
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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StarGlory Holdings Company Limited **榮暉控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8213)

(1) PROPOSED SHARE CONSOLIDATION AND (2) NOTICE OF EXTRAORDINARY GENERAL MEETING

Terms used on this cover shall have the same meaning as defined in this circular.

A notice convening a EGM of StarGlory Holdings Company Limited to be held at 2/F, J Plus, 35-45B Bonham Strand, Sheung Wan on Friday, 7 January 2022 at 11:00 a.m. is set out on pages 14 to 16 of this circular. A form of proxy for use at the EGM is enclosed with this circular.

Whether or not you are able to attend and vote at the meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from subsequently attending and voting at the meeting or any adjourned meeting should you so wish.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and on the website of the Company at www.stargloryhcl.com.

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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PRECAUTIONARY MEASURES FOR THE EGM

In light of the Novel Coronavirus (“COVID-19”) pandemic and in compliance with the government of the Hong Kong Special Administrative Region’s (the “HKSAR”) directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection of the Department of Health on the prevention of the COVID-19, the Company will implement additional precautionary measures at the EGM including, without limitation:

- (1) compulsory body temperature screening – anyone with a body temperature above the reference range quoted by the Department of Health from time to time, or is exhibiting flu-like symptoms may be denied entry into the EGM and requested to leave;
- (2) mandatory use of surgical face masks – no masks will be provided at the EGM and attendees should bring their own masks;
- (3) mandatory health declaration – anyone subject to quarantine, has any flu-like symptoms or has travelled overseas within 14 days immediately before the EGM (“**recent travel history**”), or has close contact with any person under quarantine or with recent travel history will not be permitted to attend the EGM;
- (4) anyone attending the EGM is reminded to observe good personal hygiene at all times;
- (5) appropriate distancing and spacing in line with the guidance from the government of the HKSAR will be maintained and as such, the Company may limit the number of attendees at the EGM as may be necessary to avoid over-crowding; and
- (6) no corporate gift or refreshment will be distributed to attendees at the EGM.

In light of the continuing risks posed by the COVID-19 pandemic, the Company strongly advises Shareholders NOT to attend the EGM in person, and recommends Shareholders to appoint the Chairman of the EGM as their proxy to vote according to their indicated voting instructions as an alternative to attending the EGM in person.

Any person who does not comply with the precautionary measures or is subject to quarantine prescribed by government of the HKSAR may be denied entry to the EGM venue.

To the extent permitted under applicable law, the Company reserves the right to deny entry of any person into the EGM venue or require any person to leave the EGM venue so as to ensure the health and safety of the attendees at the EGM.

Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.

If Shareholders have any questions relating to the EGM, please contact the Hong Kong branch share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (other than Saturday) on which banks in Hong Kong are generally open for business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“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
“Company”	StarGlory Holdings Company Limited (榮暉控股有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the GEM under the stock code 8213
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consolidated Share(s)”	ordinary Share(s) of HK\$0.08 each immediately after the Share Consolidation having become effective
“Convertible Bond”	the convertible bond in the aggregate principal amount of HK\$80 million issued by the Company to Mr. Tang Sing Ming Sherman, the outstanding principal amount of which is HK\$40 million as at the Latest Practicable Date
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened on Friday, 7 January 2022 for the purpose of considering and if thought fit, approving the Share Consolidation
“Existing Share(s)”	ordinary Share(s) of HK\$0.01 each prior to the Share Consolidation having become effective

DEFINITIONS

“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed thereto under the GEM Listing Rules
“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”	the Company and its subsidiaries
“Guide on Trading Arrangements”	the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020
“HK\$” or “Hong Kong Dollar”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Latest Practicable Date”	15 December 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Original Share Consolidation”	the originally proposed consolidation of every five (5) Existing Shares into one (1) consolidated share of the Company
“Share(s)”	the Existing Share(s) or the Consolidated Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of every eight (8) Existing Shares into one (1) Consolidated Share

DEFINITIONS

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	Per cent

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation is set out below.

Event	Time and date 2022
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM	4:30 p.m. on Monday, 3 January
Closure of register of members for determining the entitlement to attend and vote at the EGM	Tuesday, 4 January to Friday, 7 January (both dates inclusive)
Latest date and time for lodging forms of proxy for the EGM	11:00 a.m. on Wednesday, 5 January
Date and time of the EGM	11:00 a.m. on Friday, 7 January
Announcement of poll results of the EGM	Friday, 7 January
The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation	
Effective date of the Share Consolidation	Tuesday, 11 January
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares	Tuesday, 11 January
Commencement of dealings in the Consolidated Shares	9:00 a.m. on Tuesday, 11 January
Original counter for trading in the Existing Shares in board lots of 10,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Tuesday, 11 January
Temporary counter for trading in the Consolidated Shares in board lots of 1,250 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 11 January
Original counter for trading in the Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates) reopens	9:00 a.m. on Tuesday, 25 January

EXPECTED TIMETABLE

Event	Time and date 2022
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Tuesday, 25 January
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares	9:00 a.m. on Tuesday, 25 January
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares	4:00 p.m. on Thursday, 17 February
Temporary counter for trading in the Consolidated Shares in board lots of 1,250 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Thursday, 17 February
Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) ends	4:10 p.m. on Thursday, 17 February
Latest date and time for free exchange of existing share certificates for new share certificates for the Consolidated Shares	4:30 p.m. on Monday, 21 February

Notes:

All times and dates in this circular refer to Hong Kong local times and dates. Shareholders should note that the dates and deadlines specified herein is subject to the satisfaction of all the conditions of the Share Consolidation, including without limitation, the approval of the Share Consolidation by the Shareholders at the EGM, and are therefore for indicative purpose only.

In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the GEM website of the Stock Exchange and on the website of the Company as and when appropriate.

LETTER FROM THE BOARD

StarGlory Holdings Company Limited
榮暉控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8213)

Executive Directors:

Mr. Huang Chao (*Chairman*)

Mr. Wu Xiaowen

Independent non-executive Directors:

Mr. Chan Yee Ping Michael

Mr. Yang Haiyu

Mr. Zeng Shiquan

Registered office:

PO Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

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

6th Floor, Southland Building

48 Connaught Road Central

Central

Hong Kong

21 December 2021

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED SHARE CONSOLIDATION
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 3 December 2021 in relation to the Share Consolidation.

The purposes of this circular are to:

- (a) provide Shareholders with further details of the Share Consolidation; and
- (b) give the Shareholders notice of the EGM to consider and, if thought fit, to approve the Share Consolidation.

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION

Reference is made to the announcements of the Company dated 13 August 2021 and 16 November 2021, the circular of the Company dated 26 October 2021 and the notice of the extraordinary general meeting of the Company dated 26 October 2021 in relation to, among others, the Original Share Consolidation, which is to consolidate every five (5) issued and unissued Existing Shares of HK\$0.01 into one (1) consolidated share of the Company of HK\$0.05.

The average closing Share price as quoted on the Stock Exchange for the last five consecutive trading days immediately before the extraordinary general meeting of the Company originally scheduled to be held on Friday, 19 November 2021 to approve, among others, the Original Share Consolidation, was approximately HK\$0.03. Upon the Original Share Consolidation becoming effective, based on the above average closing Share price of approximately HK\$0.03 per Existing Share, the Share price of the Company would be adjusted to approximately HK\$0.15 per consolidated share of the Company. With a board lot size of 10,000, the new board lot value would be approximately HK\$1,500, which would be less than the expected value per board lot of HK\$2,000, as required by the Guide on Trading Arrangements. As such, the Original Share Consolidation would not enable the Company to comply with the trading requirements under the GEM Listing Rules and the Company proposes to revise the structure of the Original Share Consolidation and to implement the Share Consolidation on the basis that every eight (8) issued and unissued Existing Shares of HK\$0.01 each be consolidated into one (1) Consolidated Share of HK\$0.08.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions being satisfied:

1. the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation; and
2. the GEM Listing Committee granting the approval for listing of, and permission to deal in the Consolidated Shares.

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

Subject to the satisfaction of all of the above conditions, it is expected that the Share Consolidation will become effective one clear Business Day after the date of the EGM.

LETTER FROM THE BOARD

Effect of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$50,000,000 divided into 5,000,000,000 Shares of HK\$0.01 each, of which 4,166,175,000 Existing Shares have been allotted and issued, and are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and on the basis that the Company does not allot, issue or repurchase any Existing Shares prior thereto, the authorised share capital of the Company will become HK\$50,000,000 divided into 625,000,000 Shares of HK\$0.08 each, of which 520,771,875 Consolidated Shares will be in issue.

Other than the relevant expenses incurred, the implementation of the Share Consolidation will have no effect on the consolidated total asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Group or the interests of the Shareholders as a whole, save for any fractional Consolidated Shares (if any) to which the Shareholders would otherwise be entitled. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Company.

Status of the Consolidated Shares

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.

Adjustments in relation to other securities of the Company

As at the Latest Practicable Date, save for the Convertible Bond, the outstanding principal amount of which is HK\$40,000,000, the Company does not have any other outstanding options, warrants or securities in issue which are convertible or exchangeable into the Existing Shares.

As at the Latest Practicable Date, the conversion price (subject to adjustment) of the aggregate outstanding amount of HK\$40,000,000 Convertible Bond is HK\$0.07 per conversion share, which are convertible into 571,428,571 Existing Shares. Immediately upon the Share Consolidation becoming effective, in accordance with the terms and conditions of the Convertible Bond, the Share Consolidation may lead to adjustment to the conversion price from HK\$0.07 to HK\$0.56 per conversion share and there will be 71,428,571 Consolidated Shares to be issued upon the full conversion of the aggregate outstanding Convertible Bond.

Save for the adjustments above, all other terms and conditions of the outstanding Convertible Bond issued by the Company remain unchanged.

Listing application

An application will be made by the Company to the GEM Listing Committee for the listing of, and the permission to deal in, the Consolidated Shares.

LETTER FROM THE BOARD

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as the compliance with the stock admission requirements of the HKSCC, the Consolidated 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 Consolidated 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 General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time when the Share Consolidation becomes effective, the Consolidated 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.

Other Arrangements

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares, if any, will be disregarded and will not be issued to Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits 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. Shareholders who are concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling the Existing Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

Odd lots trading arrangement

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 Limited, as an agent to provide matching services, on a best effort basis, to those 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 during the period from Tuesday, 25 January 2022 to Thursday, 17 February 2022. Shareholders who wish to take advantage of this facility should contact Mr. Leung Siu Wa of Cinda International Securities Limited at 45/F, COSCO Tower, 183 Queen's Road Central, Hong Kong (telephone number: (852) 2235 7801) during office hours (i.e. 9:00 a.m. to 6:00 p.m.) of such period. 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 arrangement, is recommended to consult his/her/its own professional advisers.

LETTER FROM THE BOARD

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.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, Shareholders may, on or after 11 January 2022 until 21 February 2022 (both days inclusive), submit share certificates of the Existing Shares (in pink colour) to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong to exchange, at the expense of the Company, for new share certificates of the Consolidated Shares on the basis of eight (8) Existing Shares for one (1) Consolidated Share (in purple colour). Thereafter, share certificates of Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher.

Nevertheless, after 4:10 p.m. on 17 February 2022, share certificates for the Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for the Consolidated Shares at any time but will not be accepted for trading, settlement and registration.

Shareholders and potential investors should note that the Share Consolidation is conditional upon the satisfaction of the conditions as set out in the paragraph headed "Conditions of the Share Consolidation" in this circular. Accordingly, the Share Consolidation may or may not proceed.

REASONS FOR THE PROPOSED SHARE CONSOLIDATION

Pursuant to Rule 17.76 of the GEM 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. The Guide on Trading Arrangements has stated that (i) market price of the Shares at a level less than HK\$0.1 will be considered as trading at extremity as referred to under Rule 17.76 of the GEM 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.

LETTER FROM THE BOARD

The existing board lot value of the Company has been less than HK\$2,000. It is expected that the Share Consolidation will increase the nominal value of the Shares and would bring about a corresponding upward adjustment in the trading price per Consolidated Share. As at the Latest Practicable Date, the last trading price of the Existing Shares was HK\$0.034, with a board lot size of 10,000, and the existing board lot value was only HK\$340, which was less than HK\$2,000. Upon the Share Consolidation becoming effective, based on the last trading price of HK\$0.034 per Existing Share, the Share price of the Company would be adjusted to HK\$0.272 per Consolidated Share. With a board lot size of 10,000, the new board lot value would be HK\$2,720, which would be more than the expected value per board lot of HK\$2,000. As such, the proposed Share Consolidation would enable the Company to comply with the trading requirements under the GEM Listing Rules. Furthermore, it is also hoped that the Share Consolidation will make investing in the Shares more attractive to a broader range of investors, in particular to institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor.

Given the above reasons, the Company considers that the Share Consolidation is justifiable despite the potential costs and negative impact arising from the creation of odd lots to Shareholders. Accordingly, the Directors consider 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 Share Consolidation, and the Company does not have any concrete plan to conduct any fundraising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company for the EGM will be closed from Tuesday, 4 January 2022 to Friday, 7 January 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM or any adjournment thereof, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, no later than 4:30 p.m. on Monday, 3 January 2022.

LETTER FROM THE BOARD

THE EGM

A notice convening the EGM is set out on pages 14 to 16 of this circular. The EGM will be convened and held at 2/F, J Plus, 35-45B Bonham Strand, Sheung Wan on Friday, 7 January 2022 at 11:00 a.m. for the purpose of considering and, if thought fit, passing the ordinary resolution to approve the Share Consolidation.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete the form of proxy and return the same to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon 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 will not preclude you from subsequently attending and voting at the meeting or any adjourned meeting should you so wish.

None of the Shareholders are required to abstain from voting at the EGM on the resolution as set out in the notice of the EGM.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at a general meeting must be taken by a poll. Therefore, the resolution proposed at the EGM shall be voted by poll.

COMPETING BUSINESS

As far as the Directors are aware of, none of the Directors, the controlling Shareholders of the Company or their respective close associates has any business or interest that competes or may compete with the business of the Group and any other conflicts of interests which any such person has or may have with the Group.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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.

LETTER FROM THE BOARD

RECOMMENDATION

Having considered the reasons set out under the paragraph headed “Reasons for the proposed Share Consolidation” above, the Directors consider that the proposed Share Consolidation is in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolution to be proposed at the EGM to approve the proposed Share Consolidation.

By Order of the Board
StarGlory Holdings Company Limited
Huang Chao
Chairman

NOTICE OF EXTRAORDINARY GENERAL MEETING

StarGlory Holdings Company Limited 榮暉控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8213)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of StarGlory Holdings Company Limited (the “Company”) will be held at 2/F, J Plus, 35-45B Bonham Strand, Sheung Wan on Friday, 7 January 2022 at 11:00 a.m. to consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT** subject to and conditional upon The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Consolidated Shares (as defined below) to be in issue upon the Share Consolidation (as defined below) becoming effective, with effect from one clear business day after the date on which this resolution is passed:

- (a) every eight (8) issued and unissued ordinary shares of HK\$0.01 each in the share capital of the Company be consolidated into one (1) ordinary share of HK\$0.08 each (each a “**Consolidated Share**”) in the share capital of the Company (the “**Share Consolidation**”);
- (b) all the Consolidated Shares shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares contained in the memorandum and articles of association of the Company;
- (c) any fractional Consolidated Share resulting from the Share Consolidation will be disregarded and will not be issued to the shareholder(s) of the Company concerned, but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained for the benefit of the Company in such manner and on such terms as the directors of the Company (the “**Directors**”, each a “**Director**”) may think fit; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (d) any one Director and such person or persons authorised by the Directors be and are hereby authorised to do all such acts and things and to sign and execute all such documents, including under seal where applicable, on behalf of the Company, as they shall, in their absolute discretion, consider necessary, desirable or expedient to implement and give effect to any or all of the foregoing.”

By Order of the Board
StarGlory Holdings Company Limited
Huang Chao
Chairman

Hong Kong, 21 December 2021

Notes:

- (1) Any member entitled to attend and vote at the EGM is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the meeting. A proxy need not be a member of the Company.
- (2) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
- (3) To be valid, the form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before time fixed for holding the EGM (or any adjournment thereof). Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting convened and in such event the form of proxy shall be deemed to be revoked.
- (4) To ascertain the members' entitlement to attend and vote at the EGM, the register of members of the Company for the EGM will be closed from Tuesday, 4 January 2022 to Friday, 7 January 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the EGM or any adjournment thereof, all transfers of Shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, no later than 4:30 p.m. on Monday, 3 January 2022.
- (5) Where there are joint holders of any share in the Company, any one of such joint holders may vote at the EGM, either in person or by proxy, in respect of such share as if he/she/they were solely entitled thereto, but if more than one of such joint holders be present at the EGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of other holder(s) 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.

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (6) Completion and return of the proxy form in respect of the proposed resolution for the EGM will not preclude a member of the Company from attending and voting in person at the EGM (or any adjournment thereof) should he/she so wishes and in such event, the proxy form for the EGM (or any adjournment thereof) will be deemed to have been revoked.
- (7) The resolution at the EGM will be taken by poll (except where the chairman decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) pursuant to the GEM Listing Rules and the results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the GEM Listing Rules.
- (8) If typhoon signal number 8 or above, or a “black” rainstorm warning is in effect any time after 7:00 a.m. on the date of the EGM, the meeting will be postponed. The Company will post an announcement on the website of Company at www.stargloryhcl.com and on the GEM website at www.hkgem.com on the “Latest Company Announcements” page to notify shareholders of the Company of the date, time and place of the rescheduled meeting.
- (9) As at the date of this notice, the executive Directors are Mr. Huang Chao and Mr. Wu Xiaowen; and the independent non-executive Directors are Mr. Chan Yee Ping Michael, Mr. Yang Haiyu and Mr. Zeng Shiquan.
- (10) Shareholders are strongly encouraged to note the COVID-19 precautionary measures and special arrangements to be implemented at the EGM which are set out in the section headed “Precautionary Measures for the EGM” in the Company’s circular dated 21 December 2021 and that no corporate gift or refreshment will be distributed. Shareholders are strongly encouraged to appoint the Chairman of the EGM as their proxy and submit their form of proxy as early as possible.