enterprise Management (中國交通企業管理協會) in June 2009 and a World Outstanding Chinese Award (世界傑出華人獎) from the World Chinese Business Investment Foundation (世界華商投資基金會) in May 2013.

Mr. Cheng was an executive director of Kwoon Chung Bus Holdings Limited (Stock Code: 0306) from July 1996 to December 2012. Mr. Cheng resigned as an executive director and now is the head of China business. Mr. Cheng is currently an independent non-executive director of Evergreen International Holdings Limited (Stock Code: 0238) since June 2012.

Mr. Cheng was previously a director of the following companies prior to their dissolutions:

Company name	Place of incorporation or establishment	Principal business activity immediately before dissolution	Date of dissolution	Details
HK Kwoon Chung (Chongqing) Bus Investment Limited (冠忠(重慶)投資有限公司) (formerly known as HK Kwoon Chung (Chongqin) Bus Investment Limited (冠忠(重慶)投資有限公司))	HK	Investment	23 August 2013	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. (Note)

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## LETTER FROM THE BOARD

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Company name	Place of incorporation or establishment	Principal business activity immediately before dissolution	Date of dissolution	Details
HongKong Shanghai Advertising Co. Limited (香港申城廣告有限公司) (formerly known as Mainstream Investments Limited)	HK	Advertising	29 July 2005	It was being struck off under section 291(5) of the Predecessor Companies Ordinance due to inactivity of business. Accordingly, it was dissolved upon striking off. <i>(Note)</i>
Hopha International Consultants Limited (鴻發國際顧問有限公司)	HK	Investment	8 July 2005	It was being struck off under section 291(5) of the Predecessor Companies Ordinance due to inactivity of business. Accordingly, it was dissolved upon striking off. <i>(Note)</i>
Wealth Crown Investment Limited (運冠投資有限公司)	HK	Investment	19 June 2009	It was de-registered under section 291AA of the Predecessor Companies Ordinance due to cessation of business. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>

*Note:* Under section 291AA and 291(5) of the Predecessor Companies Ordinance (Chapter 32), an application for de-registration and striking off can only be made if (a) all the members of such company agreed to such de-registration; (b) such company has never commenced business or operation, or has ceased to carry on business or ceased operation for more than three months immediately before the application; and (c) such company has no outstanding liabilities.

Mr. Cheng confirmed that (i) there is no wrongful act on his part leading to the above dissolutions of companies; (ii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the above dissolutions of the companies; and (iii) the above companies were solvent at the time of their dissolutions.

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

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## LETTER FROM THE BOARD

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He is entitled to receive a director's fee of HK\$200,000 per annum for a term of three year under his appointment letter with the Company. The appointment can be terminated by either party by giving to other party not less than one month's notice. He will also be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

**Mr. Ko Ming Tung Edward (高明東)**, aged 58, was appointed as an independent non-executive Director on 21 September 2018. Mr. Ko obtained a bachelor of laws degree as an external student from the University of London in U.K. in August 1986 and is a member of The Law Society of Hong Kong since March 1991. Mr. Ko is the principal of Edward Ko & Company and has been practising as a solicitor in Hong Kong for more than 28 years. Mr. Ko's role is primarily to provide independent advice on the Company's strategy, policy formulation, corporate accountability and allocation of resources.

Mr. Ko is also an independent non-executive director in the following companies listed on the Stock Exchange: (i) Sinofert Holdings Limited (Stock Code: 0297); (ii) Wai Chun Group Holdings Limited (Stock Code:1013); (iii) EverChina International Holdings Company Limited (Stock Code: 0202); (iv) Chia Tai Enterprises International Limited (Stock Code:3839) and (v) Zioncom Holdings Limited (Stock Code: 8287).

Mr. Ko was an independent non-executive director of Chinese Energy Holdings Limited (formerly known as iMerchants Limited) (Stock Code: 8009) from August 2015 to August 2017.

Mr. Ko was previously a director of the following company prior to its dissolution:

Company name	Place of incorporation or establishment	Principal business activity immediately before dissolution	Date of dissolution	Details
Smarko Investments Limited (鵬高投資有限公司)	HK	Property holding	7 November 2003	It was de-registered under section 291AA of the Predecessor Companies Ordinance as the company's purpose is no longer necessary. Accordingly, it was dissolved upon de-registration. <i>(Note)</i>

*Note:* Under section 291AA of the Predecessor Companies Ordinance (Chapter 32), an application for de-registration can only be made if (a) all the members of such company agreed to such de-registration; (b) such company has never commenced business or operation, or has ceased to carry on business or ceased operation for more than three months immediately before the application; and (c) such company has no outstanding liabilities.

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## LETTER FROM THE BOARD

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Mr. Ko confirmed that (i) there is no wrongful act on his part leading to the dissolution of the above company; (ii) he is not aware of any actual or potential claim that has been or will be made against him as a result of the dissolution of the above company; and (iii) the above company was solvent at the time of its dissolution.

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

He is entitled to receive a director's fee of HK\$200,000 per annum for a term of three year under his appointment letter with the Company. The appointment can be terminated by either party by giving to other party not less than one month's notice. He will also be subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Articles. The emoluments of Directors are determined by reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and the prevailing market conditions.

### **AGM**

A notice convening the AGM to be held at 20/F., Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on 30 August 2019 at 10:00 a.m. is set out on pages 25 to 28 of this circular.

### **ACTION TO BE TAKEN**

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.sterlingapparel.com.hk](http://www.sterlingapparel.com.hk). Whether or not you are able to attend the AGM in person, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or authority, to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof (as the case may be) should you so wish and in such event, your appointment of proxy under any proxy form shall be deemed to be revoked.

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## LETTER FROM THE BOARD

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### VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, all the resolutions proposed at the AGM will be taken by way of poll.

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

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

### RECOMMENDATION

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

### CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 27 August 2019 to 30 August 2019 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the meeting, all transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on 26, August 2019.

### RESPONSIBILITY STATEMENT

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

### GENERAL INFORMATION

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

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## LETTER FROM THE BOARD

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### MISCELLANEOUS

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

Yours faithfully,  
By order of the Board  
**Sterling Group Holdings Limited**  
**Choi Siu Wai William**  
*Chairman*

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

### **LISTING RULES FOR REPURCHASES OF SHARES**

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

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

### **SHARE CAPITAL**

As at the Latest Practicable Date, the authorised share capital of the Company was 10,000,000,000 Shares, of which a total of 800,000,000 Shares were issued and fully paid.

Subject to the passing of the proposed ordinary resolution to approve the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 80,000,000 Shares during the period from the date of the AGM up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or (iii) the revocation or variation of such authority by ordinary resolution of the Shareholders in general meeting, whichever occurs first.

### **REASONS FOR REPURCHASE**

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

**FUNDING AND IMPACT OF REPURCHASE**

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

As compared with the financial position of the Company as at 31 March 2019 (being the date to which the latest audited accounts of the Company were made up), the Directors consider that there might be a material adverse impact on the working capital or the gearing position of the Company in the event that the Repurchase Mandate was to be exercised in full during the proposed repurchase period. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

**DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS**

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

**UNDERTAKING OF THE DIRECTORS**

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



**EFFECT OF THE TAKEOVERS CODE**

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

As at the Latest Practicable Date, Moonlight Global Holdings Limited ("**Moonlight**") and Rainbow Galaxy Limited ("**Rainbow Galaxy**") were interested in 300,000,000 Shares, and 272,000,000 Shares respectively, representing approximately 37.5% and 34.0% of the total issued Shares of the Company. Rainbow Galaxy is ultimately wholly owned by two revocable family trusts both of which Mr. Choi Siu Wai William is the settlor. The issued share capital of Moonlight is wholly owned by Mr. Siu Chi Wai. Mr. Siu Chi Wai is deemed to be interested in the Shares in which Moonlight is interested in under Part XV of the SFO. On the basis that there will be no further issue or repurchase of Shares during the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, the beneficial interests of Moonlight and Rainbow Galaxy in the issued Shares of the Company would increase to approximately 41.6% and 37.8% respectively if the Repurchase Mandate were exercised in full.

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

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

**SHARE REPURCHASE MADE BY THE COMPANY**

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

**SHARE PRICES**

The Shares are trading on the Stock Exchange and the highest and lowest prices at which the Shares have been traded on the Stock Exchange since the Listing Date and up to the Latest Practicable Date are as follows:

	Per Share	
	Highest HK\$	Lowest HK\$
<b>2018</b>		
October	0.490	0.330
November	1.950	0.370
December	1.300	0.217
<b>2019</b>		
January	0.280	0.203
February	0.223	0.206
March	0.232	0.204
April	0.220	0.188
May	0.206	0.168
June	0.204	0.169
July (up to and including the Latest Practicable Date)	0.180	0.148

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

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## NOTICE OF ANNUAL GENERAL MEETING

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

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1825)**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of shareholders of Sterling Group Holdings Limited (the “**Company**”) will be held at 20/F., Win Plaza, 9 Sheung Hei Street, San Po Kong, Kowloon, Hong Kong on 30 August 2019 at 10:00 a.m. for the following purposes:

1. To receive and approve the audited consolidated financial statements and the directors’ report of the Company and the independent auditor’s report for the year ended 31 March 2019.
2. To re-appoint Messrs BDO Limited as auditors of the Company and to authorise the board of directors of the Company to determine their remuneration for the year ending 31 March 2020.
3.
  - A. To re-elect Ms. Wong Mei Wai Alice as an executive director of the Company.
  - B. To re-elect Mr. Siu Yik Ming as an executive director of the Company.
  - C. To re-elect Mr. Chung Sam Kwok Wai as an executive director of the Company.
  - D. To re-elect Mr. Choi Siu Wai William as non-executive director of the Company.
  - E. To re-elect Mr. Chan Kee Huen Michael as independent non-executive director of the Company.
  - F. To re-elect Mr. Cheng King Hoi Andrew as independent non-executive director of the Company.
  - G. To re-elect Mr. Ko Ming Tung Edward as independent non-executive director of the Company.
  - H. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.

\* *For identification purpose only*

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## NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT:**

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

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and

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## NOTICE OF ANNUAL GENERAL MEETING

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- (iii) the revocation or variation of such authority by an ordinary resolution of the shareholders of the Company in general meeting.

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

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

**“THAT:**

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

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

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## NOTICE OF ANNUAL GENERAL MEETING

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unconditionally to be allotted, issued or dealt with by the directors of the Company pursuant to and in accordance with the said resolution numbered 4.”

By Order of the Board  
**Sterling Group Holdings Limited**  
**Choi Siu Wai William**  
*Chairman*

Hong Kong, 29 July 2019

*Notes:*

1. Any member of the Company entitled to attend and vote at the above meeting may appoint another person as his proxy to attend and to vote instead of him. A proxy need not be a member of the Company.
2. All resolutions at the annual general meeting will be taken by way of poll pursuant to the Listing Rules and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
3. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof. The vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
4. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be delivered to the office of the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
5. A form of proxy for use at the meeting is being despatched to the shareholders of the Company together with a copy of this notice.
6. The register of members of the Company will be closed from 27 August 2019 to 30 August 2019 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the meeting, all transfers of shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. on 26 August 2019.