
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a 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 Capital VC Limited (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or 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 transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



CAPITAL
VC LIMITED

首都創投有限公司

Capital VC Limited 首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*
(Stock Code: 02324)

(1) PROPOSED SHARE CONSOLIDATION; (2) CHANGE IN BOARD LOT SIZE; AND (3) NOTICE OF EXTRAORDINARY GENERAL MEETING

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

A notice dated 23 June 2020 convening the EGM to be held at Portion 2, 12/F., The Center, 99 Queen’s Road Central, Hong Kong on 10 July 2020 at 11:00 a.m. is set out on pages 12 to 13 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.capital-vc.com>).

Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Share Registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Accordingly, the form of proxy must be delivered to the Share Registrar not later than 11:00 a.m. on Wednesday, 8 July 2020. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish and in such event, the form of proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE EGM

Please see page ii of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the EGM, including:

- **compulsory body temperature checks and health declarations**
- **recommended wearing of a surgical face mask for each attendee**
- **no distribution of corporate gift or refreshment**

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds Shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

23 June 2020

CONTENTS

	<i>Page</i>
PRECAUTIONARY MEASURES FOR THE EGM	ii
DEFINITIONS	1
EXPECTED TIMETABLE	3
LETTER FROM THE BOARD	5
NOTICE OF EGM	12

PRECAUTIONARY MEASURES FOR THE EGM

The health of our Shareholders, staff and stakeholders is of paramount importance to us. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the EGM to protect attending Shareholders, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) The Company encourages each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.
- (iv) Each attendee may 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 may be denied entry into the meeting venue or be required to leave the meeting venue.

In addition, the Company reminds all Shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this circular.

If any Shareholder chooses not to attend the meeting 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 head office and principal place of business in Hong Kong.

If any Shareholder has any question relating to the meeting, please contact Tricor Tengis Limited, the Company's share registrar in Hong Kong as follows:

Tricor Tengis Limited
Level 54, Hopewell Centre
183 Queen's Road East, Hong Kong
Tel: 2980 1333

DEFINITIONS

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

“Board”	the board of Directors
“Business Day(s)”	a day (other than Saturday, Sunday, public holiday or any day on which tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 20,000 Existing Shares to 10,000 Consolidated Shares
“Company”	Capital VC 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: 2324)
“Consolidated Share(s)”	ordinary shares of HK\$0.25 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Effective Date”	the date on which the Share Consolidation shall become effective, being the second Business Day immediately following the date of passing the ordinary resolution approving the Share Consolidation at the EGM
“EGM”	the extraordinary general meeting of the Company to be held at Portion 2, 12/F., The Center, 99 Queen’s Road Central, Hong Kong on 10 July 2020 at 11:00 a.m. for the Shareholders to consider and, if thought fit, approve the Share Consolidation

DEFINITIONS

“Existing Share(s)”	ordinary shares of HK\$0.025 each in the share capital of the Company before the Share Consolidation becoming effective
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	16 June 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Share(s)”	Existing Share(s) and/or Consolidated Share(s), as the case may be
“Shareholders”	registered holder(s) of the Existing Share(s) or the Consolidated Share(s), as the case may be
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Shares into one (1) Consolidated Share
“Share Registrar”	the share registrar of the Company in Hong Kong, being Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

EXPECTED TIMETABLE

The expected timetable for implementation of the Share Consolidation and the Change in Board Lot Size is set out below:

Event	Time and date
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM	4:30 p.m. on Monday, 6 July 2020
Closure of the register of members of the Company for determining the entitlement to attend and vote at the EGM	Tuesday, 7 July 2020 to Friday, 10 July 2020 (both days inclusive)
Latest date and time for lodging the proxy forms for the EGM	11:00 a.m. on Wednesday, 8 July 2020
Date and time of the EGM	11:00 a.m. on Friday, 10 July 2020
Publication of announcement of voting results of the EGM	Friday, 10 July 2020

The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation and the Change in Board Lot Size:

Event	Time and date
Effective date of the Share Consolidation	Tuesday, 14 July 2020
First day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	Tuesday, 14 July 2020
Dealing in the Consolidated Shares commence	9:00 a.m. on Tuesday, 14 July 2020
Original counter for trading in the Existing Shares in board lots of 20,000 Existing Shares temporarily closes	9:00 a.m. on Tuesday, 14 July 2020
Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 14 July 2020

EXPECTED TIMETABLE

Event	Time and date
Original counter for trading in the Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens	9:00 a.m. on Tuesday, 28 July 2020
Parallel trading in the Consolidated Shares (in form of new share certificates and existing share certificates) commences	9:00 a.m. on Tuesday, 28 July 2020
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, 28 July 2020
Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Monday, 17 August 2020
Parallel trading in the Consolidated Shares (in form of new share certificates and existing share certificates) ends	4:10 p.m. on Monday, 17 August 2020
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares	4:10 p.m. on Monday, 17 August 2020
Last day for free exchange of existing share certificates for new share certificates for the Consolidated Shares	Wednesday, 19 August 2020

The timetable is indicative only and may be extended or varied. Any change to the expected timetable above will be announced by the Company as and when appropriate.

LETTER FROM THE BOARD



CAPITAL
VC LIMITED

首都創投有限公司

Capital VC Limited 首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*
(Stock Code: 02324)

Executive Directors:

Kong Fanpeng
Chan Cheong Yee

Independent non-executive Directors:

Lee Ming Gin
Lai Fun Yin
Cheung Wai Kin

Registered office:

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

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

Room 2302, 23rd Floor
New World Tower 1
18 Queen's Road Central
Hong Kong

23 June 2020

To the Shareholders

Dear Sir/Madam,

(1) PROPOSED SHARE CONSOLIDATION; AND (2) CHANGE IN BOARD LOT SIZE

INTRODUCTION

Reference is made to the announcement of the Company (the “**Announcement**”) dated 26 May 2020 in relation to the Share Consolidation and the Change in Board Lot Size.

The purpose of this circular is to provide you with details of the Share Consolidation and the Change in Board Lot Size and to give you the notice of the EGM.

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION

The Board proposed to implement the Share Consolidation on the basis that every ten (10) issued and unissued Existing Shares will be consolidated into one (1) Consolidated Share.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

- (i) the passing of an ordinary resolution to approve the Share Consolidation by the Shareholders at the EGM;
- (ii) the compliance with all relevant procedures and requirements under the laws of the Cayman Islands (where applicable) and the Listing Rules to effect the Share Consolidation; and
- (iii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Consolidated Shares.

Subject to the satisfaction of all the above conditions, it is expected that the Share Consolidation will become effective on the Effective Date, i.e. being the second Business Day immediately following the date of passing the ordinary resolution approving the Share Consolidation at the EGM.

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

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company was HK\$200,000,000 divided into 8,000,000,000 Existing Shares with par value of HK\$0.025 each.

Upon the Share Consolidation becoming effective and assuming that there are no changes on the authorised share capital of the Company from the Latest Practicable Date until the Effective Date, the authorised share capital of the Company will become HK\$200,000,000 divided into 800,000,000 Consolidated Shares with par value of HK\$0.25 each.

As at the Latest Practicable Date, 2,754,882,496 Existing Shares had been allotted and issued. Upon the Share Consolidation becoming effective and assuming that no new Existing Shares are issued or repurchased from the Latest Practicable Date until the Effective Date, 275,488,249 Consolidated Shares will be in issue.

LETTER FROM THE BOARD

Status of the Consolidated Shares

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will not alter the underlying assets, business operations, management or financial position of the Company or the shareholdings, proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares to which Shareholders may be entitled.

Listing application

An application has been made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of 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. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS.

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

Fractional entitlement to Consolidated Shares

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

LETTER FROM THE BOARD

Arrangement on odd lot trading

In order to facilitate the trading of odd lots of the Consolidated Shares, the Company has appointed Suncorp Securities Limited as an agent to provide matching service, on a best effort basis, for the sale and purchase of odd lots of Consolidated Shares arising from the Share Consolidation. Shareholders who wish to take advantage of this facility should contact Mr. Fan Chi Yeung of Suncorp Securities Limited at Room 3616, 36/F., Cosco Tower, 183 Queen's Road Central, Hong Kong at telephone number 3899 1899 during office hours. Shareholders should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Please refer to the section headed "EXPECTED TIMETABLE" on pages 3 and 4 of this circular for the period during which the Company will provide matching service for the sale and purchase of odd lots of the Consolidated Shares.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, which is currently expected to be on Tuesday, 14 July 2020, being the second Business Day immediately after the date of the EGM, the Shareholders may during the period from Tuesday, 14 July 2020 to Wednesday, 19 August 2020 (both days inclusive) submit existing share certificates for the Existing Shares (in the colour of yellow) to the Company's share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, to exchange for new share certificates for the Consolidated Shares (in the colour of purple) at the expense of the Company.

Thereafter, share certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may 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.

After Wednesday, 19 August 2020, share certificates for the Existing Shares will remain effective as documents of title and may be exchanged for share certificates for the Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

As at the Latest Practicable Date, there are outstanding Share Options for subscription of an aggregate of 220,000,000 Shares under the Share Option Scheme. The Share Consolidation may lead to adjustments to the exercise price and/or the number of Consolidated Shares falling to be issued upon exercise of the outstanding Share Options pursuant to the terms and conditions of the Share Option Scheme and the Listing Rules. The Company will make further announcement(s) on such adjustments as and when appropriate.

LETTER FROM THE BOARD

Save for the aforesaid, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Existing Shares as at the Latest Practicable Date.

CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in the board lot size of 20,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 20,000 Existing Shares to 10,000 Consolidated Shares conditional upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.026 per Existing Share (equivalent to the theoretical closing price of HK\$0.26 per Consolidated Share) as at Latest Practicable Date, (i) the value of each existing board lot of Existing Shares is HK\$520; and (ii) the value of each board lot of 10,000 Consolidated Shares would be HK\$2,600 assuming the Share Consolidation and the Change in Board Lot Size becoming effective.

The Change in Board Lot Size will not result in change in the relative rights of the Shareholders.

REASONS FOR THE SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE

According to Rule 13.64 of the Listing Rules, where the market price of the securities of the 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 to proceed with a consolidation or splitting of its securities. According to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Stock Exchange on 28 November 2008 and updated on 30 August 2019, (i) market price of the securities of an issuer at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000 (the “**Trading Requirements**”).

In view that the Shares had been traded at below HK\$0.10 during the past 12 months and the value per board lot being less than HK\$2,000, the Board proposes to implement the Share Consolidation. The Share Consolidation will increase the nominal value of the Shares and reduce the total number of Shares currently in issue, with a corresponding upward adjustment in the trading price of the Consolidated Shares. As such, it would (i) enable the Company to comply with the Trading Requirements; and (ii) reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities trade.

LETTER FROM THE BOARD

Subject to the Share Consolidation becoming effective, the Board also proposes to change the board lot size for trading from 20,000 Existing Shares to 10,000 Consolidated Shares. The Board considers that the Change in Board Lot Size will mitigate the effect of the odd lots caused by the Share Consolidation.

It is expected that the Share Consolidation and Change in Board Lot Size will bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange as mentioned above and will increase the value of each board lot of the Consolidated Shares to more than HK\$2,000 and theoretical closing price per Consolidated Share will be higher than HK\$0.10, so that the Trading Requirements are satisfied. With a higher trading price of the Consolidated Shares will enhance the Company's corporate image and reduce the transaction and handling costs as a proportion of the market value of each board lot, the Board believes that it 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, and thus further broaden the shareholder base of the Company.

In view of the above reasons, the Company considers the Share Consolidation and Change in Board Lot Size can satisfy the Trading Requirements and will not have any adverse effect on the financial position of the Group nor result in change in the relative rights of the Shareholders, and are hence justifiable notwithstanding of the potential costs and impact arising from creation of odd lots to Shareholders. Accordingly, the Board is of the view that the Share Consolidation and Change in Board Lot Size is beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, there is no understanding, agreement or arrangement for any such fund raising activity nor is there any plan or conclusion for the format of any such corporate actions or arrangements for such fund raising.

EGM

The notice of the EGM is set out on pages 12 to 13 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the general meetings 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. Therefore, the chairman of the meeting will demand a poll on the resolution regarding the Share Consolidation at the EGM. An announcement will be made by the Company on the poll results of the EGM.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting on the resolution to be proposed at the EGM.

LETTER FROM THE BOARD

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (<http://www.capital-vc.com>). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and return the completed form of proxy to the Share Registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Accordingly, the form of proxy must be delivered to the Share Registrar not later than 11:00 a.m. on Wednesday, 8 July 2020. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish and in such event, the form of proxy shall be deemed to be revoked.

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 Share Consolidation is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolution to be proposed at the EGM.

Yours faithfully,
For and on behalf of the Board
Capital VC Limited
Chan Cheong Yee
Executive Director

NOTICE OF EGM



CAPITAL
VC LIMITED

首都創投有限公司

Capital VC Limited 首都創投有限公司

*(Incorporated in the Cayman Islands with limited liability
and carrying on business in Hong Kong as CNI VC Limited)*
(Stock Code: 02324)

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of Capital VC Limited (the “**Company**”) will be held at Portion 2, 12/F., The Center, 99 Queen’s Road Central, Hong Kong on 10 July 2020 at 11:00 a.m. for the following purposes:

ORDINARY RESOLUTION

1. “**THAT** subject to and conditional upon the granting of approval by the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) of the listing of, and permission to deal in, the issued shares of the Company consolidated in the manner as set out in paragraph (a) of this resolution below (the “**Share Consolidation**”):
 - (a) with effect from the second business day immediately following the date on which this resolution is passed:
 - (i) every ten (10) issued and unissued ordinary shares of par value of HK\$0.025 each in the share capital of the Company be consolidated into one (1) consolidated share of par value of HK\$0.25 each (each a “**Consolidated Share**”), such Consolidated Shares shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions as contained in the memorandum and articles of association of the Company; and
 - (ii) all fractional Consolidated Shares will be disregarded and not issued to the shareholders of the Company but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit for the Company; and

NOTICE OF EGM

- (b) the board of directors of the Company be and is hereby authorised to do all such acts and things and execute all such documents, including under seal where applicable, as it considers necessary, desirable or expedient to give effect to the foregoing arrangement for the Share Consolidation.”

By Order of the Board
Capital VC Limited
Chan Cheong Yee
Executive Director

Hong Kong, 23 June 2020

Notes:

1. A member of the Company entitled to attend and vote at the meeting (or at any adjournment thereof) is entitled to appoint one, or if he is a holder of more than one share, more proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy and the power of attorney (if any), under which it is signed or a certified copy thereof, must be lodged at the Company’s registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the appointed time for holding the above meeting or any adjournment thereof.
3. Completion and return of the accompanying form of proxy will not preclude members of the Company from attending and voting in person at the meeting or any adjournment thereof should they so wish and in such event, the form of proxy shall be deemed to be revoked.
4. The register of members of the Company will be closed from 7 July 2020 to 10 July 2020 (both days inclusive) during which period no transfer of Shares will be effected for the purpose of determining the Shareholders who are entitled to attend and vote at the EGM. In order to be eligible to attend and vote at the EGM, all completed share transfer instruments accompanied by the relevant share certificate(s) should be lodged for registration with the Tricor Tengis Limited, the Company’s Hong Kong share registrar and transfer office, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on 6 July 2020.