

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 your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

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

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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.



DL HOLDINGS GROUP LIMITED

德林控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1709)

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED DECLARATION OF FINAL DIVIDEND,
REFRESHMENT OF THE EXISTING LIMIT ON THE GRANT OF
OPTIONS UNDER THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please see page 1 of this circular for measures being taken to try to prevent and control the spread of the novel coronavirus (COVID-19) at the Annual General Meeting, 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 will be served at the Annual General Meeting

Any person who does not comply with the precautionary measures 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.

A notice convening the Annual General Meeting to be held at Unit 2902, Vertical Square, 28 Heung Yip Road, Wong Chuk Hang, Hong Kong on Thursday, 9 September 2021 at 11:00 a.m. is set out on pages 25 to 31 of this circular.

Whether or not you intend to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting (i.e. by 11:00 a.m. on Tuesday, 7 September 2021) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

All times and dates specified herein refer to Hong Kong local times and dates.

28 July 2021

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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing novel coronavirus (COVID-19) (“COVID-19”) situation, the Company will be taking the following precautionary measures at the Annual General Meeting to protect attending Shareholders, staff and stakeholders from the risk of infection:

- 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 at the Company’s discretion.
- 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.
- Any person, irrespective of nationality, who had travelled overseas in the 14-day period prior to the Annual General Meeting and/or such other time periods as may be required or recommended by any government agencies from time to time, will not be permitted to attend the Annual General Meeting.
- No distribution of corporate gift and refreshment will be served at the Annual General Meeting.

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(s) 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 of directors of the Company, he/she is welcome to send such question or matter in writing to our registered office or to our email at ir@dl-gh.com.

If any Shareholder has any question relating to the meeting, please contact Boardroom Share Registrars (HK) Limited, the Company’s share registrar as follows:

Boardroom Share Registrars (HK) Limited

Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong

Email: SRinfo.hk@boardroomlimited.com

Tel: 2153 1688

As the COVID-19 situation continues to evolve, the Company will closely monitor the situation and reserves the right to take further measures as appropriate in order to minimize any risk to Shareholders and others attending the Annual General Meeting and to comply with any requirements or recommendations of any government agencies from time to time.

DEFINITIONS

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

“2019 Annual General Meeting”	the annual general meeting of the Company held on 27 September 2019
“2020 Annual General Meeting”	the annual general meeting of the Company held on 29 September 2020
“Annual General Meeting”	the annual general meeting of the Company to be held at Unit 2902, Vertical Square, 28 Heung Yip Road, Wong Chuk Hang, Hong Kong on Thursday, 9 September 2021 at 11:00 a.m., the notice of which is set out on pages 25 to 31 of this circular, and any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday, a Sunday or a public holiday) on which commercial banks are open for general banking business in Hong Kong
“close associates”	has the same meaning as defined under the Listing Rules
“Companies Law”	the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company”	DL Holdings Group Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“core connected person”	has the same meaning as defined under the Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Share repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the General Mandate
“Existing Scheme Limit”	the maximum number of Shares which may be issued upon exercise of all options granted/to be granted under the Share Option Scheme, being 112,380,000, which are equivalent to 10% of the issued Shares as at the date of the 2019 Annual General Meeting

DEFINITIONS

“Extreme Conditions”	extreme conditions occurring after a super typhoon as announced by the Government of Hong Kong
“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the number of issued Shares as at the date of passing the relevant resolution at the Annual General Meeting
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Renewal Resolution”	the ordinary resolution passed at the 2019 Annual General Meeting for the renewal of the then existing scheme limit of the Share Option Scheme
“Latest Practicable Date”	22 July 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Company
“Participants”	employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner of the Company or any subsidiary (including any director of the Company or any subsidiary) who is in full-time or part-time employment with or otherwise engaged by the Company or any subsidiary at the time when an option is granted to such employee, adviser, consultant, service provider, agent, customer, partner or joint-venture partner or any person who, in the absolute discretion of the Board, has contributed or may contribute to the Group
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable them to repurchase Shares, the aggregate number of Shares of which shall not exceed 10% of the number of issued Shares as at the date of passing the relevant resolution at the Annual General Meeting
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)

DEFINITIONS

“Share Option Scheme”	the share option scheme adopted by the Company on 22 September 2015
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers, as amended from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.



DL HOLDINGS GROUP LIMITED

德林控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1709)

Executive Directors:

Ms. Jiang Xinrong (*Chairman*)
Mr. Chen Ningdi (*Chief Executive Officer*)

Non-executive Directors:

Mr. Chan Kwun Wah Derek
Mr. Li Ren

Independent non-executive Directors:

Mr. Chang Eric Jackson
Mr. Chen Cheng-Lien (also known as
Chen Cheng-Lang and Chen Stanley)
Mr. Liu Chun

Registered office:

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

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

Unit 2902, Vertical Square
28 Heung Yip Road
Wong Chuk Hang
Hong Kong

28 July 2021

*To the Shareholders, and for information only,
the holders of options of the Company*

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF DIRECTORS,
PROPOSED DECLARATION OF FINAL DIVIDEND,
REFRESHMENT OF THE EXISTING LIMIT ON THE GRANT OF
OPTIONS UNDER THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The primary purpose of this circular is to provide you with information regarding the resolutions to be proposed at the Annual General Meeting and to give you notice of the Annual General Meeting. Resolutions to be proposed at the Annual General Meeting include, inter alia: (a) ordinary resolutions on the proposed grant of each of the General Mandate, the Repurchase Mandate and the Extension Mandate, (b) ordinary resolutions relating to the proposed re-

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election of the Directors, (c) ordinary resolutions relating to the proposed declaration of final dividend for the year ended 31 March 2021 and closure of register of members, and (d) ordinary resolutions relating to the proposed refreshment of the Existing Scheme Limit.

GRANT OF GENERAL MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

Pursuant to the ordinary resolutions passed by the then Shareholders at the 2020 Annual General Meeting, the Directors were granted (a) a general unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the number of issued Shares on the date of passing of the relevant ordinary resolution; (b) a general unconditional mandate to repurchase Shares not exceeding 10% of the number of issued Shares on the date of passing of the relevant ordinary resolution; and (c) the power to extend the general mandate mentioned in (a) above by an amount representing the aggregate number of the Shares of the Company repurchased by the Company pursuant to the mandate to repurchase Shares referred to in (b) above.

The above general mandates will lapse at the conclusion of the Annual General Meeting. At the Annual General Meeting, the following resolutions, among other matters, will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and otherwise deal with additional Shares up to a maximum of 20% of the number of issued Shares on the date of passing of such resolution. On the assumption that 1,399,621,000 Shares in issue as at the Latest Practicable Date and assuming no Shares will be issued or repurchased prior to the Annual General Meeting, the maximum number of Shares to be allotted and issued pursuant to the General Mandate will be 279,924,200;
- (b) to grant the Repurchase Mandate to the Directors to enable them to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the number of issued Shares on the date of passing of such resolution. On the assumption that 1,399,621,000 Shares in issue as at the Latest Practicable Date and assuming no Shares will be issued or repurchased prior to the Annual General Meeting, the maximum number of Shares may be repurchased pursuant to the Repurchase Mandate will be 139,962,100; and
- (c) to grant the Extension Mandate to the Directors to increase the total number of Shares which may be allotted and issued under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate provided that such extended amount shall not exceed 10% of the number of issued Shares as at the date of passing of such resolution granting the Repurchase Mandate.

If the Company conducts a share consolidation or subdivision after the General Mandate or the Repurchase Mandate is granted, the maximum number of Shares that may be issued under the General Mandate or the maximum number of Shares that may be repurchased under the Repurchased Mandate as a percentage of the total number of issued Shares as the date immediately before and after such consolidation or subdivision shall be the same.

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Each of the General Mandate, the Repurchase Mandate and the Extension Mandate will lapse at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the Annual General Meeting; (b) the date by which the next annual general meeting is required by the Companies Law or the Articles of Association to be held; or (c) when the authority given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

The Directors wish to state that they have no immediate plans to allot and issue any new Shares other than such Shares which may fall to be allotted and issued upon the exercise of any options granted under the Share Option Scheme. In addition, the Directors wish to state that they have no immediate plans to repurchase any Shares pursuant to the Repurchase Mandate.

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the Annual General Meeting. An explanatory statement for such purpose is set out in Appendix I to this circular.

PROPOSED RE-ELECTION OF DIRECTORS

According to article 84(1) of the Articles of Association, one-third of the Directors (or if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation at each annual general meeting of the Company. Any Director who retires under this article shall then be eligible for re-election as Director. Ms. Jiang Xinrong (“Ms. Jiang”), Mr. Li Ren (“Mr. Li”) and Mr. Chang Eric Jackson (“Mr. Chang”) will retire as Directors and, being eligible, offer themselves for re-election as Directors at the Annual General Meeting.

The Nomination Committee has also recommended the Board that the above-mentioned Directors are eligible for re-election. Biographical information of Ms. Jiang, Mr. Li and Mr. Chang is set out in Appendix II to this circular.

NOMINATION POLICY OF DIRECTORS

The Company recognises and embraces the benefits of a Board with a balance of skills, experience and diversity of perspectives. The Nomination Committee utilises various methods for identifying director candidates, including recommendations from Board members, management, and professional search firms. All director candidates, including incumbents and candidates nominated by the Shareholders, are evaluated by the Nomination Committee based upon the director’s background, qualifications, skills and experience through review of resume, personal interview and performance of background checks.

The Nomination Committee will take into account whether a candidate has the qualifications, skills, experience and gender diversity that add to and complement the range of background, skills and experience of existing Directors taking also into account the personal integrity and professional ethics, proven achievement and competence in their field of expertise and the ability to exercise sound business judgment of the director candidates. Candidates will

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be considered if they possess skills that are complementary to those of the existing Board, the ability to assist and support management and make significant contributions to the Company's success and such other factors as the Nomination Committee may deem are in the best interests of the Company and its Shareholders.

After evaluation of the director candidates, the Nomination Committee then makes recommendation to the Board regarding the director candidates of the Company and submits the relevant information to the Board for consideration prior to the appointment of new Director.

RECOMMENDATIONS OF THE NOMINATION COMMITTEE

The Nomination Committee has assessed the re-election of each of Ms. Jiang, Mr. Li and Mr. Chang based on the board diversity policy of the Company, and is of the view that:

- (a) the re-election of Ms. Jiang as an executive Director may contribute to the diversity of the Board, in particular by virtue of her extensive business exposure in the financial services business and she would be able to contribute to the Group by overseeing the operations of the businesses of the Group;
- (b) the re-election of Mr. Li as a non-executive Director may contribute to the diversity of the Board, in particular by virtue of his managerial and entrepreneurial skills as a founder of his business; and
- (c) the re-election of Mr. Chang as an independent non-executive Director may contribute to the diversity of the Board, in particular by virtue of his expertise in accounting and financial management as well as his experience as directors in other listed companies on the Stock Exchange. Mr. Chang does not hold any cross-directorships or have any significant links with other Directors through involvement in other companies or bodies so his independent judgement would not be interfered. Mr. Chang has confirmed his independence pursuant to Rule 3.13 of the Listing Rules and the Board considered Mr. Chang meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines. In addition, as Mr. Chang does not hold more than six listed company directorships, the Board believes he would be able to devote sufficient time to the Board.

In view of the above, the Nomination Committee nominated each of Ms. Jiang, Mr. Li and Mr. Chang to the Board to recommend them to be re-elected as Directors by the Shareholders at the Annual General Meeting. The Board considers that each of them can bring skills, knowledge and experience to the Board, represents different groups of age, education and industry and therefore can ensure the diversity of the composition of the Board.

LETTER FROM THE BOARD

PROPOSED DECLARATION OF FINAL DIVIDEND

The Board has resolved to recommend a final dividend of HK\$3.58 cents per Share for the year ended 31 March 2021 to the Shareholders whose names appear on the register of members of the Company on Monday, 20 September 2021, being the record date for determining the entitlement of shareholders to the proposed final dividend, amounting to approximately HK\$50.0 million in aggregate, subject to the approval of the Shareholders at the AGM and compliance with the Companies Law. The final dividend is expected to be paid on or around Thursday, 30 September 2021.

The register of members of the Company will be closed from Thursday, 16 September 2021 to Monday, 20 September 2021 (both days inclusive) during which period no transfer of shares will be registered. To be qualified for receiving the above dividend, all share transfer documents must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, for registration no later than 4:30 p.m. on Wednesday, 15 September 2021.

REFRESHMENT OF THE EXISTING LIMIT ON THE GRANT OF OPTIONS UNDER THE SHARE OPTION SCHEME

Pursuant to the passing of resolution by the then Shareholders, the Share Option Scheme was adopted on 22 September 2015. The purpose of the Share Option Scheme is to enable the Company to grant options to eligible Participants as incentive or reward for their contribution to the Group to subscribe for the Shares thereby linking their interest with that of the Group.

Pursuant to Chapter 17 of the Listing Rules, the total number of securities which may be issued upon exercise of all options to be granted under a share option scheme and any other schemes of a listed issuer must not in aggregate exceed 10% of the relevant class of securities of the listed issuer (or the subsidiary) in issue as at the date of approval of the share option scheme. Options lapsed in accordance with the share option scheme will not be counted for the purpose of calculating the 10% limit. The listed issuer may seek approval by its shareholders in general meeting for "refreshing" the 10% limit under the share option scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the listed issuer (or the subsidiary) under the limit as "refreshed" must not exceed 10% of the relevant class of securities in issue as at the date of approval of the refreshed limit. Options previously granted under the schemes (including those outstanding, cancelled, lapsed in accordance with the scheme or exercised options) will not be counted for the purpose of calculating the limit as "refreshed". The Listing Rules also provide that the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the share option scheme and any other schemes must not exceed 30% of the relevant class of securities of the listed issuer (or the subsidiary) in issue from time to time. The Listing Rules further provide that if the listed issuer (or the subsidiary) conducts a share consolidation or subdivision after the 10% limit has been approved in general meeting, the maximum number of securities that may be issued upon exercise of all options to

LETTER FROM THE BOARD

be granted under all of the schemes of the listed issuer (or the subsidiary) under the 10% limit as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same.

At 2019 Annual General Meeting, the Last Renewal Resolution was passed and therefore the then scheme limit of the Share Option Scheme was refreshed and the Company was allowed to grant Options up to a maximum of 112,380,000 Shares, representing 10% of the Shares in issue as at the date of the 2019 Annual General Meeting. On 17 August 2020, options carrying the right to subscribe for 54,500,000 Shares have been granted pursuant to the Share Option Scheme. Among the 54,500,000 share options, (i) 5,500,000 share options with an exercise price of HK\$0.90 were granted to each of the Directors namely, Mr. Chen Ningdi and Mr. Li Ren; (ii) 3,000,000 share options with an exercise price of HK\$1.00 were granted to the Director, Mr. Liu Chun; (iii) 30,500,000 share options with an exercise price of HK\$0.90 and 5,500,000 share options with an exercise price of HK\$1.00 were granted to seven employees of the Group; and (iv) 4,500,000 share options with an exercise price of HK\$1.00 were granted to two consultants of the Group who provide advisory services on financial management and business development as incentive to link their interests with the Group to contribute on development of the Group. On 19 November 2020, options carrying the right to subscribe for 53,000,000 Shares have been granted to employees of the Group. For further details, please refer to the announcements of the Company dated 17 August 2020 and 19 November 2020. As for the grant of share options to non-employees such as consultants and/or goods and service providers of the Group, the Directors consider that the economic benefit of the share options is dependent on the improvement in the performance of the Group and hence the share options provide incentive to motivate the external parties to perform in achieving the goals of the Group, including but not limited to introducing new business opportunities and/or business partners for the development of the Group's operation and business, enhancing the growth in the revenue and profits of the Group and creating returns to Shareholders without resulting in any net cash outflow from the Company. In addition, since they will have opportunities to become Shareholders when they exercise the relevant share options, they will be more committed to the success of the Group as their reward and remuneration will hinge on the Group's performance. Furthermore, the Group would receive subscription price when the relevant share options are being exercised by the grantees which would provide additional working capital to the Group.

LETTER FROM THE BOARD

Details of the share options granted since the adoption of the Share Option Scheme up to the Latest Practicable Date are set out below:

Category and name of grantee	The scheme limit under which the share options are granted	Date of grant	Number of share option granted	Exercise price per share	Exercisable period	Status	Details of the services
Directors/past Directors							
Cheung Lui	2015	27 October 2017	10,000,000	HK\$0.482	27 October 2017 to 27 October 2027	Exercised	N/A
Chak Ka Wai	2015	27 April 2018	10,000,000	HK\$0.425	27 April 2018 to 27 April 2028	Exercised	N/A
Chan Hong Nei Connie	2015	27 October 2017	10,000,000	HK\$0.482	27 October 2017 to 27 October 2027	Exercised	N/A
Luk Huen Ling Claire	2015	27 April 2018	10,000,000	HK\$0.425	27 April 2018 to 27 April 2028	Exercised	N/A
Jiang Xinrong	2018	15 August 2019	10,115,000	HK\$0.476	15 August 2019 to 14 August 2022	Exercised	N/A
Yu Xiu Yang	2018	15 August 2019	11,238,000	HK\$0.476	15 August 2019 to 14 August 2022	Exercised	N/A
Li Ren	2018	15 August 2019	11,238,000	HK\$0.476	15 August 2019 to 14 August 2022	Exercised	N/A
		2019	5,500,000	HK\$0.900	17 August 2020 to 16 August 2023	Exercised	N/A
Chen Ningdi	2019	17 August 2020	5,500,000	HK\$0.900	17 August 2020 to 16 August 2023	Exercised	N/A
Liu Chun	2019	17 August 2020	3,000,000	HK\$1.000	17 August 2020 to 16 August 2023	Outstanding	N/A
Sub-total			<u>86,591,000</u>				
Employee(s) of the Group							
Position of grantee in the Group							
Chief operating officer of a subsidiary	2015	27 October 2017	10,000,000	HK\$0.482	27 October 2017 to 27 October 2027	Exercised	N/A
Chief marketing officer	2019	17 August 2020	5,500,000	HK\$0.900	17 August 2020 to 16 August 2023	Exercised	N/A
	2019	19 November 2020	8,000,000	HK\$2.50	19 November 2020 to 18 November 2023	Outstanding	N/A
Chief financial officer	2019	17 August 2020	5,500,000	HK\$0.900	17 August 2020 to 16 August 2023	Exercised	N/A
	2019	19 November 2020	8,000,000	HK\$2.50	19 November 2020 to 18 November 2023	Outstanding	N/A
Chief strategic officer	2018	15 August 2019	10,115,000	HK\$0.500	15 August 2019 to 14 August 2022	Exercised	Investor relations management and investor-related advisory services (Note 2)
Directors of a subsidiary	2018	15 August 2019	10,115,000	HK\$0.500	15 August 2019 to 14 August 2022	Exercised	Investor relations management and investor-related advisory services (Note 2)

LETTER FROM THE BOARD

Category and name of grantee	The scheme limit under which the share options are granted	Date of grant	Number of share option granted	Exercise price per share	Exercisable period	Status	Details of the services	
		2019	17 August 2020	8,500,000	HK\$0.900	17 August 2020 to 16 August 2023	Exercised	N/A
		2019	17 August 2020	2,500,000	HK\$1.00	17 August 2020 to 16 August 2023	Outstanding	N/A
		2019	19 November 2020	8,000,000	HK\$2.50	19 November 2020 to 18 November 2023	Outstanding	N/A
Managing director of a subsidiary		2019	19 November 2020	13,000,000	HK\$2.50	19 November 2020 to 18 November 2023	Outstanding	N/A
Associates of a subsidiary		2019	17 August 2020	11,000,000	HK\$0.900	17 August 2020 to 16 August 2023	Exercised	N/A
		2019	17 August 2020	3,000,000	HK\$1.000	17 August 2020 to 16 August 2023	Exercised	N/A
		2019	19 November 2020	16,000,000	HK\$2.50	19 November 2020 to 18 November 2023	Outstanding	N/A
Sub-total			<u>119,230,000</u>					
Non-employee (Note 3)								
Asian Succeed Limited, a company incorporated in British Virgin Islands with limited liability with 30 years of experience in garment business	2015	27 October 2017	10,000,000	HK\$0.482	27 October 2017 to 27 October 2027	Exercised	Consultancy services in relation to sales of the Group's apparel products and services (Notes 4 & 5)	
New Links Limited, a company incorporated in Hong Kong with limited liability and partnering with the Group on innovative garment accessories	2015	27 April 2018	10,000,000	HK\$0.425	27 April 2018 to 27 April 2028	Exercised	Advisory service on market expansion for garment business (Notes 4 & 6)	
AMW Limited, a company incorporated in Hong Kong with limited liability with extensive experience in corporate finance and strategic management	2015	27 April 2018	10,000,000	HK\$0.425	27 April 2018 to 27 April 2028	Exercised	Advisory on corporate finance matters (Notes 4 & 7)	
Yin Bing Xuan, a key supplier of the Group's apparel products with continuing business relationship since 2017	2015	27 April 2018	10,000,000	HK\$0.425	27 April 2018 to 27 April 2028	Exercised	Supply of apparel and goods (Notes 4 & 6)	

LETTER FROM THE BOARD

Category and name of grantee	The scheme limit under which the share options are granted	Date of grant	Number of share option granted	Exercise price per share	Exercisable period	Status	Details of the services
Forever Success (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability with 20 years of experience in garment business with strong business connection in Mexico and South America markets	2015	27 April 2018	10,000,000	HK\$0.425	27 April 2018 to 27 April 2028	Exercised	Advisory service on Latin America market expansion for garment business (Notes 4 & 6)
Pan Youzhen, who has over 20 years' working experience in banking and financial services industry in the PRC and extended knowledge of cross-border investments	2019	17 August 2020	1,500,000	HK\$1.00	17 August 2020 to 16 August 2023	Outstanding	Advisory services on business development (Notes 4 & 8)
Forever Nation Limited, a company incorporated in British Virgin Islands with limited liability with experience on management in financial reporting and system	2019	17 August 2020	3,000,000	HK\$1.00	17 August 2020 to 16 August 2023	Exercised	Advisory services on financial management (Notes 4 & 8)
Sub-total			<u>54,500,000</u>				
Total			<u><u>260,321,000</u></u>				

Notes:

1. All granted options mentioned above shall vest immediately upon the date of grant.
2. Those grantees has become employees of the Group subsequent to the grant of share options and as at the Latest Practicable Date, they continue to be employees of the Group.
3. None of the above non-employee has any relationship with the Company's connected person.
4. As at the Latest Practicable Date, each of the above non-employee continues to provide the stated services to the Company as at the Latest Practicable Date.
5. The grant of share options to this grantee was to recognize its contributions to the increase in revenue of the sales of apparel products business of the Group for the period from 1 April 2016 to 30 September 2017 and motivate its continuing contribution to the Group which was significant to the development of the Group. The then Directors considered the grant of share options being more suitable as it directly aligned this grantee's reward with the Group's business and financial performance and boost its commitment with the Group.

LETTER FROM THE BOARD

6. Share options were granted to those consultants and supplier in 2018 under the Group's then strategy to diversify its customer base by growing its business with new customers and capturing greater market share. After considering that the Group offered competitive pricing for greater portion of its sales during the year ended 31 March 2018, which reduced the gross profit margin, the then Directors considered the grant of share options being more suitable as it does not affect the cash flow of the Group and would not increase the operating costs of the Group. It also increased counterparties' motivation to achieve growth for the Group.
7. This grantee has been providing corporate finance and strategic management services to the Group since 2016, granting the share options to this consultant provided incentive for its retention and continuing commitment to the Group by aligning its interest with the Company together with the Shareholders.
8. Those grantees have been providing advisory services in relation to business development and financial management of the Group's financial services business which commenced since November 2019, granting the share options to them provided incentive for their commitment to develop the Group's financial services business and align their interest with the Company together with the Shareholders.
9. The Company currently has no plan to grant further share options to these consultants and supplier in the next 12 months.

During the period from the passing of the Last Renewal Resolution, being the date when the Existing Scheme Mandate was last refreshed, and up to the Latest Practicable Date, 200,321,000 options have been exercised. For further details, please refer to the next day disclosure return of the Company dated 31 March, 18 May, 20 August, 19 November 2020 and 8 July 2021. No such options have lapsed and cancelled. As at the Latest Practicable Date, 60,000,000 of the options granted under the Share Option Scheme remained outstanding, which represents approximately 4.29% of the total number of issued Shares as at the Latest Practicable Date. Unless the Existing Scheme Limit was "refreshed", only 4,880,000 Shares (representing approximately 4.34% of the Existing Scheme Limit and approximately 0.35% of the issued shares as at the Latest Practicable Date) might be issued pursuant to the grant of further options under the Share Option Scheme. The number of share options granted under the 2015, 2018 and 2019 scheme limit as a percentage to the respective scheme limit were approximately 100%, 47.0% and 95.7% respectively. The Directors consider that it is important for the Company to retain the flexibility to grant share options under the Share Option Scheme to provide incentives and rewards to the Participants for their contribution or potential contribution to the Group in timely manner.

Given that:

- (a) the nature of share option being a non-cash based reward would enable the Group to maintain a strong cash flow for its operation;
- (b) the financial impact of granting of share option to grantees as a reward would be the share-based payment, which is significant less than directly providing cash reward to such grantees;
- (c) upon exercise of the share options, the grantees would be required to pay the exercise price to the Group. It is an effective means to enhance the capital base of the Company and provide the Company with the financial flexibility necessary for its development and expansion;

LETTER FROM THE BOARD

- (d) the grant of Share Options would enable the Group to retain high calibre employees and attracting human resources that are valuable to the Group by aligning their interests with the interests of the Group;
- (e) the remaining Existing Scheme Limit only constitutes approximately 0.35% of the issued Shares as at the Latest Practicable Date and the upcoming maximum dilution effect to the Company's public shareholders upon (i) exercise of all outstanding share options as at the Latest Practicable Date would be 4.29% of the total number of issued Shares as at the Latest Practicable Date; and (ii) refreshment of the Scheme Mandate Limit would be 10% of the total number of issued Shares as at the Latest Practicable Date; and
- (f) the refreshment of the Scheme Mandate Limit would provide the flexibility to the Company to adopt such a non-cash based reward as and when necessary,

the Directors considered the benefit of grant of share options outweighs the potential dilution effect and the refreshment of the Scheme Mandate Limit is in the interest of the Company and Shareholders as a whole.

The Company has sought legal advice on the prospectus requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Company will only grant share options to non-employees/directors of the Company to the extent that a prospectus is not required to be issued pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If the refreshment of the Existing Scheme Limit is approved at the Annual General Meeting, based on the 1,399,621,000 Shares in issue as at the Latest Practicable Date and assuming that the number of issued Shares remains unchanged on the date of the Annual General Meeting, the Company will be allowed under the "refreshed limit" to grant options carrying the rights to subscribe for up to a total of 139,962,100 Shares, representing 10% of the issued Shares as at the date of the Annual General Meeting.

Apart from the Share Option Scheme, the Company has no other share option scheme currently in force. Apart from the 60,000,000 options granted under the Share Option Scheme, as at the Latest Practicable Date, the Company has no outstanding options to subscribe for Shares.

None of the grantees has been granted with options which exceed the limit of 1% of the issued Shares in the 12 months period up to and including the respective dates of grant as set out in note to Rule 17.03(4) of the Listing Rules and the Company is in compliance with Rule 17.03(4) of the Listing Rules in this regard.

As at the Latest Practicable Date, the total number of Shares which may fall to be issued upon the exercise of all outstanding options under the Share Option Scheme is 60,000,000, representing approximately 4.29% of the Shares in issue as at Latest Practicable Date. If the refreshment of the Existing Scheme Limit is approved at the Annual General Meeting, the existing outstanding options of the Company and the options to be granted under the "refreshed limit" will not exceed 30% of the issued Shares.

LETTER FROM THE BOARD

The refreshment of the Existing Scheme Limit is conditional upon:

- (i) the passing of an ordinary resolution at the Annual General Meeting to approve the said refreshment; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued Shares as at the date of passing of the relevant ordinary resolution at the Annual General Meeting.

Application will be made to the Listing Committee of the Stock Exchange for granting the listing of, and permission to deal in any new Shares which may fall to be allotted and issued upon the exercise of the rights attaching to the options that may be granted under the refreshed limit of the Share Option Scheme up to 10% of the issued Shares as at the date of passing of the relevant ordinary resolution at the Annual General Meeting.

ACTIONS TO BE TAKEN

Set out on pages 25 to 31 of this circular is a notice convening the Annual General Meeting at which ordinary resolutions will be proposed to approve, among other matters, the following:

- (a) the proposed grant of the General Mandate, Repurchase Mandate and Extension Mandate;
- (b) the proposed re-election of Directors;
- (c) the proposed declaration of final dividend for the year ended 31 March 2021 and closure of register of members; and
- (d) the proposed refreshment of the Existing Scheme Limit.

For the purpose of determining Shareholders who are entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Monday, 6 September 2021 to Thursday, 9 September 2021, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all share transfer documents must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Friday, 3 September 2021.

Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the Annual General Meeting (i.e. by 11:00 a.m. on Tuesday, 7 September

LETTER FROM THE BOARD

2021 or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

VOTING AT THE ANNUAL GENERAL MEETING

Pursuant to Rule 13.39 of the Listing Rules, all votes of the Shareholders at the general meetings must be taken by poll. The chairman of the Annual General Meeting will therefore demand a poll for every resolution put to the vote of the Annual General Meeting pursuant to article 66 of the Articles of Association. An announcement on the poll vote results will be made by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATIONS

The Board considers that the ordinary resolutions in respect of the proposed grant of the General Mandate, Repurchase Mandate and Extension Mandate, the proposed re-election of Directors, the proposed declaration of final dividend for the year ended 31 March 2021 and closure of register of members and the proposed refreshment of the Existing Scheme Limit, to be proposed at the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolutions at the Annual General Meeting.

GENERAL INFORMATION

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

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
By order of the Board
DL Holdings Group Limited
Jiang Xinrong
Chairman and Executive Director

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognised by the Securities and Futures Commission of Hong Kong subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 1,399,621,000 Shares in issue.

The Repurchase Mandate will enable the Directors to repurchase the Shares on the Stock Exchange up to a maximum of 10% of the number of issued Shares on the date of passing the relevant ordinary resolution on the Annual General Meeting. Subject to the passing of the proposed resolution granting the Repurchase Mandate and assuming that no Shares will be issued or repurchased prior to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 139,962,100 Shares.

3. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association, the Articles of Association, the Companies Law, other applicable laws of the Cayman Islands and the Listing Rules. A listed company may not repurchase its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Under the Companies Law, repurchases by the Company may only be made out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital. Any premium payable on a redemption or purchase over the par value of the Shares to be purchased must be

provided for out of profits of the Company or out of the Company's share premium account, or, if so authorised by the Articles of Association and subject to the provisions of the Companies Law, out of capital.

5. GENERAL

There might be a material adverse impact on the working capital and/or gearing position of the Company as compared with the position as at 31 March 2021, being the date of its latest published audited consolidated financial statements, in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the twelve calendar months immediately preceding (and including) the Latest Practicable Date are as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2020		
August	0.92	0.82
September	0.89	0.75
October	1.45	0.82
November	2.92	1.30
December	3.09	2.31
2021		
January	3.44	2.50
February	3.96	2.47
March	3.15	2.54
April	4.20	2.60
May	4.30	2.90
June	3.88	3.00
July (up to Latest Practicable Date)	3.19	2.47

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands and in accordance with the regulations set out in the memorandum of association of the Company and the Articles of Association.

8. CONNECTED PERSON

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

No core connected person of the Company has notified the Company that he/she has a present intention to sell Shares to the Company, or has any such core connected person undertaken not to do so, in the event that the grant of Repurchase Mandate to the Directors is approved by the Shareholders.

9. THE TAKEOVERS CODE AND MINIMUM PUBLIC FLOAT

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date and on the basis that no new Shares are issued or repurchased prior to the Annual General Meeting and assuming that there would not be changes in the issued share capital of the Company prior to the repurchase of Shares, if the Repurchase Mandate were exercised in full, the shareholding percentage of the following Shareholders were interested or deemed to be interested in 5% or more of the issued Shares (based on the number of issued Shares they were interested in as at the Latest Practicable Date) before and after the exercise of the Repurchase Mandate in full would be as follows:

Name	Number of Shares interested in or deemed to be interested at the Latest Practicable Date	Approximate percentage of existing shareholding as at the Latest Practicable Date	Approximate percentage of shareholding if Repurchase Mandate is exercised in full
Ms. Jiang (<i>Note 1</i>)	762,842,395	54.50%	60.56%
Mr. Chen Ningdi ("Mr. Chen") (<i>Note 1</i>)	762,842,395	54.50%	60.56%
DA Wolf Investments I Limited ("DA Wolf") (<i>Note 2</i>)	522,924,395	37.36%	41.51%
Rapid Raise Investments Limited ("Rapid Raise") (<i>Note 3</i>)	222,418,000	15.89%	17.66%
DL Global Holdings Limited ("DL Global") (<i>Note 3</i>)	222,418,000	15.89%	17.66%
Mr. Li (<i>Note 4</i>)	118,892,000	8.49%	9.44%

Notes:

1. Ms. Jiang was deemed to be interested in the 222,418,000 Shares held by Rapid Raise (see Note 3). By virtue of the SFO, Ms. Jiang, being the spouse of Mr. Chen, was deemed to be interested in the total of 540,434,395 Shares held by Mr. Chen via DA Wolf and Summer Empire Investments Limited (“**Summer Empire**”) (see Note 2).

By virtue of the SFO, Mr. Chen, being the spouse of Ms. Jiang, was deemed to be interested in 222,418,000 Shares held by Ms. Jiang.

2. DA Wolf is the beneficial owner of 522,924,395 Shares. Mr. Chen, being the sole shareholder of DA Wolf was deemed to be interested in the 522,924,395 Shares held by DA Wolf.
3. Rapid Raise, a company wholly owned by DL Global, of which approximately 30% of the issued share capital was held by Mr. Chen and approximately 36.6% of the issued share capital was held by Ms. Jiang, directly held 222,418,000 Shares. Accordingly, Ms. Jiang was deemed to be interested in the 222,418,000 Shares held by Rapid Raise.
4. These 118,892,000 Shares represented the Shares beneficially owned by Mr. Li.

In the event that the Repurchase Mandate is exercised in full, assuming that the present shareholdings and capital structure of the Company remain the same, the shareholding interest in the Company of each of Shareholders who were interested or deemed to be interested in 5% or more of the issued Shares (based on the number of issued Shares they were interested in as at the Latest Practicable Date) will increase to approximately the respective percentages shown in the last column of the table above. As such, the Directors are not aware of any consequences of such repurchase of Shares that would result in a Shareholder, or group of Shareholders acting in concert, becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code if the Repurchase Mandate was exercised in full.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that as would give rise to such obligation. Save as aforesaid, the Directors are not aware of any consequence which would arise under the Takeovers Code as a consequence of any repurchases pursuant to the Repurchase Mandate.

The Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in the number of Shares in hands of public falling below the prescribed minimum percentage of 25%.

10. SHARE REPURCHASE MADE BY THE COMPANY

The Company has not repurchased any of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

The following sets out the biographical information of the Directors eligible for re-election at the Annual General Meeting:

EXECUTIVE DIRECTOR

Ms. Jiang Xinrong (江欣榮) (“**Ms. Jiang**”), aged 38, has been appointed as an executive Director and Chairman of the Board with effect from 18 June 2019 and 28 February 2020 respectively. Ms. Jiang, obtained a Bachelor Degree of Arts in Communication, International Journalism and English Broadcasting from the Communication University of China in June 2005 and a Master Degree in Media Management and Social Science from the Hong Kong Baptist University in November 2008. Ms. Jiang has years of experience in the financial services industry and media industry. In 2012, Ms. Jiang founded DL Family Office (HK) Limited (“**DL Family Office**”), which is currently a corporation licensed by the Securities and Futures Commission to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”). DL Family Office is to provide a total financial solution for high net worth individuals and their families as a multi-family office. Ms. Jiang was a responsible officer of DL Family Office from July 2015 until her resignation in June 2019. Prior to founding DL Family Office, Ms. Jiang was a Senior Vice President at J.P. Morgan Private Bank’s Hong Kong Team from April 2011 to July 2012. Ms. Jiang was a Senior Vice President of Standard Chartered Private Bank’s China Team from July 2010 to April 2011 and an Associate of HSBC Private Bank’s China Team from May 2008 to July 2010. From November 2003 to February 2008, Ms. Jiang was a television host in Phoenix Television. Ms. Jiang was also the champion of the 2003 Miss Chinese Cosmo Pageant. Ms. Jiang is the spouse of Mr. Chen Ningdi (“**Mr. Chen**”), an executive Director and the Chief Executive Officer. Ms. Jiang is a director of DL Global Holdings Limited, a company having an interest in the Shares and underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO.

Ms. Jiang has entered into a service contract with the Company for an initial term of three years from 18 June 2019 and is subject to retirement by rotation and other related provision as stipulated in the Articles of Association.

As at the Latest Practicable Date, Ms. Jiang was entitled to receive director’s fee of HK\$120,000 per month, which has been determined by the Board with reference to her experience, duties and responsibilities. For the year ended 31 March 2021, Ms. Jiang received by way of remuneration and other emoluments the amount of approximately HK\$1,453,000 from the Group.

As at the Latest Practicable Date, Ms. Jiang was deemed to be interested in 222,418,000 Shares held by Rapid Raise, a company wholly owned by DL Global, of which approximately 30% of the issued share capital was held by Mr. Chen and approximately 36.6% of the issued share capital was held by Ms. Jiang, representing approximately 15.89% of all issued share capital of the Company. In addition, Mr. Chen being the sole shareholder of DA Wolf and Summer Empire was deemed to be interested in the total of 540,424,395 Shares held by DA Wolf and Summer Empire, representing approximately 38.61% of the issued share capital of

the Company. By virtue of the SFO, Ms. Jiang, being the spouse of Mr. Chen, was deemed to be interested in all shares held by Mr. Chen. As such, by virtue of SFO, Ms. Jiang is interested in 762,842,395 Shares of the Company, representing approximately 54.50% of the issued share capital of the Company.

Save as disclosed, as the Latest Practicable Date, (a) Ms. Jiang does not hold any position with the Company and its subsidiaries; (b) Ms. Jiang did not hold any directorship in any listed public companies in Hong Kong or overseas in the last three years; (c) Ms. Jiang does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (d) Ms. Jiang does not have any interest in the Company within the meaning of Part XV of the SFO; and (e) there is no other matter concerning Ms. Jiang that needs to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

NON-EXECUTIVE DIRECTOR

Mr. Li Ren (李韜) (“**Mr. Li**”), aged 56, has been appointed as a non-executive Director with effect from 17 April 2019. Mr. Li obtained a bachelor degree in optical instruments in June 1987 in Zhejiang University and Master of Business Administration in China Europe International Business School in September 2012. Mr. Li is currently the chairman of the board of directors of Letright Industrial Corp. Ltd., which was founded by Mr. Li in May 1999 and formerly known as Hangzhou Zhongyi Trading Ltd.* (杭州中藝經貿有限公司) and principally engages in the business of research and development, design, manufacture of outdoor furniture. From July 1987 to July 1988, Mr. Li worked in Hangzhou Optical Instrument Factory* (杭州光學儀器廠) in which he was responsible for engineering work. From 1988 to 1995, Mr. Li worked in Hangzhou Light Industry Crafts Textile Import and Export Corporation* (杭州輕工工藝紡織品進出口公司) in which he was responsible for foreign trading. From May 1995 to May 1999, he worked in the sales department of Zhongyi International Advertising Exhibition Company* (中藝國際廣告展覽公司).

Mr. Li entered into a letter of appointment for an initial term of three years from 17 April 2019 and is subject to retirement by rotation and other related provisions as stipulated in the Articles of Association.

As at the Latest Practicable Date, Mr. Li was entitled to a director’s fee of HK\$20,000 per month, which has been determined by the Board with reference to his experience, duties and responsibilities.

As at the Latest Practicable Date, Mr. Li was the beneficial owner of 118,892,000 Shares, representing approximately 8.49% of the issued share capital of the Company.

Save as disclosed, as the Latest Practicable Date, (a) Mr. Li does not hold any position with the Company and its subsidiaries; (b) Mr. Li did not hold any directorship in any listed public companies in Hong Kong or overseas in the last three years; (c) Mr. Li does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (d) Mr. Li does not have any interest in the Company within the

* for identification purposes only

meaning of Part XV of the SFO; and (e) there is no other matter concerning Mr. Li that needs to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Chang Eric Jackson (張世澤) (“Mr. Chang”), aged 41, has been appointed as an independent non-executive Director with effect from 25 May 2018. Mr. Chang received his bachelor of commerce degree from the University of British Columbia in May 2002. Mr. Chang worked at PricewaterhouseCoopers Ltd. during the period from September 2002 to September 2013 and his last position there was senior manager. During the period from October 2013 to July 2015, Mr. Chang was the chief financial officer of a property development company. Mr. Chang is a member of the Hong Kong Institute of Certified Public Accountants and also a registered member of the American Institute of Certified Public Accountants. Mr. Chang is an independent non-executive director of Transmit Entertainment Limited (Stock Code: 1326), the issued shares of which are listed on the Main Board of the Stock Exchange. Mr. Chang was an independent non-executive director of Centenary United Holdings Limited (Stock Code: 1959), the issued shares of which are listed on the Main Board of the Stock Exchange, between September 2019 to May 2020. Mr. Chang was appointed as the company secretary of Pa Shun International Holdings Limited (Stock Code: 574), the issued shares of which are listed on the Main Board of the Stock Exchange, from May 2019 to August 2019. Mr. Chang was a non-executive director of Sino Vision Worldwide Holdings Limited (Stock Code: 8086), the issued shares of which are listed on GEM of the Stock Exchange, between May 2017 and July 2018.

Mr. Chang has entered into a letter of appointment with the Company for three years commencing from 25 May 2021 and is subject to retirement by rotation and other related provisions as stipulated in the Articles of Association.

As at the Latest Practicable Date, Mr. Chang was entitled to a monthly director’s fee of HK\$10,000, which is determined by the Board with reference to his duties and responsibilities and the prevailing market conditions.

Save as disclosed, as at the Latest Practicable Date, (a) Mr. Chang does not hold any position with the Company and its subsidiaries; (b) Mr. Chang did not hold any directorship in any listed public companies in Hong Kong or overseas in the last three years; (c) Mr. Chang does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (d) Mr. Chang does not have any interest in the Company within the meaning of Part XV of the SFO; and (e) there is no other matter concerning Mr. Chang that needs to be brought to the attention of the Shareholders nor any information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



DL HOLDINGS GROUP LIMITED

德林控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1709)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of DL Holdings Group Limited (“**Company**”) will be held at Unit 2902, Vertical Square, 28 Heung Yip Road, Wong Chuk Hang, Hong Kong on Thursday, 9 September 2021 at 11:00 a.m. to consider and, if thought fit, pass, with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

As ordinary business

1. to receive and approve the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (“**Directors**”) and auditors (“**Auditors**”) of the Company for the year ended 31 March 2021.
2. to declare a final dividend of HK\$3.58 cents per share of the Company for the year ended 31 March 2021;
3. to re-elect the following Directors:
 - (a) Ms. Jiang Xinrong as an executive Director
 - (b) Mr. Li Ren as a non-executive Director
 - (c) Mr. Chang Eric Jackson as an independent non-executive Director
 - (d) to authorise the board of Directors (the “**Board**”) to fix the remuneration of each of the Directors
4. to re-appoint Grant Thornton Hong Kong Limited as the Auditors and to authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

As special business

and, to consider and, if thought fit, pass, with or without amendment, the following resolutions as ordinary resolutions:

5. “**THAT:**

- (a) subject to paragraphs (c), (d) and (e) below, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and all other applicable laws, the exercise by the Directors during the Relevant Period (as defined in paragraph (f) below) of all the powers of the Company to allot, issue and deal with additional (i) shares of HK\$0.01 each in the share capital of the Company (“**Shares**”); (ii) securities convertible into Shares; (iii) options, warrants or similar rights to subscribe for any Shares or such convertible securities, and to make or grant offers, agreements and options which would or might require such securities to be issued, allotted or disposed of, in exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers to allot, issue or dispose of such securities as referred to in paragraph (a) of this resolution after the end of the Relevant Period and to make such allotment, issue and disposal under such offers, agreements and options;
- (c) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to
 - (i) a Rights Issue (as hereinafter defined in paragraph (f) below);
 - (ii) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company from time to time;
 - (iii) any scrip dividend or similar arrangements providing for allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association (“**Articles of Association**”) of the Company and other relevant regulations in force from time to time; or
 - (iv) the exercise of rights of subscription or conversion under the terms of any options, warrants or similar rights granted by the Company or any securities which are convertible into Shares;

shall not exceed 20% of the total number of issued Shares as at the date of the passing of this resolution, and the said approval shall be limited accordingly and if any subsequent consolidation or subdivision of Shares is conducted, the

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maximum number of Shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same;

- (d) the Company may not issue securities convertible into new Shares for cash consideration unless the initial conversion price is not lower than the benchmarked price (as hereinafter defined in paragraph (f) below) of the Shares at the time of the placing, and the Company may not issue warrants, options or similar rights to subscribe for (i) any new Shares or (ii) any securities convertible into new Shares, for cash consideration;
- (e) if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be issued pursuant to the approval in paragraph (a) of this resolution as may be extended by resolution 7 set out in the notice convening the annual general meeting is so passed, as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same, and such maximum number of Shares, and powers granted under such approval, shall be adjusted to such extent accordingly; and
- (f) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable law of the Cayman Islands to be held; or
- (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting;

“**benchmarked price**” means the higher of (a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and (b) the average closing price in the 5 trading days immediately prior to the earlier of: (i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate to be approved under this resolution; (ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and (iii) the date on which the placing or subscription price is fixed;

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“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

6. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (“**SFC**”) and the Stock Exchange for such purpose, and subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and all other applicable laws as amended from time to time in this regard, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its Shares at a price determined by the Directors;
- (c) the total number of Shares which may be repurchased or agreed to be conditionally or unconditionally repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the number of issued Shares as at the date of the passing of this resolution, and the said approval shall be limited accordingly and if any subsequent consolidation or subdivision of Shares is conducted, the maximum number of Shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same; and

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(d) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable law of the Cayman Islands to be held; or
- (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

7. “**THAT** conditional upon resolutions numbered 5 and 6 above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional shares of the Company pursuant to resolution numbered 5 above be and it is hereby extended by the addition thereto of an amount representing the total number of shares of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 6 above, provided that such amount shall not exceed 10% of the number of issued Shares as at the date of passing of this resolution.”

8. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, such number of shares of the Company which may fall to be allotted and issued pursuant to the exercise of the options which may be granted under the Refreshed Scheme Mandate (as defined below), the existing scheme limit in respect of the granting of options to subscribe for shares of the Company under the share option scheme adopted by the Company 22 September 2015 (the “**Share Option Scheme**”) be and is hereby refreshed and renewed so that:

- (a) the total number of shares of the Company which may be allotted and issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme) shall not exceed 10% of the total number of issued shares of the Company as at the date of passing this Resolution (the “**Refreshed Scheme Mandate**”); and

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- (b) that the directors of the Company be and are hereby authorised, subject to compliance with the Listing Rules, to grant options to subscribe for shares of the Company within the Refreshed Scheme Mandate in accordance with the rules of the Share Option Scheme, and to exercise all powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options granted.

By order of the Board of
DL Holdings Group Limited
Jiang Xinrong
Chairman and Executive Director

Hong Kong, 28 July 2021

Head office and principal place of business in Hong Kong:

Unit 2902, Vertical Square
28 Heung Yip Road
Wong Chuk Hang
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting above (“**Meeting**”) is entitled to appoint in written form one or, if he is the holder of two or more shares (“**Shares**”) of the Company, more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register in respect of such share shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must 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 seal, or under the hand of an officer or attorney duly authorised, and must be deposited with the Hong Kong branch share registrar and transfer office (“**Branch Registrar**”) of the Company, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) not less than 48 hours before the time fixed for holding of the Meeting (i.e. by 11:00 a.m. on Tuesday, 7 September 2021) or any adjournment thereof.
4. For the purpose of determining members who are qualified for attending and voting at the Meeting, the register of members of the Company will be closed from Monday, 6 September 2021 to Thursday, 9 September 2021, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for attending and voting at the Meeting, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Branch Registrar at the address stated in note 3 above not later than 4:30 p.m. on Friday, 3 September 2021 for registration.
5. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above Meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.

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6. In relation to resolution numbered 5 above, approval is being sought from the shareholders of the company for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option scheme of the Company or any scrip dividend scheme which may be approved by the Shareholders.
7. In relation to resolution numbered 6 above, the Directors wish to state that they will exercise the powers conferred thereby to purchase Shares in circumstances, which they deem appropriate for the benefit of the shareholders of the Company.
8.
 - (a) Subject to paragraph (b) below, if a tropical cyclone warning signal No. 8 or above is hoisted or an Extreme Conditions announcement or a black rainstorm warning signal is in force at any time on the date of the Meeting, the Meeting will be postponed to the next Business Day on which no tropical cyclone warning No. 8 or above or Extreme Conditions announcement or black rainstorm warning signal is hoisted or in force in Hong Kong at any time between the hours from 8:00 a.m. to 11:00 a.m. and in such case the Meeting shall be held at the same time and venue.
 - (b) If a tropical cyclone warning signal No. 8 or above or Extreme Conditions announcement or a black rainstorm warning signal is lowered or cancelled three hours before the time fixed for the holding of the Meeting and where conditions permit, the Meeting will be held as scheduled.
 - (c) The Meeting will be held as scheduled when a tropical cyclone warning signal No. 3 or below or an amber or red rainstorm warning signal is in force.
 - (d) After considering their own situations, shareholders of the Company should decide on their own whether or not they would attend the Meeting under any bad weather condition and if they do so, they are advised to exercise care and caution.
9. All times and dates specified herein refer to Hong Kong local times and dates.

As at the date of this notice, the Board comprises two executive Directors, namely Ms. Jiang Xinrong and Mr. Chen Ningdi; two non-executive Directors, namely, Mr. Chan Kwun Wah Derek and Mr. Li Ren; and three independent non-executive Directors, namely Mr. Chang Eric Jackson, Mr. Chen Cheng-Lien (also known as Chen Cheng-Lang and Chen Stanley) and Mr. Liu Chun.