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

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RISECOMM

瑞斯康

RISECOMM GROUP HOLDINGS LIMITED

瑞斯康集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1679)

**SECOND PROPOSED AMENDMENT TO
TERMS AND CONDITIONS OF CONVERTIBLE BONDS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the board of directors of the Company is set out on pages 4 to 12 of this circular.

A notice convening the extraordinary general meeting of the Company (the “EGM”) to be held at Units 5906–12, 59/F, The Center, 99 Queen’s Road Central, Hong Kong on 29 September 2021 at 10:30 a.m. is set out on pages 13 to 15 of this circular.

A proxy form for use in the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and return the same to the office of the Company’s branch share registrar in Hong Kong, 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 the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish.

8 September 2021

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DEFINITIONS

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

“Board”	the board of Directors
“Bondholder”	Software Research Associates, Inc. (株式会社 SRA), a company incorporated under the laws of Japan, it and its ultimate beneficial owners being Independent Third Parties
“Company”	Risecomm Group Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and whose Shares are listed and traded on the Main Board of the Stock Exchange (stock code: 1679)
“Conditions”	terms and conditions of the Convertible Bonds as set out in the Instrument
“connected person”	has the meaning ascribed to it under the Listing Rules
“Conversion Shares”	the Shares to be allotted and issued by the Company upon the exercise of the conversion rights attaching to the Convertible Bonds, which are constituted by the Instrument as amended and supplemented from time to time
“Convertible Bonds”	the fixed rate senior convertible bonds in the aggregate principal amount of HK\$150,000,000 at an interest rate of 4% per annum issued by the Company on 13 August 2018 as constituted by the Instrument
“COVID-19”	coronavirus disease 2019
“Director(s)”	the director(s) of the Company
“Effective Date”	a date determined in accordance with the Second Amendment and Extension Agreement, subject to satisfaction of the conditions precedent set out therein
“EGM”	an extraordinary general meeting of the Company to be held to consider and, if thought fit, approve the ordinary resolution in respect of the Second Proposed Amendment and the grant of the Specific Mandate
“Extended Maturity Date”	a date falling on 36 months from the issue date of the Convertible Bonds, i.e. 13 August 2021

DEFINITIONS

“First Amendment Agreement”	the first amendment agreement dated 24 June 2020 and entered into between the Company and the Bondholder to effect the amendment to the conversion price of the Convertible Bonds by way of executing a supplemental deed
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person or company which is not a connected person of the Company, and is independent of and not connected with any connected person of the Company
“Instrument”	the instrument constituting the Convertible Bonds, as amended and supplemented from time to time
“Latest Practicable Date”	2 September 2021
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Longstop Date”	30 November 2021
“Maturity Date”	a date falling on 24 months from the issue date of the Convertible Bonds, i.e. 13 August 2020
“New Maturity Date”	a date falling on 48 months from the issue date of the Convertible Bonds, i.e. 13 August 2022
“PLC”	power line communication
“RMB”	Renminbi
“Second Amendment and Extension Agreement”	the second amendment and extension agreement dated 13 August 2021 and entered into between the Company and the Bondholder to effect the Second Proposed Amendment by way of executing the Second Supplemental Deed
“Second Proposed Amendment”	the second proposed amendment to the Conditions of the Convertible Bonds as contemplated under the Second Amendment and Extension Agreement and the Second Supplemental Deed

DEFINITIONS

“Second Supplemental Deed”	the second supplemental deed of Instrument to be executed by the Company on the Effective Date in connection with the Second Proposed Amendment
“Share(s)”	ordinary shares of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate for the issuance of the Conversion Shares under the amended terms of the Convertible Bonds
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated 31 July 2018 and entered into between the Company and the Bondholder relating to the subscription of the Convertible Bonds
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“%”	per cent.

LETTER FROM THE BOARD



RISECOMM

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RISECOMM GROUP HOLDINGS LIMITED

瑞斯康集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1679)

Executive Directors:

Yue Jingxing (*Chairman*)
Lau Wai Leung, Alfred
Jiang Feng

Non-executive Director:

Cheung Fan

Independent Non-executive Directors:

Ong King Keung
Lo Wan Man
Zou Heqiang

Registered Office:

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

Principal Place of Business in Hong Kong:

4/F., Yue Thai Commercial Building
128 Connaught Road Central
Sheung Wan
Hong Kong

8 September 2021

To the Shareholders

Dear Sir/Madam,

**SECOND PROPOSED AMENDMENT TO
TERMS AND CONDITIONS OF CONVERTIBLE BONDS
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcement of the Company dated 13 August 2021, pursuant to which, the Company announced that the Company and the Bondholder have on the same date entered into the Second Amendment and Extension Agreement to effect the Second Proposed Amendment by way of executing the Second Supplemental Deed. Further reference is made to the announcement of the Company dated 19 August 2021, which provides additional information relating to the Second Proposed Amendment.

The purpose of this circular is to provide you with, amongst other things, details of the Second Proposed Amendment as contemplated under the Second Amendment and Extension Agreement and the notice convening the EGM.

LETTER FROM THE BOARD

BACKGROUND

References are made to the announcements of the Company dated 31 July 2018 and 13 August 2018, respectively, in respect of the issue of the Convertible Bonds under a general mandate pursuant to the Subscription Agreement. The Convertible Bonds in the principal amount of HK\$150,000,000 were issued on 13 August 2018, maturing in 24 months from the issue date.

On 18 December 2019, the Company delivered an extension notice to the Bondholder in accordance with the Conditions to extend the Maturity Date of 13 August 2020 (i.e. 24 months from the issue date) to the Extended Maturity Date of 13 August 2021 (i.e. 36 months from the issue date). Based on the Instrument, the Extended Maturity Date shall not then be extended any further without written approval of the majority holders of the Convertible Bonds and the Company.

Further references are made to the announcements of the Company dated 24 June 2020 and 13 August 2020, respectively, in respect of amending the conversion price of the Convertible Bonds. On 24 June 2020, the Company entered into the First Amendment Agreement with the Bondholder, pursuant to which, the Company and the Bondholder conditionally agreed to amend the conversion price under the Convertible Bonds from HK\$2.5 per Conversion Share to HK\$0.8 per Conversion Share. This amendment took effect upon execution of a supplemental deed by the Company on 13 August 2020.

After arm's length negotiations, the Company and the Bondholder entered into the Second Amendment and Extension Agreement on 13 August 2021, pursuant to which, the Company and the Bondholder conditionally agreed to further extend the Extended Maturity Date by 12 months from 13 August 2021 to the New Maturity Date of 13 August 2022 (i.e. 48 months from the issue date) (the "**Second Proposed Amendment**").

THE SECOND PROPOSED AMENDMENT

The Second Proposed Amendment will be effected by way of execution of the Second Supplemental Deed. Save for the Second Proposed Amendment, all other Conditions of the Convertible Bonds remain unchanged. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Bondholder and its ultimate beneficial owners are Independent Third Parties.

In consideration of the Bondholder's agreement to the Second Proposed Amendment, the Company shall pay a consent fee of HK\$3,000,000 to the Bondholder within 14 days of execution of the Second Supplemental Deed. However, the said consent fee is not payable by the Company to the Bondholder in the event that any of the conditions precedent of the Second Amendment and Extension Agreement have not been satisfied (or waived, to the extent permitted) on or before the Longstop Date, in which event the Company shall immediately redeem the then outstanding principal of the Convertible Bonds, together with interest payable to the Bondholder accrued but unpaid up to the Longstop Date.

LETTER FROM THE BOARD

The Company and the Bondholder also agree that, pending Shareholders' approval to be obtained at the EGM, the Convertible Bonds will remain legally valid obligations of the Company beyond the Extended Maturity Date, such that interest entitlement under the Conditions of the Convertible Bonds will continue to accrue to the benefit of the Bondholder, save that the Bondholder's conversion rights (including the operation of any incidental provisions for this purpose in the Instrument, including but not limited to the conversion price adjustment mechanisms) will be suspended. Upon execution of the Second Supplemental Deed, it shall be deemed that the Second Proposed Amendment has taken effect on the Extended Maturity Date as if the maturity date of the Convertible Bonds had been extended to the New Maturity Date on the same date for all purposes (including interest payment calculation for the remainder of the term of the Convertible Bonds), and that the Bondholder's conversion rights, together with any incidental provisions and mechanisms thereto, will be restored pursuant to the terms of the Instrument.

No further proceeds will be received by the Company from the Bondholder in the form of subscription monies as a result of the Second Proposed Amendment.

Conditions precedent of the Second Amendment and Extension Agreement

The Second Proposed Amendment is subject to the fulfilment (or waiver, other than conditions (a), (b) and (c) below) of the following conditions on or before the Longstop Date:

- (a) the Stock Exchange granting the approval in relation to the Second Proposed Amendment in accordance with the Listing Rules;
- (b) the passing by the Shareholders of all necessary resolutions at the EGM to approve the Second Proposed Amendment and the transactions contemplated by the Second Amendment and Extension Agreement and the Second Supplemental Deed (including but not limited to the allotment and issue of Conversion Shares under the Specific Mandate);
- (c) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Conversion Shares;
- (d) all necessary consents and approvals in respect of the Second Proposed Amendment and the transactions contemplated by the Second Amendment and Extension Agreement and the Second Supplemental Deed (including but not limited to the necessary approvals to be obtained under the Listing Rules) having been obtained;
- (e) the Company and the Bondholder shall have passed all the necessary resolutions of the board of directors or obtained necessary internal approval approving, amongst other things, the terms of, and the transactions contemplated by, the Second Amendment and Extension Agreement and the Second Supplemental Deed and resolving that it executes the documents to which it is a party and such resolutions or approval shall remain in full force and effect and shall not have been revoked or amended;

LETTER FROM THE BOARD

- (f) on the Effective Date, there shall not be an event existing or having occurred or a condition in existence which would constitute an Event of Default (as defined in the Conditions), and no event or act shall have occurred which (with the giving of notices, or the lapse of time, or both) would constitute an Event of Default; and
- (g) on the Effective Date, the representations, warranties and undertakings set out in the Second Amendment and Extension Agreement shall be true, accurate and correct at, and as if made on, such date.

SUMMARY OF THE TERMS OF THE CONVERTIBLE BONDS

Set out below are the key terms of the Convertible Bonds as at the time of issue together with all subsequent amendments including the Second Proposed Amendment:

- Issuer : the Company
- Principal amount : principal amount of HK\$150,000,000
- Coupon rate : 4% per annum on the outstanding principal amount
- Maturity date : the Convertible Bonds shall mature on the New Maturity Date of 13 August 2022 (i.e. 48 months from the issue date)
- Conversion price : the initial conversion price of HK\$2.5 per Conversion Share, subject to adjustments in the event set out and in accordance with the Conditions of the Convertible Bonds. As disclosed in the announcement of the Company dated 13 August 2020, the conversion price was lowered from HK\$2.5 per Conversion Share to HK\$0.8 per Conversion Share
- Adjustment events : the conversion price shall from time to time be adjusted upon customary events such as capitalisation issue, issue of scrip dividend, sub-division, consolidation and reclassification of Shares
- Conversion period : any time after the issue date and up to and inclusive of one business day prior to the New Maturity Date
- Ranking : the Conversion Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares in issue

LETTER FROM THE BOARD

- Transferability : the Convertible Bonds may be freely assigned or transferred to any third party who has confirmed to the relevant holder of the Convertible Bonds in writing it is not a connected person of the Company within the meaning of the Listing Rules (save that the Convertible Bonds may be assigned or transferred to a connected person when the Company has given its written consent), subject to the compliance with: (i) the Conditions; (ii) the Listing Rules; (iii) the approval for listing in respect of the Conversion Shares; and (iv) all applicable laws and regulations
- Voting : the Convertible Bonds shall not carry any voting rights
- Listing : no application will be made by the Company for the listing of the Convertible Bonds on the Stock Exchange; but application will be made by the Company for the listing of, and permission to deal in, the Conversion Shares

Conversion Price and Conversion Shares

The conversion price of HK\$0.8 per Conversion Share represents:

- (a) a premium of approximately 282.8% over the closing price of HK\$0.209 per Share as quoted on the Stock Exchange on 13 August 2021;
- (b) a premium of approximately 288.3% over the closing price of HK\$0.206 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (c) a premium of approximately 276.3% over the average closing price of HK\$0.213 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Second Amendment and Extension Agreement;
- (d) a premium of approximately 271.4% over the average closing price of HK\$0.215 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the date of the Second Amendment and Extension Agreement; and
- (e) a premium of approximately 589.4% over the audited net asset value per Share of approximately HK\$0.116 per Share based on the audited net asset value of the Group as at 31 December 2020 and 1,183,939,071 Shares in issue as at the Latest Practicable Date.

The 187,500,000 Conversion Shares represent approximately 15.8% of the existing issued share capital of the Company, which comprises 1,183,939,071 Shares. Considering (i) the conversion price of HK\$0.8 per Conversion Share was determined when the First Amendment Agreement was entered into on 24 June 2020 with reference to the then market price of the Shares and (ii) the conversion price is currently at a premium to the net asset value per Share

LETTER FROM THE BOARD

of the Group, the Directors are of the view that the conversion price of HK\$0.8 per Conversion Share is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Shareholding Structure

The following shareholding table illustrates the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) upon full conversion of Convertible Bonds (assuming that there is no other change in the issued share capital of the Company since the Latest Practicable Date):

Shareholders	As at the Latest Practicable Date		Upon full conversion of the Convertible Bonds	
	Number of Shares	Approximate % (Note 5)	Number of Shares	Approximate % (Note 5)
Magical Success Holdings Limited (“ Magical Success ”) (Note 1)	97,527,845	8.2	97,527,845	7.1
Seashore Fortune Limited (“ Seashore Fortune ”) (Note 2)	93,543,624	7.9	93,543,624	6.8
SB Asia Investment Fund II L.P.	197,340,537	16.7	197,340,537	14.4
Spitzer Fund VI L.P.	123,763,311	10.5	123,763,311	9.0
Mr. Ding (Note 3)	138,467,283	11.7	138,467,283	10.1
Bondholder (Note 4)	—	—	187,500,000	13.7
Public Shareholders	<u>533,296,471</u>	<u>45.0</u>	<u>533,296,471</u>	<u>38.9</u>
Total:	<u><u>1,183,939,071</u></u>	<u><u>100.0</u></u>	<u><u>1,371,439,071</u></u>	<u><u>100.0</u></u>

Notes:

- Magical Success is wholly owned by Ms. Chen Junling (“**Ms. Chen**”). Ms. Chen is the spouse of Mr. Wang Shiguang, who was a non-executive Director within the last 12 months of the date of this circular.
- Seashore Fortune is wholly owned by Mr. Yue Jingxing (“**Mr. Yue**”). Mr. Yue is the chairman of the Board and an executive Director.
- To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, Mr. Ding is an Independent Third Party. However, Mr. Ding became a substantial shareholder, and therefore a connected person, of the Company following a subscription of new shares of the Company on 27 July 2021.
- The Bondholder, Software Research Associates, Inc. (株式会社 SRA), a company incorporated under the laws of Japan, it and its ultimate beneficial owners being Independent Third Parties, will become a substantial shareholder, and therefore a connected person, of the Company upon full conversion of the Convertible Bonds.
- Percentages shown in the above chart are approximate figures and have been rounded to the nearest tenth of a percent. Accordingly, figures shown as totals in the above chart may not be an arithmetic aggregation of the figures which precede them.

LETTER FROM THE BOARD

Reasons for the Second Proposed Amendment

The Second Proposed Amendment will allow the Company to enjoy more flexibility when planning its financial resources, as it enables the Company to apply its financial resources to fund its business operation and/or business development activities, especially when facing the challenges of the COVID-19 outbreak, instead of repayment of the Convertible Bonds by 13 August 2021, so as to maximise returns to the Shareholders.

Financial Resources

As at 30 June 2021, as disclosed in the interim announcement of the Company published on 30 August 2021, the bank and cash balances of the Company was in the amount of approximately RMB147.1 million. Accordingly, it would not be practicable to apply a majority of such bank and cash balances in redemption of the Convertible Bonds on 13 August 2021, taking into account of the funding needs on the business operation and/or business development activities of the Group.

The Second Proposed Amendment will provide flexibility and additional time for both the Company and the Bondholder to consider the future treatment of the Convertible Bonds, including but not limited to, full redemption in cash, partial conversion or conversion in full of the Convertible Bonds by the Bondholder at its discretion, by taking into account of, among other factors, the potential improvement of the business and financial position of the Group, and thus, the potential improvement in share price and trading volume performance in the extended period. In the event of partial conversion or conversion in full by the Bondholder, the gearing ratio of the Company will be reduced, and thus, the liquidity position of the Company will be improved.

Business operation and business development

The Board will utilise its financial resources in its business operation and business development activities. As disclosed in the interim announcement of the Company published on 30 August 2021, as at 30 June 2021, the PLC broadband chips developed by the Group have passed the interconnection and intercommunication inspection and testing of low-voltage PLC broadband chips by the State Grid Metering Center (國家電網計量中心) pursuant to an inspection report issued by it. The broadband communication chips developed by the Group have also passed the performance inspection and testing of long distance and local communication units (electric energy data acquisition system) conducted by the State Grid Metering Center pursuant to a registration certificate and inspection report issued by it. Furthermore, the broadband automated meter reading products developed by the Group are compliant with the standards maintained by the State Grid Corporation of China and therefore are qualified for supplying to it. As such, in terms of business development activities, the Group intends to increase the market promotion of its broadband products (including PLC integrated circuits and communication modules) and develop provincial network markets and applications to further enhance the competitiveness of the Group's PLC products in the domestic market, including investments in the research and development and application of broadband dual-mode technology. The Group aims to establish a solid foundation for the development of PLC integrated circuits and products that can be used in electric energy data acquisition systems.

LETTER FROM THE BOARD

The Board is of the view that it is in the interest of the Company and the Shareholders as a whole to utilise the financial resources of the Group for its business operation and business development activities in order to maximize returns to the Shareholders, instead of redemption in full of the Convertible Bonds, which would have become due on 13 August 2021. Accordingly, the Second Proposed Amendment will allow the Group to have sufficient financial resources to develop and strengthen its business operations, and thus improve its gearing ratio and liquidity position.

The consent fee of HK\$3,000,000 payable was arrived at after arm's length negotiation between the Company and the Bondholder, taking into account of (i) the alleviation of immediate funding needs of the Group to redeem in full of the Convertible Bonds; (ii) the consent fee payable by the Company for a one-year extension period implies an annualised interest rate of approximately 6.0%, which is relatively low by reference to the prime rate of 5.0% as quoted by the Group's principal bankers in Hong Kong; and (iii) the Group's difficulty in obtaining new bank financing to replace the amount due under the Convertible Bonds given its continued net loss and inclusion of a disclaimer of audit opinion in the Group's audited financial results for the year ended 31 December 2020.

On the above premises, the Board is of the view that the Second Proposed Amendment, together with the consent fee, is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATION UNDER LISTING RULES

Pursuant to Rule 28.05 of the Listing Rules, any alterations in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. The Company has made an application to the Stock Exchange for the approval of the Second Proposed Amendment.

The Conversion Shares will be allotted and issued under the Specific Mandate to be sought at the EGM.

Since the Second Proposed Amendment is subject to the fulfilment of the conditions precedent as set out in the Second Amendment and Extension Agreement, the Second Proposed Amendment may or may not become effective. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

EGM

Set out on pages 13 to 15 of this circular is a notice convening the EGM to be held at Units 5906–12, 59/F, The Center, 99 Queen's Road Central, Hong Kong on 29 September 2021 at 10:30 a.m. at which relevant resolutions will be proposed to the Shareholders to consider and, if thought fit, approve the Second Proposed Amendment, the Second Amendment and Extension Agreement and the transactions contemplated thereunder.

LETTER FROM THE BOARD

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and return the same to the office of the Company's branch share registrar in Hong Kong, 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 the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting thereof should you so wish.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders having a material interest in the Second Proposed Amendment and the Second Amendment and Extension Agreement, no Shareholders shall have to abstain from voting at the EGM approving the Second Proposed Amendment, the Second Amendment and Extension Agreement and the transactions contemplated thereunder.

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.

RECOMMENDATION

The Board considers that the terms of the Second Amendment and Extension Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolution as set out in the notice of EGM.

Yours faithfully
For and on behalf of the Board
Risecomm Group Holdings Limited
Yue Jingxing
Chairman and Executive Director

NOTICE OF EGM



RISECOMM

瑞斯康

RISECOMM GROUP HOLDINGS LIMITED

瑞斯康集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1679)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of the shareholders (the “**Shareholders**”) of Risecomm Group Holdings Limited (the “**Company**”) will be held at Units 5906–12, 59/F, The Center, 99 Queen’s Road Central, Hong Kong on 29 September 2021 at 10:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the entering into of the second amendment and extension agreement (the “**Second Amendment and Extension Agreement**”) dated 13 August 2021 between the Company and Software Research Associates, Inc. as holder of the convertible bonds in the principal amount of HK\$150,000,000 issued by the Company on 13 August 2018 (the “**Convertible Bonds**”) in relation to the further extension of the maturity date of the Convertible Bonds to 13 August 2022 (the “**Second Proposed Amendment**”) (a copy of the Second Amendment and Extension Agreement having been produced to the EGM and marked “A” and initialled by the chairman of the EGM for the purpose of identification), and the transactions contemplated thereunder (including but not limited to the Second Proposed Amendment) be and are hereby approved, confirmed and ratified;
- (b) the board of directors of the Company (the “**Directors**”) be and is hereby granted a specific mandate to allot and issue the conversion shares upon exercise of the conversion rights attached to the Convertible Bonds in accordance with the terms and conditions of the Convertible Bonds as amended by the Second Amendment and Extension Agreement; and

NOTICE OF EGM

- (c) any one or more Directors be and are hereby authorised to sign, execute, perfect, deliver and do all such documents, deeds, acts, matters and things, as the case may be, as they may in their discretion consider necessary, desirable or expedient to carry out and implement the Second Amendment and Extension Agreement and the transactions contemplated thereunder (including the execution of the Second Supplemental Deed) into full effect and to agree to such variation, amendment or waiver as are in the reasonable opinion of the Directors in the interests of the Company and its Shareholders as a whole provided that such variation, amendment or waiver shall not be fundamentally different from the terms as provided in the Second Amendment and Extension Agreement.”

By Order of the Board
Risecomm Group Holdings Limited
Yue Jingxing
Chairman and Executive Director

Hong Kong, 8 September 2021

Notes:

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). 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.
2. Any Shareholder who is the holder of two or more shares of the Company entitled to attend and vote at the EGM is entitled to appoint more than one proxy to represent him/her and vote on behalf of him/her. A proxy need not be a Shareholder of the Company.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, 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 the meeting (i.e. not later than 10:30 a.m. on Monday, 27 September 2021) or the adjourned meeting (as the case may be). Delivery of the form of proxy shall not preclude a Shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Friday, 24 September 2021 to Wednesday, 29 September 2021, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, 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 Thursday, 23 September 2021.
5. References to time and dates in this notice are to Hong Kong time and dates.

As at the date of this notice, the executive Directors are Mr. Yue Jingxing, Mr. Lau Wai Leung, Alfred and Mr. Jiang Feng, the non-executive Director is Mr. Cheung Fan and the independent non-executive Directors are Mr. Ong King Keung, Ms. Lo Wan Man and Mr. Zou Heqiang.

NOTICE OF EGM

PRECAUTIONARY MEASURES

Shareholders should note that during the ongoing coronavirus (COVID-19) pandemic, the following precautionary measures will be taken at the EGM unless the Company should require otherwise:

1. Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius or refuses a temperature check will not be permitted to access the meeting venue.
2. The Company requests each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
3. No refreshments will be served, and no corporate gifts will be distributed.
4. Each attendee will be asked whether (a) he/she has travelled outside of Hong Kong within the 14-day period immediately before the EGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions will not be permitted to access the meeting venue.

Shareholders are reminded that physical attendance in person at the EGM is not necessary for the purpose of exercising their voting rights. The Company strongly recommends the Shareholders to appoint the chairman of the EGM as their proxy to vote on their behalf in respect of the relevant resolutions at the meeting instead of attending the meeting in person, by completing and returning the proxy form enclosed with this document, to minimise the risk of infection.

If any Shareholder chooses not to attend the EGM in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing to our principal place of business in Hong Kong or to our email at ir@risecomm.com.hk. If any Shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's Hong Kong branch share registrar at:

Tricor Investor Services Limited
Level 54
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