
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.

The contents of this circular have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Bonus Issue. If you are in any doubt about any of the contents of this circular, you should obtain independent professional advice.



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, PROPOSED BONUS ISSUE OF SHARES AND NOTICE OF ANNUAL GENERAL MEETING

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 Tuesday, 20 September 2022 at 11:00 a.m. is set out on pages 26 to 32 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 Sunday, 18 September 2022) 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.

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.

28 July 2022

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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 minimise 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:

“2021 Annual General Meeting”	the annual general meeting of the Company held on 9 September 2021
“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 Tuesday, 20 September 2022 at 11:00 a.m., the notice of which is set out on pages 26 to 32 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
“Bonus Issue”	the proposed issue of Bonus Shares to the Shareholders whose names appear on the register of members of the Company as at the close of business on the Record Date on the basis of one Bonus Share for every 60 existing Shares held by the Shareholders on the Record Date
“Bonus Share(s)”	new Share(s) proposed to be issued by way of Bonus Issue on the terms set out in this circular
“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

DEFINITIONS

“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
“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
“Latest Practicable Date”	21 July 2022, 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
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) as shown on the register of members of the Company on the Record Date are outside Hong Kong
“Record Date”	Thursday, 29 September 2022, being the record date by reference to which entitlements to the Bonus Shares will be determined
“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

DEFINITIONS

“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)
“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.

EXPECTED TIMETABLE

The following is a summary of the events in relation to the Annual General Meeting, the proposed final dividend and the Bonus Issue and the date upon which these events are currently expected to take place:

Latest time for lodging transfer of Shares
for entitlement to attend and vote at
the Annual General Meeting 4:30 p.m. on Wednesday, 14 September 2022

Closure of register of members of the Company
for the entitlement to attend and vote at the
Annual General Meeting Thursday, 15 September 2022 to
Tuesday, 20 September 2022
(both days inclusive)

Latest time for lodging the proxy form for
the Annual General Meeting 11:00 a.m. on Sunday, 18 September 2022

Record date for entitlement to attend and
vote at the Annual General Meeting Tuesday, 20 September 2022

Annual General Meeting 11:00 a.m. on Tuesday, 20 September 2022

Announcement of poll results of
the Annual General Meeting Tuesday, 20 September 2022

Last day of dealings in Shares cum-entitlement
to the final dividend and the Bonus Shares Thursday, 22 September 2022

First day of dealings in Shares ex-entitlement
to the final dividend and the Bonus Shares Friday, 23 September 2022

Latest time for lodging transfer of shares
for entitlement to the final dividend and
the Bonus Shares 4:30 p.m. on Monday, 26 September 2022

Closure period of the register of members
of the Company for the final dividend
and the Bonus Issue Tuesday, 27 September 2022 to
Thursday, 29 September 2022
(both days inclusive)

Record Date for entitlement to the final dividend
and the Bonus Shares Thursday, 29 September 2022

Final dividend payment date Tuesday, 11 October 2022

EXPECTED TIMETABLE

Despatch of the share certificates of the Bonus Shares Friday, 14 October 2022

First date of dealings in the Bonus Shares Monday, 17 October 2022

Designated broker starts to stand in the market
to provide matching services for the sale and
purchase of odd lots of Shares 9:00 a.m. on Monday, 17 October 2022

Designated broker ceases to stand in the market
to provide matching services for the sale and
purchase of odd lots of Shares 4:00 p.m. on Friday, 4 November 2022

Notes:

1. All times in this circular refer to Hong Kong local time and dates.
2. Date or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be announced or notified to the Shareholders as and when appropriate in compliance with the Listing Rules.

LETTER FROM THE BOARD



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:

Mr. Chen Ningdi (*Chairman and Chief Executive Officer*)
Mr. Lang Joseph Shie Jay
Mr. Ai Kuiyu

Non-executive Directors:

Ms. Jiang Xinrong
Mr. Chan Kwun Wah Derek

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 2022

*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,
PROPOSED BONUS ISSUE OF SHARES
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*:

LETTER FROM THE BOARD

(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-election of the Directors, (c) ordinary resolutions relating to the proposed declaration of final dividend for the year ended 31 March 2022, and (d) ordinary resolutions relating to the proposed Bonus Issue and closure of register of members.

GRANT OF GENERAL MANDATE, REPURCHASE MANDATE AND EXTENSION MANDATE

Pursuant to the ordinary resolutions passed by the then Shareholders at the 2021 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 1,430,121,000 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 286,024,200;
- (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 1,430,121,000 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 143,012,100; 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.

LETTER FROM THE BOARD

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.

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. Mr. Chan Kwun Wah Derek (“**Mr. Chan**”) and Mr. Liu Chun (“**Mr. Liu**”) will retire as Directors and, being eligible, offer themselves for re-election as Directors at the Annual General Meeting.

According to article 83(3) of the Articles of Association, any Director appointed by the Board either to fill a casual vacancy on the Board or as an addition to the existing Board shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board) and shall then be eligible for re-election at such meeting. Mr. Lang Joseph Shie Jay (“**Mr. Lang**”) (who was appointed by the Board as an executive Director with effect from 10 January 2022) and Mr. Ai Kuiyu (“**Mr. Ai**”) (who was appointed by the Board as an executive Director with effect from 10 January 2022) 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 Mr. Lang, Mr. Ai, Mr. Chan and Mr. Liu is set out in Appendix II to this circular.

LETTER FROM THE BOARD

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 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 Mr. Lang, Mr. Ai, Mr. Chan and Mr. Liu based on the board diversity policy of the Company, and is of the view that:

- (a) the re-election of Mr. Lang as an executive Director may contribute to the diversity of the Board, in particular by virtue of his extensive business exposure in the financial services business and he would be able to contribute to the Group by overseeing the operations of the businesses of the Group;
- (b) the re-election of Mr. Ai as an executive Director may contribute to the diversity of the Board, in particular by virtue of his extensive experience in international communication journalism and marketing and he would be able to contribute to the Group by overseeing the operations of the businesses of the Group and managing the investors' relations of the Group;
- (c) the re-election of Mr. Chan as a non-executive Director may contribute to the diversity of the Board, in particular by virtue of his extensive experience in investment banking and financial consultation services; and

LETTER FROM THE BOARD

- (d) the re-election of Mr. Liu as an independent non-executive Director may contribute to the diversity of the Board, in particular by virtue of his expertise in media industry as well as his experience as directors in other listed companies on the Shenzhen Stock Exchange and NASDAQ Stock Market. Mr. Liu 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. Liu has confirmed his independence pursuant to Rule 3.13 of the Listing Rules and the Board considered Mr. Liu 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. Liu does not hold more than six directorships in other listed companies, 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 Mr. Lang, Mr. Ai, Mr. Chan and Mr. Liu 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.

PROPOSED DECLARATION OF FINAL DIVIDEND

The Board has resolved to recommend a final dividend of HK\$0.014 per Share for the year ended 31 March 2022 to the Shareholders whose names appear on the register of members of the Company on Thursday, 29 September 2022, being the record date for determining the entitlement of shareholders to the proposed final dividend, amounting to approximately HK\$20.02 million in aggregate, subject to the approval of the Shareholders at the Annual General Meeting and compliance with the Companies Law. The final dividend is expected to be paid on or around Tuesday, 11 October 2022.

The register of members of the Company will be closed from Tuesday, 27 September 2022 to Thursday, 29 September 2022 (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 Monday, 26 September 2022.

PROPOSED BONUS ISSUE OF SHARES

As set out in the announcement of the Company dated 23 June 2022, the Board has also resolved to recommend the Bonus Issue on the basis of one Bonus Share for every 60 existing Shares held by the Shareholders whose names appear on the register of members of the Company on the Record Date.

LETTER FROM THE BOARD

Basis of the Bonus Issue

Subject to the conditions set out under the paragraph headed “Conditions of the Bonus Issue” below having been fulfilled, the Bonus Shares will be issued and credited as fully paid at par on the basis of one Bonus Share for every 60 existing Shares held by Shareholders whose names appear on the register of members of the Company on the Record Date.

On the basis of 1,430,121,000 Shares in issue as at the Latest Practicable Date, and assuming no further Shares will be issued or bought back before the Record Date, it is anticipated that a total of 23,835,350 Bonus Shares would be allotted and issued under the Bonus Issue. Immediately upon completion of the Bonus Issue, there will be a total of 1,453,956,350 Shares in the enlarged issued share capital of the Company.

The Bonus Shares will be credited as fully paid at par by way of capitalisation of an amount of HK\$238,353.50 standing to the credit of the share premium account of the Company pursuant to the Bonus Issue.

Status of the Bonus Shares and fractional entitlements

The Bonus Shares, upon issuance, will rank *pari passu* in all respects with the existing Shares from their date of issue except that they are not entitled to the proposed final dividend for the year ended 31 March 2022 and will not rank for the Bonus Issue. The Bonus Shares are not renounceable.

There will not be any fractional entitlements to the Bonus Shares. Bonus Shares representing fractional entitlement will be aggregated and issued to a nominee to be nominated by the Board. Such Bonus Shares (if any) will be sold and the net proceeds, after deducting the related expenses therefrom, will be retained by the Company for its own benefits.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the approval of the Bonus Issue by the Shareholders at the Annual General Meeting;
- (ii) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of the Cayman Islands and the Articles of Association to effect the Bonus Issue.

LETTER FROM THE BOARD

Reasons for and benefits of the Bonus Issue

Initially, the Board has considered payment of cash dividend only to the Shareholders. However, after taking into account of the current economic environment and the cash position of the Company, the Board considers that it will be for the best interest of the Company and the Shareholders as a whole that the Company should preserve the cash position of the Group for the business development of the Group in the financial services of licensed business, including, financial advisory services; securities research services; securities trading and brokerage services; margin financing services; referral services; investment management and advisory services, and money lending services. Accordingly, in recognition of the Shareholders' continuous support to the Company, the Board also proposes the Bonus Issue in addition to the proposed payment of a final dividend for the year ended 31 March 2022.

The Board also considers that Bonus Issue, which is in effect a re-investment in the Company by its existing Shareholders, would generate additional returns to the Shareholders when future distributions and/or dividends are being declared and made by the Company after the Bonus Shares are issued to the existing Shareholders.

Furthermore, the Board expects the Bonus Issue will afford the Shareholders with more flexibility in managing their own investment portfolios by giving them an option in disposing of a portion of their Shares and realising a cash return to meet the individual Shareholders' financial needs under good market conditions.

Therefore, the Board believes that the Bonus Issue, in combination with distribution of cash dividends, will not only enlarge the capital base of the Company but also represent an appropriate and balanced way to respond to the support of the Shareholders throughout the years.

Listing, dealings and share certificates for the Bonus Shares

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares. The Shares are not listed or dealt in on any stock exchange other than the Stock Exchange. The Directors do not intend to apply for listing of and permission to deal in the Bonus Shares on any stock exchange other than the Stock Exchange.

It is expected that share certificates for the Bonus Shares will be posted by ordinary post on or before Friday, 14 October 2022, after all the conditions of the Bonus Issue have been fulfilled, at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date.

Subject to fulfillment of all conditions of the Bonus Issue, dealings in the Bonus Shares on the Stock Exchange are expected to commence on Monday, 17 October 2022.

LETTER FROM THE BOARD

Arrangement on odd lot trading

In order to facilitate the trading of odd lots of Shares upon the Bonus Issue, the Company appointed DL Securities (HK) Limited as an agent to stand in the market to provide matching service for the odd lots of the Bonus Shares on a best effort basis to the Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from 9:00 a.m. on Monday, 17 October 2022 to 4:00 p.m. on Friday, 4 November 2022, both days inclusive. Shareholders holding Shares in odd lots represented by the existing share certificates for the Shares who wish to take advantage of this facility either to dispose of their odd lots of Shares or to top up their odd lots to a full new board lot may, directly or through their brokers, contact dealing department at telephone number (+852) 3890 2966 during office hours of such period.

Shareholders holding Shares in odd lots should note that the matching services mentioned above are on a “best effort” basis only and successful matching of the sale and purchase of odd lots of Shares is not guaranteed and will depend on there being adequate amount of odd lots of Shares available for matching. Shareholders are advised to consult their financial advisers if they are in doubt about the above arrangements.

Shareholders or potential investors should note that (i) odd lots may be created after the Bonus Issue; (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.

Overseas Shareholders

As at the Latest Practicable Date and based on information provided by Boardroom Share Registrars (HK) Limited, the Hong Kong branch share registrar of the Company, none of the Shareholders as recorded on the register of members of the Company has an address which is outside Hong Kong.

Should there be any Overseas Shareholders on the Record Date, the Company will make enquiry regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange for considering whether to exclude such Overseas Shareholders from the Bonus Issue and it may only exclude such Overseas Shareholders on the basis that, having made such enquiry, it would be necessary or expedient to do so. If any such Overseas Shareholder is excluded, arrangements will be made for the Bonus Shares which would otherwise have been issued to the Overseas Shareholders to be sold in the market as soon as practicable after dealings commence. Any net proceeds of such sale for each Overseas Shareholder, after deduction of expenses, of HK\$100 or more will be distributed in Hong Kong dollars to the relevant Overseas Shareholders, by post at his/her/its own risk, unless the amount falling to be distributed to any such person is less than HK\$100 in which case it will be retained for the benefit of the Company.

LETTER FROM THE BOARD

ACTIONS TO BE TAKEN

Set out on pages 26 to 32 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 2022; and
- (d) the proposed Bonus Issue and closure of register of members.

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 Thursday, 15 September 2022 to Tuesday, 20 September 2022, 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 Wednesday, 14 September 2022.

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 Sunday, 18 September 2022 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.

LETTER FROM THE BOARD

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 2022, the proposed Bonus Issue and closure of register of members, 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
Chen Ningdi

Chairman, Chief Executive Officer and Executive Director

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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 1,430,121,000 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 143,012,100 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

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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 2022, 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>
2021		
July	3.19	2.39
August	2.97	2.30
September	2.80	2.21
October	3.00	2.43
November	2.80	2.43
December	2.70	2.40
2022		
January	2.76	2.52
February	2.86	2.46
March	2.82	2.51
April	2.80	2.37
May	3.00	2.50
June	3.01	2.62
July (up to Latest Practicable Date)	2.90	2.62

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.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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 Xinrong (“ Ms. Jiang ”) (Note 1)	767,142,395	53.64%	59.60%
Mr. Chen Ningdi (“ Mr. Chen ”) (Note 1)	767,142,395	53.64%	59.60%
DA Wolf Investments I Limited (“ DA Wolf ”) (Note 2)	527,024,395	36.85%	40.95%
Rapid Raise Investments Limited (“ Rapid Raise ”) (Note 3)	222,418,000	15.55%	17.28%
DL Global Holdings Limited (“ DL Global ”) (Note 3)	222,418,000	15.55%	17.28%
Mr. Li Ren (“ Mr. Li ”) (Note 4)	118,892,000	8.31%	9.24%

Notes:

1. Ms. Jiang was interested in 200,000 Shares and 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 544,524,395 Shares held by Mr. Chen via DA Wolf (see Note 2) and Summer Empire Investments Limited.

By virtue of the SFO, Mr. Chen, being the spouse of Ms. Jiang, was deemed to be interested in 222,618,000 Shares held by Ms. Jiang.
2. DA Wolf is the beneficial owner of 527,024,395 Shares. Mr. Chen, being the sole shareholder of DA Wolf, was deemed to be interested in the 527,024,395 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.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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 DIRECTORS

Mr. Lang Joseph Shie Jay (郎世杰) (“Mr. Lang”), aged 35, has been appointed as an executive Director with effect from 10 January 2022. Mr. Lang joined DL Securities (HK) Limited (“**DL Securities**”) in April 2017 and he has become the chief executive officer in February 2020 and the director of DL Securities in August 2020. DL Securities was acquired by the Group in November 2019 and became a subsidiary of the Group. He engages in various debt and equity investments in private and public companies. Prior to joining the Group, he was a non-executive director of Greater China Financial Holdings Limited (Stock Code: 431), the shares of which are listed on the Main Board of the Stock Exchange (“**Greater China**”), from January 2015 to April 2016. He was the founder, director and chief executive officer of Shanghai Yousheng Investment Consulting Co., Limited* (上海佑勝投資諮詢有限公司) and was in charge of its overall business operations and development before it was acquired by Greater China in 2014. He was also the founder, director and chief executive officer of Orient Credit Holdings Limited before it was acquired by Greater China in 2014. He was previously a director of Key Victory Holdings Limited and Oriental Credit Company Limited and the general manager of Shanghai Xinsheng Pawnshop Co., Limited* (上海新盛典當有限公司). He is the co-founder and chief executive officer of Shanghai Han Hao Investment Holdings Ltd since 2009 and co-founded the China-based secondary market hedge fund, the ‘Lang Fund’. Mr. Lang graduated from the University of Michigan in 2009.

Mr. Lang entered into a service agreement for an initial term of three years from 10 January 2022 and is subject to re-election or retirement by rotation at the general meetings of the Company pursuant to the Articles of Association.

As at the Latest Practicable Date, pursuant to the service agreement, Mr. Lang is entitled to receive director’s fee of HK\$100,000 per month, which has been determined by the Board with reference to his experience, duties and responsibilities undertaken with the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Lang is interested in 1,404,000 Shares under Part XV of the SFO, representing approximately 0.10% of the issued Shares.

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

* For identification purposes only

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.

Mr. Ai Kuiyu (艾奎宇) (“**Mr. Ai**”), aged 39, has been appointed as an executive Director with effect from 10 January 2022. Mr. Ai is the chief marketing officer of the Company since February 2020 and has extensive experience in international communication journalism and marketing. Mr. Ai is also the director of DL Asset Management Limited, a subsidiary of the Company. Prior to joining the Group, Mr. Ai was an executive director from March 2017 to February 2020 and the chairman of the board of directors from June 2019 to February 2020 of Sino Vision Worldwide Holdings Limited (新維國際控股有限公司), a company listed on GEM of the Stock Exchange (Stock Code: 8086). From 2005 to 2016, he had worked as an anchor, moderator, producer and news reporter at China Central Television (中國中央電視台) in the People’s Republic of China. He obtained a Bachelor’s Degree in Spanish from the Communication University of China in 2005 and a Master of Arts Degree in journalism from the Renmin University of China in 2014. He completed the Risk Management sessions from the Executive Education Programme of Business School of Imperial College in November 2021.

Mr. Ai is also (a) a member of the 8th Council of the Western Returned Scholars Association; (b) a standing director of the Federation of Hong Kong Jiangsu Youth; (c) a guest researcher of the China Institute of Fudan University since May 2016; and (d) a guest lecturer of the Wuhan Institute of Design and Sciences since November 2019.

Mr. Ai entered into a service agreement for an initial term of three years from 10 January 2022 and is subject to re-election or retirement by rotation at the general meetings of the Company pursuant to the Articles of Association.

As at the Latest Practicable Date, pursuant to the service agreement, Mr. Ai is entitled to receive director’s fee of HK\$150,000 per month, which has been determined by the Board with reference to his experience, duties and responsibilities undertaken with the Company and prevailing market conditions.

As at the Latest Practicable Date, Mr. Ai is interested in 13,508,000 Shares under Part XV of the SFO, representing approximately 0.94% of the issued Shares.

Save as disclosed herein, as at the Latest Practicable Date, (a) Mr. Ai does not hold any position with the Company and its subsidiaries; (b) Mr. Ai did not hold any directorship in any listed public companies in Hong Kong or overseas in the last three years; (c) Mr. Ai does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (d) Mr. Ai 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. Ai 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. Chan Kwun Wah Derek (陳冠樺) (formerly known as Chan Chi Hung Derek) (“**Mr. Chan**”), aged 51, has been appointed as a non-executive Director with effect from 27 March 2020. Mr. Chan is the managing director of Kingston Corporate Finance Limited. He is principally engaged in leading and planning investment banking and financial consultation services, including sponsorship for initial public offerings, structured finance, merger & acquisitions, asset restructuring and corporate governance advisory services. He has over 20 years of experience from a few renowned securities firms and global financial institutions. Mr. Chan had worked with Kingston Financial Group Limited from 2004 to 2008 and rejoined in January 2014. He holds a Master of Business Administration from the University of Strathclyde in 1999 and a Bachelor’s Degree in Business Administration from the University of Regina in 1994. He is a responsible officer of Kingston Securities Limited for its Type 1 (dealing in securities) regulated activities and Kingston Corporate Finance Limited for its Type 6 (advising on corporate finance) regulated activities under the SFO. From October 2020 to June 2021, he served as a non-executive director of Jimu Group Limited (Stock Code: 8187), the issued shares of which are listed on GEM of the Stock Exchange.

Mr. Chan entered into a letter of appointment for an initial term of three years from 27 March 2020 and is subject to retirement by rotation and other related provisions as stipulated in the Articles of Association.

As at the Latest Practicable Date, pursuant to the letter of appointment, Mr. Chan was entitled to receive director’s fee of HK\$18,000 per month, which has been determined by the Board with reference to his experience, duties and responsibilities undertaken with the Company and prevailing market conditions and will be subject to review of the Remuneration Committee.

Save as disclosed, as at the Latest Practicable Date, (a) Mr. Chan does not hold any position with the Company and its subsidiaries; (b) Mr. Chan did not hold any directorship in any listed public companies in Hong Kong or overseas in the last three years; (c) Mr. Chan does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company; (d) Mr. Chan 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. Chan 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. Liu Chun (劉春) (“**Mr. Liu**”), aged 54, has been appointed as an independent non-executive Director with effect from 22 April 2020. He has over 20 years of experience in the media industry. He is currently the senior vice president of Phoenix New Media Ltd, a company listed by way of American depositary shares on the New York Stock Exchange (symbol: FENG) since 2018. He is also an independent director of Vipshop Holdings Limited, a company listed by way of American depositary shares on the New York Stock Exchange (symbol: VIPS) since 2013. He was a director and the chief cultural officer of Zhongnanhong Cultural Group Co., Ltd* (中南紅文化集團股份有限公司), a company listed on the SME board of the Shenzhen Stock Exchange (stock code: 002445) and the president of its subsidiary, Jiangsu Zhongnan Film Co., Ltd.* (江蘇中南影業有限公司) from 2015 to 2018. He was a vice president of Sohu.com Limited, a company listed by way of American depositary shares on the NASDAQ Stock Market (symbol: SOHU) from 2011 to 2013. During his tenure at Phoenix Satellite Television Holdings Ltd between 2000 and 2011, Mr. Liu last served as the executive director of Phoenix Chinese TV. He was an executive producer of China Central Television from 1994 to 2000. Mr. Liu obtained a bachelor’s degree from the Anhui Normal University major in Chinese in 1983 and a master’s degree from the Communication University of China in 1991. He obtained an EMBA degree at Cheung Kong Graduate School of Business in 2009.

Mr. Liu has entered into a letter of appointment with the Company for an initial term of three years commencing from 22 April 2020 and is subject to retirement by rotation and other related provisions as stipulated in the Articles of Association.

As at the Latest Practicable Date, pursuant to the service agreement, the monthly director’s fee of Mr. Liu was HK\$15,000 which is determined by the Board with reference to his duties and responsibilities and the prevailing market conditions.

As at the Latest Practicable Date, Mr. Liu beneficially owned share options to subscribe for a total of 3,000,000 Shares, representing approximately 0.21% of the issued Shares.

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

* *For identification purposes only*

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 Tuesday, 20 September 2022 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 2022.
2. to declare a final dividend of HK\$0.014 per share of the Company for the year ended 31 March 2022.
3. to re-elect the following Directors:
 - (a) Mr. Lang Joseph Shie Jay as an executive Director;
 - (b) Mr. Ai Kuiyu as an executive Director;
 - (c) Mr. Chan Kwun Wah Derek as a non-executive Director;
 - (d) Mr. Liu Chun as an independent non-executive Director; and
 - (e) to authorise the board of Directors (the “**Board**”) to fix the remuneration of each of the Directors.

NOTICE OF ANNUAL GENERAL MEETING

4. to re-appoint Grant Thornton Hong Kong Limited as the Auditors and to authorise the Board to fix their remuneration.

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 of the Company (“**Articles of Association**”) and other relevant regulations in force from time to time; or

NOTICE OF ANNUAL GENERAL MEETING

- (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 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 the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) 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;

“**benchmark 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

NOTICE OF ANNUAL GENERAL MEETING

(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;

“**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

NOTICE OF ANNUAL GENERAL MEETING

(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 or the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) 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** conditional upon the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the Bonus Shares (as defined in paragraph (a) of this resolution below) to be issued pursuant to this resolution:

- (a) an amount standing to the credit of the share premium account of the Company as would be required to be applied in paying up in full at par new Shares, such Shares, credited as fully paid, to be allotted and distributed (subject as referred to in paragraph (b) below) among members of the Company whose names appear on the register of members of the Company (except for Overseas Shareholders (as defined in the circular of the Company dated 28 July 2022), if any) on Thursday, 29 September 2022 (the “**Record Date**”) on the basis of one new Share (“**Bonus Share(s)**”) for every 60 existing Shares then held by the shareholders of the Company on the Record Date, be capitalised and applied in such manner and the Directors be and are hereby authorised to allot and issue such Bonus Shares;
- (b) in the case where there is any Overseas Shareholder(s) on the Record Date and upon making relevant enquiries as the Directors may consider necessary or appropriate, the Directors be and are hereby authorised to consider the exclusion of such Overseas Shareholders, arrange for the Bonus Shares which would otherwise have been issued to such Overseas Shareholders to be sold in the

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market as soon as practicable after dealings in the Bonus Shares commence, and distribute the net proceeds of sale, after deduction of the related expenses, of HK\$100 or more in Hong Kong dollars to the Relevant Overseas Shareholders, if any, pro-rata to their respective shareholdings and remittances therefor by post, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100, in which case the Directors be and are hereby authorised to retain such amount for the benefit of the Company;

- (c) no fractional Bonus Shares shall be allotted to members of the Company and fractional entitlements (if any) will be aggregated, sold and retained for the benefit of the Company, where applicable;
- (d) the Bonus Shares to be allotted and distributed pursuant to paragraph (a) above shall rank *pari passu* in all respects with the existing issued and unissued Shares as at the date of issue of such Bonus Shares except that they will not be entitled to the proposed final dividend of the Company for the year ended 31 March 2022 nor rank for the issue of Bonus Shares; and
- (e) the Directors be and are hereby authorised to do all acts and things as may be necessary and expedient in connection with the issue of the Bonus Shares referred to in paragraphs (a) to (d) of this resolution, including but not limited to determining the amount to be capitalised out of the share premium account and the number of Bonus Shares to be allotted and distributed in the manner referred to in paragraphs (a) to (d) of this resolution.”

By order of the Board of
DL Holdings Group Limited
Chen Ningdi

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 28 July 2022

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.

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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 notorially 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 Sunday, 18 September 2022) 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 Thursday, 15 September 2022 to Tuesday, 20 September 2022, 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 Wednesday, 14 September 2022 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.
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 three executive Directors, namely Mr. Chen Ningdi, Mr. Lang Joseph Shie Jay and Mr. Ai Kuiyu; two non-executive Directors, namely, Ms. Jiang Xinrong and Mr. Chan Kwun Wah Derek; 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.