

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



Newtree Group Holdings Limited

友川集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1323)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Newtree Group Holdings Limited (the “**Company**”) will be held at 10:30 a.m. on Tuesday, 24 December 2019 at Suites 903-905, 9th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the option notice (the “**Option Notice**”) issued by Bright World Investment Limited (the “**Purchaser**”), a wholly-owned subsidiary of the Company to Mr. Zhou Fengtang (the “**Vendor**”) dated 27 September 2019 for the exercise of the right to acquire all but not part of the remaining 160 shares (the “**Sale Shares**”) of Alpha Youth Limited (the “**Target**”), representing 80% of the issued share capital of the Target (the “**Call Option**”) in accordance with the terms of the Acquisition Agreement (as defined below) (a copy of the Option Notice has been produced to this meeting marked “**A**” and signed by the chairman of the meeting for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;

- (b) the agreement dated 27 September 2019 (the “**Acquisition Agreement**”) entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Sale Shares for a total consideration of RMB390,038,400 (equivalent to HK\$432,942,624) (the “**Consideration**”), of which (i) HK\$70,000,000 shall be satisfied by cash; (ii) HK\$160,000,000 shall be satisfied by the Purchaser by procuring the Company to allot and issue 320,000,000 shares (the “**Share(s)**”) of the Company (the “**Consideration Shares**”) at the issue price of HK\$0.50 per Share; (iii) HK\$70,000,000 shall be satisfied by the Purchaser by procuring the Company to issue the convertible bonds (the “**Consideration CB**”) in the aggregate principal amount of HK\$70,000,000 entitling the holder(s) thereof to convert the principal amount into Shares (the “**Conversion Shares**”) at the conversion price of HK\$0.53 per Conversion Share (subject to adjustments); and (iv) HK\$132,942,624 shall be satisfied by the Purchaser by procuring the Company to issue three 2% interest bearing promissory notes in the aggregate principal amount of HK\$132,942,624 (the “**Promissory Notes**”) (a copy of the Acquisition Agreement has been produced to this meeting marked “**B**” and signed by the chairman of the meeting for the purpose of identification) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified;
- (c) the issue of the Consideration CB in the aggregate principal amount of HK\$70,000,000 by the Company to the Vendor (or its nominee(s)) to settle part of the Consideration payable by the Purchaser in accordance with the terms and conditions of the Acquisition Agreement and the transactions contemplated thereunder be and is hereby approved, confirmed and ratified;
- (d) subject to the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Consideration Shares and the Conversion Shares to be allotted and issued, the directors (the “**Directors**”) of the Company be and are hereby granted a specific mandate (the “**Specific Mandate**”) to allot and issue the Consideration Shares and the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Consideration CB provided that the Specific Mandate is in addition to, and shall not prejudice nor revoke any existing or such other general or specific mandates which may from time to time be granted to the Directors prior to the passing of this resolution;

- (e) the issue of the Promissory Notes in the aggregate principal amount of HK\$132,942,624 by the Company to the Vendor (or its nominee(s)) to settle part of the Consideration payable by the Purchaser in accordance with the terms and conditions of the Acquisition Agreement and the transactions contemplated thereunder be and is hereby approved, confirmed and ratified; and
- (f) any one or more of the Director(s) be and is/are hereby authorised to do all such acts and things and execute all such documents (including under seal) which he/they considers necessary or expedient to give effect to the Option Notice, the Acquisition Agreement and the transactions contemplated thereunder including but not limited to the allotment and issue of the Consideration Shares and the Conversion Shares, and the issue of the Promissory Notes and the Consideration CB.”

By Order of the Board
Newtree Group Holdings Limited
Wong Wai Sing
Chairman and Executive Director

Hong Kong, 9 December 2019

Registered office:

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

Principal place of business

in Hong Kong:
Suites 2804-07, 28/F.
Shui On Centre
6-8 Harbour Road
Wanchai, Hong Kong

Notes:

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, vote in on its/his/her behalf. A proxy need not be a member of the Company but must be present in person at the meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.

2. In order to be valid, the proxy form together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the offices of 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 not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude a shareholder of the Company from attending in person and voting at the meeting or any adjournment thereof, should he/she so wish.
3. Whether or not you intend to attend the meeting in person, all members are urged to complete and return the proxy form in accordance with the instructions printed thereon. Completion and return of the proxy form will not preclude shareholders from attending and voting in person at the meeting or any adjourned meeting if they so wish.
4. Pursuant to Rule 13.39(4) of the Listing Rules, the resolution set out in this notice will be decided by poll at the EGM.
5. If Typhoon Signal No. 8 or above, "extreme conditions" caused by super typhoons or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the EGM, the EGM will be postponed or adjourned. Members may visit the website of the Company at www.newtreegroup Holdings.com for details of the rescheduled meeting.
6. The Chinese translation of this notice and the proxy form are for reference only, and in case of any inconsistency, the English Version shall prevail.
7. The register of members of the Company will be closed from Thursday, 19 December 2019 to Tuesday, 24 December 2019, both days inclusive, during such period no transfer of Shares will be registered. In order to determine the identity of members who are entitled to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with 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 for registration not later than 4:30 p.m. on Wednesday, 18 December 2019.

As at the date of this notice, the executive Directors are Mr. Wong Wai Sing, Mr. Chan Kin Lung, Mr. Lee Chi Shing, Caesar and Mr. Wong Jeffrey; and the independent non-executive Directors are Mr. Kwok Kam Tim, Dr. Hui Chik Kwan and Mr. Tso Ping Cheong, Brian.