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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 other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Dragon King Group Holdings Limited (the “Company”), you should at once hand this Circular with the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This Circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



Dragon King Group Holdings Limited 龍皇集團控股有限公司 (Incorporated in the Cayman Islands with limited liability) (Stock Code: 8493)

(I) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL; (II) PROPOSED SHARE CONSOLIDATION; (III) RE-ELECTION OF RETIRING DIRECTOR; AND (IV) NOTICE OF EGM

Capitalised terms used in this cover page shall have the same meanings as those defined in this Circular unless otherwise stated.

A notice convening the extraordinary general meeting (“EGM”) of the Company to be held at Dragon Gown Restaurant, which is located at Shop Nos. 2C and 2D, 2/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Friday, 28 May 2021 at 3:00 p.m. is set out on pages EGM-1 to EGM-3 of this Circular. A form of proxy for use at the EGM is enclosed in this Circular. Such form of proxy is also published on the websites of GEM at www.hkgem.com and the Company at www.dragonkinggroup.com.

Whether or not you are able to attend the EGM, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services 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. Completion and return of the proxy form shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish. Delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed revoked.

This Circular will remain on the “Latest Listed Company Information” page of the GEM website for seven days from the date of its publication.

PRECAUTIONARY MEASURES FOR THE EGM

In view of the ongoing novel coronavirus (COVID-19) outbreak, mass gatherings would potentially impose a significant risk in terms of the spread of the virus. For the safety of the Shareholders, staff and stakeholders, the Company encourages Shareholders, instead of attending the EGM in person, to appoint the chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM, by completing and returning the form of proxy in accordance with the instructions printed thereon. Shareholders and other persons attending the EGM should note that, consistent with the government guidelines for the prevention and control of COVID-19, the Company will implement precautionary measures to reduce the risk of contracting and spreading of COVID-19 at the EGM, including:

- (a) Compulsory body temperature check will be conducted for every attendee at the entrance of the EGM venue. Any person with a body temperature of over 37.3 degrees Celsius will not be admitted to the EGM venue;
- (b) Every attendee is required to wear surgical face mask throughout the meeting, any person not wearing surgical face mask will not be permitted access to the EGM venue;
- (c) Following the tightened requirements, the number of attendees inside the EGM venue, who will be physically attending the EGM, will not be more than 20 persons, which include Shareholders (in person or by proxy) and supporting staff for the EGM. Shareholders and/or their proxies will be admitted into the EGM venue on a “first-come-first-served” basis;
- (d) Attendees may be asked if (i) he/she has travelled outside of Hong Kong within 14 days immediately before the EGM; (ii) he/she is subject to any HKSAR Government prescribed quarantine requirement; and (iii) he/she has any flu-like symptoms or close contact with any person under quarantine or with recent travel history. Any person who responds positively to any of these questions will be denied entry into the EGM venue and will not be allowed to attend the EGM;
- (e) No refreshment will be served;
- (f) Hand sanitizer will be available at the entrance of the venue; and
- (g) Other safe distancing measures as appropriate. The Company seeks the understanding and cooperation of all Shareholders to minimise the risk of spreading COVID-19.

12 May 2021

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE

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

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

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DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this Circular:

“Board”	the board of Directors
“Business Day(s)”	day(s) (excluding Saturdays, Sundays and public holidays) on which banks are open for business in Hong Kong
“CCASS”	the Central Clearing and Settlement System operated by the HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Circular”	the circular of the Company despatched to the Shareholders to provide, among other things, (i) further details regarding the Increase in Authorised Share Capital, the Share Consolidation, the re-election of retiring Director and (ii) a notice convening the EGM
“Company”	Dragon King Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the GEM (stock code: 8493)
“Consolidated Share(s)”	ordinary share(s) of par value of HK\$0.1 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, to approve the Increase in Authorised Share Capital and the Share Consolidation
“Existing Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company prior to the Share Consolidation becoming effective
“GEM”	the GEM of the Stock Exchange

DEFINITIONS

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Increase in Authorised Share Capital”	an increase in the authorised share capital of the Company from HK\$20,000,000 divided into 2,000,000,000 Existing Shares to HK\$50,000,000 divided into 5,000,000,000 Existing Shares by creating additional 3,000,000,000 unissued Existing Shares
“Latest Practicable Date”	26 April 2021, being the latest practicable date prior to the publication of the Circular for the purpose of ascertaining certain information contained in the Circular
“Listing Committee”	has the meaning ascribed thereto under the GEM Listing Rules
“Share(s)”	the Existing Share(s) and/or the Consolidated Share(s), as the case may be
“Share Consolidation”	the proposed share consolidation on the basis that every ten (10) issued and unissued Existing Shares be consolidated into one (1) Consolidated Share
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

EXPECTED TIMETABLE

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

Event(s)	Time and date
Latest date and time for lodging transfer documents in order to qualify for attendance and voting at the EGM	4:30 p.m. on Monday, 24 May 2021
Closure of register of members for determining the entitlement to attend and vote at the EGM	Tuesday, 25 May 2021 to Friday, 28 May 2021 (both days inclusive)
Latest date and time for lodging forms of proxy for the EGM	3:00 p.m. on Wednesday, 26 May 2021
Expected date and time of the EGM	3:00 p.m. on Friday, 28 May 2021
Announcement of poll results of the EGM for the Share Consolidation	Friday, 28 May 2021

The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation as set out in the paragraph headed “Conditions of the Share Consolidation” of this circular:

Effective date of the Share Consolidation	Tuesday, 1 June 2021
First day for free exchange of existing share certificates for new share certificates of the Consolidated Shares	Tuesday, 1 June 2021
Dealings in the Consolidated Shares commence	9:00 a.m. on Tuesday, 1 June 2021
Original counter for trading in the Existing Shares in board lot of 12,000 Existing Shares temporarily closes	9:00 a.m. on Tuesday, 1 June 2021
Temporary counter for trading in the Consolidated Shares in board lot of 1,200 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 1 June 2021

EXPECTED TIMETABLE

Event(s)	Time and date
Original counter for trading in the Consolidated Shares in board lot of 12,000 Consolidated Shares (in the form of new share certificates for the Consolidated Shares) re-opens	9:00 a.m. on Wednesday, 16 June 2021
Parallel trading in the Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) commences	9:00 a.m. on Wednesday, 16 June 2021
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	9:00 a.m. on Wednesday, 16 June 2021
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	4:00 p.m. on Wednesday, 7 July 2021
Temporary counter for trading in the Consolidated Shares in board lot of 1,200 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Wednesday, 7 July 2021
Parallel trading in Consolidated Shares (in the form of new share certificates for the Consolidated Shares and existing share certificates) ends	4:10 p.m. on Wednesday, 7 July 2021
Last date and time for free exchange of existing share certificates for the new share certificates of the Consolidated Shares	4:10 p.m. on Friday, 9 July 2021

All times and dates in this Circular refer to Hong Kong local times and dates. The expected timetable set out above is indicative only and may be subject to change. Further announcement(s) will be made as and when appropriate.

LETTER FROM THE BOARD



Dragon King Group Holdings Limited

龍皇集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8493)

Executive Directors:

Ms. Lee Ching Nung Angel (*Chairlady*)
Mr. Wong Wing Chee
Mr. Zhu Min
Mr. Chan Ko Cheung

Registered Office:

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

Independent non-executive Directors:

Mr. Lee Yiu Keung
Ms. Leung Hoi Ki
Mr. Lin Zhisheng

Principal place of business in Hong Kong:

Office A
20th Floor, TG Place
10 Shing Yip Street
Kwun Tong, Kowloon
Hong Kong

12 May 2021

To the Shareholders

Dear Sir or Madam,

**(I) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL;
(II) PROPOSED SHARE CONSOLIDATION;
(III) RE-ELECTION OF RETIRING DIRECTOR; AND
(IV) NOTICE OF EGM**

INTRODUCTION

Reference is made to the announcement of the Company dated 26 April 2021 in relation to the proposed Increase in Authorised Share Capital and the proposed Share Consolidation.

LETTER FROM THE BOARD

The purpose of this Circular is to provide you with information relating to (i) the proposed Increase in Authorised Share Capital; (ii) the proposed Share Consolidation; (iii) the proposed re-election of Director; and (iv) the notice of the EGM.

(I) PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

The existing authorised share capital of the Company is HK\$20,000,000 divided into 2,000,000,000 Existing Shares of par value of HK\$0.01 each, of which 1,440,000,000 Existing Shares are in issue and 560,000,000 Existing Shares are authorised but unissued as at the Latest Practicable Date.

In order to accommodate growth of the Group and to provide the Company with greater flexibility to raise funds in the future, the Board proposed the Increase in Authorised Share Capital. The Board believes the Increase in Authorised Share Capital is in the interests of the Company and the Shareholders as a whole.

Upon the Increase in Authorised Share Capital becoming effective and assuming no Existing Shares are issued or repurchased from the Latest Practicable Date up to the date of the EGM to be convened on Friday, 28 May 2021, the authorised share capital of the Company will be HK\$50,000,000 divided into 5,000,000,000 Existing Shares, with 1,440,000,000 Existing Shares in issue and 3,560,000,000 Existing Shares authorised but unissued. The effect of the Share Consolidation on the authorised share capital is further explained in the section headed “Proposed Share Consolidation” below.

The proposed Increase in Authorised Share Capital is subject to the approval by the Shareholders by way of an ordinary resolution at the EGM.

(II) PROPOSED SHARE CONSOLIDATION

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

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$20,000,000 divided into 2,000,000,000 Existing Shares of par value of HK\$0.01 each, of which 1,440,000,000 Existing Shares have been issued and are fully paid or credited as fully paid. Assuming that no further Existing Shares are issued or repurchased between the Latest Practicable Date and the date of the EGM and the Increase in Authorised Share Capital is approved at the EGM, immediately upon the Share Consolidation becoming effective, the authorised share capital of the Company shall become HK\$50,000,000 divided into 500,000,000 Consolidated Shares of par value of HK\$0.10 each, of which 144,000,000 Consolidated Shares will be in issue and fully paid or credited as fully paid. Assuming that no further Existing Shares are issued or repurchased between the Latest Practicable Date

LETTER FROM THE BOARD

and the date of the EGM and the Increase in Authorised Share Capital is not approved at the EGM, immediately upon the Share Consolidation becoming effective, the authorised share capital of the Company shall become HK\$20,000,000 divided into 200,000,000 Consolidated Shares of par value of HK\$0.10 each, of which 144,000,000 Consolidated Shares will be in issue and fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

As at the Latest Practicable Date, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares.

Other than the expenses to be incurred in relation to the Increase in the Authorised Share Capital and the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares will not be allocated to the Shareholders who may otherwise be entitled.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

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

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on Tuesday, 1 June 2021, being the second Business Day after the EGM.

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

LETTER FROM THE BOARD

Fractional entitlement to the Consolidated Shares

Fractional Consolidated Shares, 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 benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of existing share certificates held by such holder.

Application for listing of the Consolidated Shares

An application will be 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.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought. There is no debt securities of the Company that is listed or dealt in on any other stock exchange.

Odd lots arrangement and matching services

To facilitate the trading of odd lots of the Consolidated Shares, the Company has appointed Kingston Securities Limited as its designated broker to provide matching services, on a best effort basis regarding the sale and purchase of odd lots of Consolidated Shares from 9:00 a.m. on Wednesday, 16 June 2021 to 4:00 p.m. on Wednesday, 7 July 2021 (both days inclusive). Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares should contact Mr. James Lee of Kingston Securities Limited at 72/F, The Center, 99 Queen's Road Central, Central, Hong Kong (telephone number: (+852) 2298-6228) during the office hours of such period.

LETTER FROM THE BOARD

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lot arrangement, is recommended to consult his/her/its own professional advisers.

Shareholders or potential investors should note that (i) odd lots will be created after the Share Consolidation; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price in the market.

Exchange of share certificates

Subject to the Share Consolidation having become effective, Shareholders may during the period from 9:00 a.m. on Tuesday, 1 June 2021 to 4:10 p.m. on Friday, 9 July 2021 (both days inclusive) submit share certificates for the Existing Shares to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, in exchange, at the expense of the Company, for new share certificates for the Consolidated Shares.

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 be allowed by the Stock Exchange from time to time) for each share certificate for the Existing Shares cancelled or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:10 p.m. on Wednesday, 7 July 2021, and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Consolidated Shares on the basis of ten (10) Existing Shares for one (1) Consolidated Share. The new share certificates for the Consolidated Shares will be issued in red colour in order to distinguish them from the share certificates for the Existing Shares which are in gold colour.

LETTER FROM THE BOARD

SHARE PRICES

The highest and lowest prices at which the Existing Shares were traded on GEM during the six months preceding and up to the Latest Practicable Date were as follows:

Date	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2020		
October	0.065	0.042
November	0.110	0.051
December	0.128	0.051
2021		
January	0.120	0.077
February	0.100	0.060
March	0.098	0.083
April (up to the Latest Practicable Date)	0.107	0.085

REASONS FOR AND BENEFITS OF THE SHARE CONSOLIDATION

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of the issuer approaches the extremities of HK\$0.01 or HK\$9,995, 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. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020 has further stated that (i) market price of the Shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

For most of the trading days during last 12 months, the share price of the Company has been lower than HK\$0.1 and the existing board lot value has been less than HK\$2,000. The closing price of the Existing Shares as at the Latest Practicable Date was HK\$0.105 per Share. The value of each existing board lot has been less than HK\$2,000. Based on the closing price of HK\$0.105 per Existing Share as at the Latest Practicable Date and the existing board lot size of 12,000 Existing Shares, the Board resolved to propose the Share Consolidation, resulting in HK\$1.050 per Consolidated Share and HK\$12,600 per board lot of 12,000 Consolidated Shares with the view to complying with the trading requirements under the GEM Listing Rules. The board lot size for trading in the Consolidated Shares after the Share Consolidation will remain as 12,000 Consolidated Shares.

LETTER FROM THE BOARD

The Board considers that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange. Further, the Share Consolidation would 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. The Board believes that the Share Consolidation will make investing in the Shares more attractive to a broader range of investors, in particular to institutional investors whose house rules might otherwise prohibit or restrict trading in securities that are priced below a prescribed floor, and thus help to further broaden the shareholder base of the Company.

Taking into account the lowest share price of last 12 months which was HK\$0.03 per Existing Share, and that the theoretical value of one board lot of 12,000 Consolidated Shares at HK\$0.3 would be HK\$3,600 after the Share Consolidation, the Board believes that the Share Consolidation will best serve its purposes, including to comply with Rule 17.76 of the GEM Listing Rules and to attract more investors, by consolidating ten (10) Existing Shares into one (1) Consolidated Share, instead of the basis of 6-in-1 or 8-in-1, with the view that no share consolidation would be required again anytime soon, in case the share price fluctuates.

Also, the Board takes into account of the possible creation of fractional Consolidated Shares. On the register of Shareholders of the Company as at 28 April 2021 maintained by the Hong Kong branch share registrar, the Board notes that about 50% of the Shareholders hold the number of Existing Shares that cannot be divided by six and/or eight, which is the other possible basis of share consolidation, but all of them can be divided by ten. The Share Consolidation in the basis of 10-in-1 will minimise the creation of fractional Consolidated Shares. The Board believes that this basis will be more beneficial to the Shareholders than the basis of 6-in-1 and 8-in-1.

In determining the consolidation basis as 10-in-1, the Company has taken into consideration of the historical trend of the market price of the Existing Shares and is cautious to minimise the negative impact which may arise from odd lots and fractional Consolidated Shares. In view of the above reasons, the Board considers that the Share Consolidation is 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 is beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company does not have any concrete plan to conduct any fund raising activities in the next 12 months.

The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group nor result in change in the relative rights of the Shareholders.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTOR

Reference is made to the announcement of the Company dated 7 May 2021, in relation to, among other things, the appointment of an executive Director.

According to code provision A.4.2 of the corporate governance code in appendix 15 of the GEM Listing Rules, that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

At the EGM, Mr. Zhu Min (“**Mr. Zhu**”) will retire and, being eligible, offer himself for re-election.

Biographical details of Mr. Zhu are set out as follows:

Mr. Zhu Min, aged 44, obtained his international master’s degree in business administration from Buckinghamshire New University in July 2018. Mr. Zhu has substantial experience in e-commerce. He worked in NetEase, Inc. and also in other e-commerce companies as consultant. He is a co-founder and chief executive of Shenzhen Douyou Online Technology Co., Ltd* (深圳市多優在線科技有限公司) and a founding partner of Guangzhou Shequn Information Technology Co., Ltd.* (廣州設群資訊科技有限公司). He was qualified as the certified network engineer in Beida Jade Bird Aptech in December 2017. Mr. Zhu also is a member of The International Association of Registered Financial Planners.

The Company has entered into a director’s service agreement with Mr. Zhu in relation to his directorship for an initial term of 3 years commencing on 7 May 2021. His appointment is subject to retirement by rotation and re-election in accordance with the articles of association of the Company. Mr. Zhu is entitled to receive a fixed director’s fee of HK\$20,000 per month, which is determined by the Board with the recommendation of remuneration committee of the Company, after considering a range of factors including his duties and responsibilities with the Company, his qualifications, experiences and levels of remuneration for peers in the market.

Mr. Zhu did not hold any directorship in the last three years prior to the date of this Circular in any public companies, the securities of which are listed on any securities market in Hong Kong or overseas. Mr. Zhu does not have any relationship with any other Directors, senior management or substantial or controlling shareholders (as respectively defined in GEM Listing Rules) of the Company. As at 7 May 2021, Mr. Zhu is not interested in or deemed to be interested in any shares or underlying shares of the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) .

LETTER FROM THE BOARD

Save as disclosed above, Mr. Zhu has confirmed that there are no other matters that need to be brought to the attention of the Shareholders and there is no other information required to be disclosed pursuant to any of the provisions under Rule 17.51(2)(h) to 17.51(2)(v) of the GEM Listing Rules.

EGM

The EGM will be held at Dragon Gown Restaurant, which is located at Shop Nos. 2C and 2D, 2/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Friday, 28 May 2021 at 3:00 p.m. for the Shareholders to consider and, if thought fit, pass the ordinary resolutions for approving (i) the Increase in the Authorised Share Capital; (ii) the Share Consolidation; and (iii) the proposed re-election of Director. The resolutions will be conducted by way of poll at the EGM and an announcement on the results of the EGM will be made by the Company after the EGM.

To the best knowledge, information and belief of the Directors, no Shareholder has a material interest in the Share Consolidation and is required to abstain from voting on the resolution for approving the Share Consolidation at the EGM.

The notice of the EGM is set out on pages EGM-1 to EGM-3 of this Circular.

For determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 25 May 2021 to Friday, 28 May 2021 (both dates inclusive) during which period no transfer of the Shares will be registered. In order to be qualified for the entitlement to attend and vote at the EGM, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on 24 May 2021.

A form of proxy for use at the EGM is enclosed with this Circular. Whether or not you intend to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish. Delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed revoked.

LETTER FROM THE BOARD

COMPETING BUSINESS

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

RESPONSIBILITY STATEMENT

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in the 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 the Circular misleading.

RECOMMENDATIONS

The Directors consider that the proposed resolutions in relation to (i) the Increase in Authorised Share Capital; (ii) the Share Consolidation; and (iii) the proposed re-election of Director to be put forward at the EGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM.

By order of the Board
Dragon King Group Holdings Limited
Lee Ching Nung Angel
Chairlady and Executive Director

* *for identification purpose*

NOTICE OF EGM



Dragon King Group Holdings Limited **龍皇集團控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8493)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Dragon King Group Holdings Limited (the “**Company**”) will be held at Dragon Gown Restaurant, which is located at Shop Nos. 2C and 2D, 2/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Friday, 28 May 2021 at 3:00 p.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions of the Company as an ordinary resolution:

ORDINARY RESOLUTIONS

1. “**THAT** the authorised share capital of the Company be increased from HK\$20,000,000 divided into 2,000,000,000 shares of HK\$0.01 each (the “**Shares**”) to HK\$50,000,000 divided into 5,000,000,000 Shares by the creation of additional 3,000,000,000 Shares (the “**Increase in Authorised Share Capital**”), such Shares shall rank *pari passu* in all respects; and that any one or more of the directors (the “**Directors**”) or the company secretary (the “**Company Secretary**”) of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents which he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Increase in Authorised Share Capital.”

NOTICE OF EGM

2. “**THAT** subject to and conditional upon (i) 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 Consolidated Shares (as defined below); and (ii) compliance with the relevant procedures and requirements under the applicable laws of Cayman Islands and the Rules Governing the Listing of Securities on GEM of the Stock Exchange to effect the Share Consolidation (as defined below), with effect from the second business day immediately following the date on which this resolution is passed or the above condition is fulfilled (whichever is later):
- (i) every ten (10) issued and unissued ordinary shares of par value of HK\$0.01 each in the share capital of the Company be consolidated into one (1) consolidated share (each a “**Consolidated Share**”) of par value of HK\$0.10 each (the “**Share Consolidation**”), 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;
 - (ii) all fractional Consolidated Shares resulting from the Share Consolidation are to be disregarded and are not to be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained for the benefit of the Company in such manner and on such terms as the Director(s) may think fit; and
 - (iii) any one or more of the Directors or the Company Secretary be and is/are hereby authorised to do all such acts and things and execute all such documents which he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the Share Consolidation.
3. To re-elect Mr. Zhu Min as an executive Director and the board of Directors be authorised to fix his Director’s remuneration.

By order of the Board
Dragon King Group Holdings Limited
Lee Ching Nung Angel
Chairlady and Executive Director

Hong Kong, 12 May 2021

NOTICE OF EGM

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company.
2. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not less than 48 hours before the time appointed for holding the Meeting.
3. Completion and return of the form of proxy will not preclude a member of the Company from attending the Meeting and voting in person at the Meeting or any adjournment thereof if he/she/it so desires. If a member of the Company attends the Meeting after having deposited the form of proxy, his/her/its form of proxy will be deemed revoked.
4. Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he/she/it were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, then one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holder stand on the register in respect of the relevant joint holding.
5. For determining the entitlement of the Shareholders to attend and vote at the Meeting, the register of members of the Company will be closed from Tuesday, 25 May 2021 to Friday, 28 May 2021 (both dates inclusive) during which period no transfer of the Shares will be registered. In order to qualify for entitlement to attend and vote at the Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 24 May 2021.
6. As at the date of this notice, the Board comprises Ms. Lee Ching Nung Angel, Mr. Wong Wing Chee, Mr. Zhu Min and Mr. Chan Ko Cheung as executive Directors; Mr. Lee Yiu Keung, Ms. Leung Hoi Ki and Mr. Lin Zhisheng as independent non-executive Directors.
7. This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this notice 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 notice misleading.
8. This notice will remain on the "Latest Listed Company Information" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the Company's website at www.dragonkinggroup.com.