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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 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 Clifford Modern Living Holdings Limited 祈福生活服務控股有限公司, you should at once hand this circular, together with the enclosed form of proxy, to the purchasers or transferees or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchasers or transferees.

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祈福生活服務
CLIFFORD MODERN LIVING

CLIFFORD MODERN LIVING HOLDINGS LIMITED

祈福生活服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3686)

**PROPOSED RE-ELECTION OF DIRECTORS
AND
PROPOSED CHANGE OF AUDITOR
AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
PROPOSED DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

The notice convening the Annual General Meeting of Clifford Modern Living Holdings Limited 祈福生活服務控股有限公司 (the "Company") to be held at Rooms 1501-02, 15/F Hong Kong Club Building, 3A Chater Road, Central, Hong Kong on Friday, 26 June 2020 at 11:30 a.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use of the Annual General Meeting in accordance with the instructions printed thereon and return it to 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 but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 11:30 a.m. (Hong Kong time) on Wednesday, 24 June 2020) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting or any adjourned meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (www.cliffordmodernliving.com).

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**
- **wearing of a surgical face mask for each attendee is a must**
- **no distribution of corporate gift or refreshment**
- **maintenance of appropriate distancing and spacing**

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

27 May 2020

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This circular is prepared in both English and Chinese.

In the event of inconsistency, the English text of this circular will prevail.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing Novel Coronavirus (COVID-19) pandemic and recent requirements for prevention and control of its spread, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending Shareholders, proxies, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every Shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the Annual General Meeting venue.
- (ii) All Shareholders, proxies and other attendees are required to complete and submit at the entrance of the meeting venue a declaration form confirming their names and contact details, and confirming that they have not travelled to, or to their best of knowledge had physical contact with any person who has recently travelled to, any affected countries or areas outside of Hong Kong (as per guidelines issued by the Hong Kong government at www.chp.gov.hk/en/features/102742.html) at any time in the preceding 14 days immediately before the Annual General Meeting. Any person who does not comply with this requirement may be denied entry into the meeting venue or be required to leave the meeting venue.
- (iii) It is a must for attendees to wear surgical face masks inside the meeting venue at all times, and maintain a safe distance between seats.
- (iv) No refreshments will be served, and there will be no distribution of corporate gift.
- (v) Each attendee may be asked whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the Annual General Meeting; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.

To the extent permitted under law, the Company reserves the right to deny entry into the meeting venue or require any person to leave the meeting venue in order to ensure the safety of the attendees at the 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 resolutions or about the Company, or any matters for communication with the Board, he/she is welcome to send such questions in writing to the Company's registered office or email at pr@cliffordmodernliving.com.hk.

If any Shareholder has any questions relating to the meeting, please contact Tricor Investor Services Limited, the Company's share registrar as follows:

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong
Email: is-enquiries@hk.tricorglobal.com
Tel: (852) 2980 1333
Fax: (852) 2810 8185

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Rooms 1501-02, 15/F Hong Kong Club Building, 3A Chater Road, Central, Hong Kong on Friday, 26 June 2020 at 11:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 22 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors of the Company
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company” or “our Company”	Clifford Modern Living Holdings Limited (祈福生活服務控股有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 3686)
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting
“Latest Practicable Date”	22 May 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Memorandum”	the memorandum of association of the Company currently in force
“Ms. MAN Lai Hung’s Spouse”	Mr. Pang Lun Kee Clifford (彭磷基先生), the spouse of Ms. MAN Lai Hung
“Nomination Committee”	the nomination committee of the Company
“Option(s)”	option(s) granted under the Pre-IPO Share Option Scheme
“PRC”	the People’s Republic of China
“Pre-IPO Share Option Scheme”	the pre-initial public offering share option scheme formally adopted by the Company on 21 October 2016, the principal terms of which are summarised in paragraph 4.1 of “Appendix IV — Statutory and General Information” in the prospectus of the Company dated 27 October 2016
“Private Group”	such companies which are under the control of (or 30% or more of the issued share capital of which are owned by) Ms. MAN Lai Hung’s Spouse
“Remuneration Committee”	the remuneration committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting
“Shareholder(s)”	the registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



祈福生活服務
CLIFFORD MODERN LIVING

CLIFFORD MODERN LIVING HOLDINGS LIMITED
祈福生活服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3686)

Executive Directors:

Ms. MAN Lai Hung (*Chairman and Chief Executive Officer*)

Ms. LIANG Yuhua (*Chief Operating Officer*)

Ms. HO Suk Mee

Non-executive Director:

Mr. LIU Xing

Independent non-executive Directors:

Ms. LAW Elizabeth

Mr. HO Cham

Mr. MAK Ping Leung (alias Mr. MAK Wah Cheung)

Registered office:

Cricket Square

Hutchins Drive, P. O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place of
business in the PRC:*

8 Shiguang Road

Panyu, Guangzhou

Guangdong, the PRC

*Principal place of business and
headquarters in Hong Kong:*

7th Floor

Chai Wan Industrial City, Phase II

70 Wing Tai Road, Chai Wan

Hong Kong

27 May 2020

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF DIRECTORS
AND
PROPOSED CHANGE OF AUDITOR
AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
PROPOSED DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on Friday, 26 June 2020 for (a) the re-election of the retiring Directors and the granting of the authority to the Board to fix the Directors' remuneration; (b) the change of auditor of the Company; (c) the granting to the Directors of the Share Repurchase Mandate and the Issuance Mandate and extension of the Issuance Mandate; (d) the proposed declaration of final dividend; and (e) giving of notice of the Annual General Meeting.

2. PROPOSED RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board comprised of (i) Ms. MAN Lai Hung, Ms. HO Suk Mee and Ms. LIANG Yuhua as executive Directors; (ii) Mr. LIU Xing as non-executive Director; and (iii) Ms. LAW Elizabeth, Mr. HO Cham and Mr. MAK Ping Leung as independent non-executive Directors.

Pursuant to Article 107(A) and (B) of the Articles of Association, Ms. MAN Lai Hung, Ms. LIANG Yuhua and Mr. LIU Xing shall retire by rotation at the Annual General Meeting.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors and has considered a range of diversity perspectives including but not limited to skills, professional experience, educational background, knowledge, expertise, culture, independence, age, gender and other qualities, with reference to the nomination principles and criteria set out in the Company's board diversity policy and director nomination policy. The Board noted that the retiring Directors are eligible for nomination and re-election under the Articles of Association, the Company's board diversity policy and director nomination policy.

The Nomination Committee had evaluated the performance of the retiring Directors and considered that in view of their diverse and different educational backgrounds and professional knowledge and experience of the retiring Directors as set out in Appendix I to this circular, and the Board also considered that Ms. MAN Lai Hung, Ms. LIANG Yuhua and Mr. LIU Xing have provided valuable contributions to the Company and have demonstrated their abilities to provide balanced and objective view to the Company's affairs.

Therefore, the Board, with the recommendation of the Nomination Committee, has resolved to make recommendations on the re-election of the above retiring Directors by the Shareholders at the Annual General Meeting.

All of the above retiring Directors are eligible and will offer themselves for re-election at the Annual General Meeting.

Biographical information of the above retiring Directors offering themselves for re-election at the Annual General Meeting is set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. PROPOSED CHANGE OF AUDITOR

Reference is made to the announcement of the Company dated 22 May 2020 relating to the proposed change of auditor.

PricewaterhouseCoopers (“PwC”) was re-appointed as auditor of the Company at the last annual general meeting of the Company held on 28 June 2019 to hold office until the conclusion of the next annual general meeting of the Company.

The Board has resolved not to re-appoint PwC as the auditor of the Company at the forthcoming Annual General Meeting because the Company was unable to reach an agreement with PwC on the auditor’s remuneration for the year ending 31 December 2020.

As disclosed in the announcement of the Company dated 22 May 2020, the Company is incorporated under the laws of Cayman Islands and to the knowledge of the Board there is no requirement under the laws of Cayman Islands for the retiring auditor to confirm whether or not there is any circumstance connected with their retirement which they consider should be brought to the attention of the Company’s members and creditors. PwC has therefore not issued such confirmation. The Board and the Audit Committee of the Board confirmed that there was no disagreement between PwC and the Company, and there is no other matter in respect of the proposed change of auditor and the retirement of PwC that need to be brought to the attention of the Shareholders.

Subject to the approval of the Shareholders at the Annual General Meeting, the Company proposes, with the recommendation from the Audit Committee of the Company, to appoint Moore Stephens CPA Limited as auditor with effect from the conclusion of the Annual General Meeting and to hold office until the conclusion of the next annual general meeting of the Company.

4. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 28 June 2019, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting (i.e. a total of 101,520,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting).

The Share Repurchase Mandate, if granted, will be effective 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 is required to be held by the Articles of Association, the Companies Law or any applicable laws of the Cayman Islands; and (iii) the passing of an ordinary resolution by the Shareholders in a general meeting of the Company revoking or varying the authority given to the Directors.

LETTER FROM THE BOARD

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

5. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 28 June 2019, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting (i.e. a total of 203,040,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). The Issuance Mandate, if granted, will be effective until 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 is required to be held by the Articles of Association, the Companies Law or any applicable laws of the Cayman Islands; and (iii) the passing of an ordinary resolution by the Shareholders in a general meeting of the Company revoking or varying the authority given to the Directors. An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any Shares pursuant to the Issuance Mandate other than the Shares which may fall to be issued under any of the share option schemes of the Company.

6. DECLARATION OF FINAL DIVIDEND

On 27 March 2020, the Company made an announcement in relation to its audited consolidated financial results for the year ended 31 December 2019 whereby the Board has recommended a final cash dividend of HK2.50 cents per Share for the year ended 31 December 2019. Subject to the passing of the resolution approving the payment of such final dividend at the Annual General Meeting, such final dividend will be paid on 29 July 2020.

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Monday, 6 July 2020 to Tuesday, 7 July 2020, both dates inclusive, during which period no transfer of Shares will be registered. In order to qualify for the entitlement to the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfers of Shares 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 not later than 4:30 p.m. on Friday, 3 July 2020.

LETTER FROM THE BOARD

7. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 18 to 22 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman in good faith decides to allow a resolution purely relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules. None of the Shareholders is required to abstain from voting on any resolutions to be proposed at the Annual General Meeting pursuant to the Listing Rules and/or the Articles of Association.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company (www.cliffordmodernliving.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority 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 but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 11:30 a.m. (Hong Kong time) on Wednesday, 24 June 2020) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting if you so wish.

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

9. RECOMMENDATION

The Directors consider that the proposed re-election of Directors, the proposed change of auditor of the Company, the proposed granting of the Share Repurchase Mandate and the Issuance Mandate and extension of the Issuance Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

LETTER FROM THE BOARD

10. GENERAL

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

Yours faithfully,
For and on behalf of the Board
CLIFFORD MODERN LIVING HOLDINGS LIMITED
祈福生活服務控股有限公司
MAN Lai Hung
Chairman

The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

- (1) **Ms. MAN Lai Hung (孟麗紅)**, aged 60, has been the chairman of the Group and a Director of the Company since January 2016. Ms. Man was appointed as a chairman of Nomination Committee and a member of Remuneration Committee on 7 November 2016. Following the re-designation from a non-executive Director to an executive Director of the Company on 1 October 2018, Ms. Man has been appointed as the Chief Executive Officer of the Company. Ms. Man is the founder of the Group and has since been in charge of the strategic development, management, operations as well as the overall performance of the Group. Ms. Man obtained a degree of Bachelor of Business Administration from The Chinese University of Hong Kong in December 1982.

Ms. Man was appointed as a member of the Thirteenth National Committee of the Chinese People's Political Consultative Conference* (中國人民政治協商會議第十三屆全國政協委員會) in January 2018. She also takes part in other social public services including: being a member of the standing committee of the Fourteenth Beijing Women's Federation* (北京市婦女聯合會), the chairman of the Tenth Council of the Superiors Management Board of Chamber of Commerce of Guangzhou Foreign Investment Enterprises* (廣州外商投資企業商會), the vice president of the Fifteenth Executive Committee of the Guangzhou Chamber of Commerce* (廣州市工商業聯合會(總商會)), the vice president and member of the standing committee of the Second Executive Committee of Hong Kong Federation of Guangzhou Association (香港廣州社團總會), the vice president of New Home Association (香港新家園協會*), the honorary chairman of Hong Kong Guangdong Youth Association (香港廣東青年總會), the advisor of Our Hong Kong Foundation (團結香港基金), a fellow member of Hong Kong Institute of Directors, and the honorary chairman of Baise City Education Fund* (百色市教育基金會). Ms. Man was one of the winners of the Fourth Outstanding Entrepreneur Social Responsibility Award* (第四屆傑出企業家社會責任獎) organised by The Mirror (鏡報) in Hong Kong in March 2015, and she was granted the sixteen batch honorary citizen of Guangzhou in November 2018 and awarded "Greater Bay Area Outstanding Woman Entrepreneur Awards 2018" in December 2018.

As at the Latest Practicable Date, Ms. Man had interest of 5,000,000 Options granted on 21 October 2016 under the Pre-IPO Share Option Scheme and was deemed to be interested in 735,840,000 Shares by virtue of her interests in Elland Holdings Limited within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Man does not at present, nor did she in the past three years, hold any directorship in other public companies, the securities of which are listed in Hong Kong or overseas. Ms. Man does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company.

Ms. Man has entered into a service contract with the Company for a term of three years commencing from 1 October 2018 and the service contract shall continue unless and until terminated by not less than three months' notice in writing served by either party to another. Ms. Man is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. Pursuant to her service contract, Ms. Man is entitled to receive an annual director's fee of HK\$216,000. The emoluments of Ms. Man are determined by the Board with reference to her duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition.

Save as disclosed above, there is no other information of Ms. Man that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (2) **Ms. LIANG Yuhua (梁玉華)**, aged 55, is an executive Director and also the Chief Operating Officer of the Group. She is primarily responsible for managing the general operations as well as supervising the overall business performance of all business segments of the Group. Ms. Liang was awarded a diploma in administrative management (行政管理專業) by the College of Continuing Education of Zhongkai University of Agriculture and Engineering* (仲愷農業工程學院繼續教育學院) in December 2014.

Ms. Liang joined the Group in March 2010 and up to April 2012, she was the general manager of the retail department of Guangzhou Clifford Trading Limited* (廣州市祈福貿易有限公司) and was in charge of managing the overall business operation. She has since April 2012 become the Chief Operating Officer of the Group responsible for overseeing the overall business operation and management.

Before joining the Group, Ms. Liang was employed by the Private Group. Ms. Liang worked as the manager of the resort department of Clifford Estates (Panyu) Limited* (廣州市番禺祈福新邨房地產有限公司俱樂部) between June 1992 and June 1998, a member of the Private Group engaged in real estate development, and Guangzhou Panyu Clifford Estates Resort Club Company Limited* (廣州市番禺祈福新邨渡假俱樂部有限公司) between July 1998 and February 2010, a company engaged in the provision of resort and recreational facilities, respectively.

As at the Latest Practicable Date, Ms. Liang had interest of 2,500,000 Options granted on 21 October 2016 under the Pre-IPO Share Option Scheme.

Save as disclosed above, Ms. Liang did not have any other interest in the Shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Liang does not at present, nor did she in the past three years, hold any directorship in other public companies, the securities of which are listed in Hong Kong or overseas. Ms. Liang does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company.

Ms. Liang has entered into a service contract with the Company for a term of three years commencing from 1 November 2019 and the service contract shall continue unless and until terminated by not less than three months' notice in writing served by either party to another. Ms. Liang is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. Pursuant to her service contract, Ms. Liang is entitled to receive an annual director's fee of HK\$216,000. The emoluments of Ms. Liang are determined by the Board with reference to her duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition.

Save as disclosed above, there is no other information of Ms. Liang that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (3) **Mr. LIU Xing (劉興)**, aged 56, is a non-executive Director and a member of Audit Committee of the Company. He is primarily responsible for advising on legal issues and matters of the Group and overseeing general compliance of rules and regulations of the Group's operation. Mr. Liu was awarded a degree of Bachelor of Law by the then Zhongnan Institute of Politics and Law (中南政法學院) (currently known as Zhongnan University of Economics and Law (中南財經政法大學)) in July 1986. Mr. Liu was issued with a qualification certificate as an accredited lawyer in the PRC Mainland by the Administrative Department of Hubei Province Xianning City* (湖北省咸寧地區行政公署) in April 1991. He is currently a non-practising lawyer.

Mr. Liu is a member of the Twelfth and Thirteenth Guangzhou Committee of the Chinese People's Political Consultative Conference* (中國人民政治協商會議第十二屆及第十三屆廣州市委員會). He has become a judicial inspector of the Guangzhou Intermediate People's Court* (廣州市中級人民法院司法監督員) since September 2012. Mr. Liu is also the executive president of the Guangdong Real Estate Chamber of Commerce* (廣東省地產商會).

In July 1986, Mr. Liu started to work for the Justice Bureau of Hubei Province Xianning City* (湖北省咸寧地區司法局) and was an accredited lawyer of the consultancy department of the Justice Bureau of Hubei Province Xianning City* during August 1988 to August 1995. Mr. Liu founded Hubei Province Haizhou Law Office* (湖北省海舟律師事務所) in August 1995 and up to February 1999 when he assumed the office as the chief lawyer (主任律師).

From July 2000 onward, Mr. Liu has been employed by Clifford Estates (Panyu) Limited* (廣州市番禺祈福新邨房地產有限公司), assuming various offices including being the in-house counsel since July 2000 and the legal manager of the legal department since January 2002. Mr. Liu was promoted to the office as the legal director of Clifford Estates (Panyu) Limited* in September 2010 in which he was in charge of overseeing the legal department and providing legal advice in relation to business negotiations and drafting of contracts and other relevant legal documents.

As at the Latest Practicable Date, Mr. Liu had interest of 2,500,000 Options granted on 21 October 2016 under the Pre-IPO Share Option Scheme.

Save as disclosed above, Mr. Liu did not have any other interest in the Shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Liu does not at present, nor did he in the past three years, hold any directorship in other public companies, the securities of which are listed in Hong Kong or overseas. Mr. Liu does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company.

Mr. Liu has entered into a letter of appointment with the Company for a term of three years commencing from 1 November 2019 and the letter of appointment shall continue unless and until terminated by not less than three months' notice in writing served by either party to another. Mr. Liu is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. Pursuant to his letter of appointment, Mr. Liu is entitled to receive an annual director's fee of HK\$216,000. The emoluments of Mr. Liu are determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition.

Save as disclosed above, there is no other information of Mr. Liu that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

* *for identification purposes only*

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,015,200,000 Shares.

Subject to the passing of the ordinary resolution set out in item 8 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 101,520,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole.

Repurchase of Shares may, depending on the 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 a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2019) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. SHARE PRICES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

Month and Year	Highest HK\$	Lowest HK\$
May 2019	0.60	0.50
June 2019	0.61	0.54
July 2019	0.83	0.59
August 2019	0.64	0.58
September 2019	0.64	0.59
October 2019	0.68	0.57
November 2019	0.61	0.57
December 2019	0.59	0.57
January 2020	0.60	0.55
February 2020	0.65	0.55
March 2020	0.58	0.47
April 2020	0.56	0.51
May 2020 (<i>up to the Latest Practicable Date</i>)	0.55	0.51

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Cayman Islands.

7. TAKEOVERS CODE

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

To the best knowledge and belief of the Directors, as at the Latest Practicable Date, Elland Holdings Limited and Ms. MAN Lai Hung, the controlling shareholder of the Company, together held 740,840,000 Shares representing approximately 72.97% of the total issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted to the Share Repurchase Mandate, the shareholding of Elland Holdings Limited and Ms. MAN Lai Hung would be increased to approximately 81.08% of the issued share capital of the Company. The Directors consider that such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the percentage of Shares held by the public to below the prescribed minimum percentage of 25% required by the Stock Exchange.

The Directors have no intention to exercise the Share Repurchase Mandate to such an extent as may result in the number of Shares held by the public shareholders falling below the prescribed minimum percentage of 25% required by the Stock Exchange.

8. REPURCHASE OF SHARES BY THE COMPANY

During the six months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



祈福生活服務
CLIFFORD MODERN LIVING

CLIFFORD MODERN LIVING HOLDINGS LIMITED

祈福生活服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3686)

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

To safeguard the health and safety of Shareholders and to prevent the spreading of the Novel Coronavirus (COVID-19) pandemic, the following precautionary measures will be implemented at the Annual General Meeting, including:

- compulsory body temperature checks and health declarations
- wearing of a surgical face mask for each attendee is a must
- no distribution of corporate gift or refreshment
- maintenance of appropriate distancing and spacing

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

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Clifford Modern Living Holdings Limited 祈福生活服務控股有限公司 (the “**Company**”) will be held at Rooms 1501-02, 15/F Hong Kong Club Building, 3A Chater Road, Central, Hong Kong on Friday, 26 June 2020 at 11:30 a.m. for the following purposes:

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

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and independent auditor for the year ended 31 December 2019.
2. To declare a final dividend of HK2.50 cents per ordinary share for the year ended 31 December 2019.
3. To re-elect Ms. MAN Lai Hung as an executive Director of the Company.

NOTICE OF ANNUAL GENERAL MEETING

4. To re-elect Ms. LIANG Yuhua as an executive Director of the Company.
5. To re-elect Mr. LIU Xing as a non-executive Director of the Company.
6. To authorize the board of directors of the Company (the “**Board**”) to fix the remuneration of the directors of the Company.
7. To appoint Moore Stephens CPA Limited as independent auditor of the Company and to authorize the Board to fix their remuneration.
8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

(a) subject to compliance with the prevailing requirements of the Listing Rules and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;

(b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

(i) a Rights Issue (as defined below);

(ii) the exercise of options under a share option scheme of the Company; and

(iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

(c) for the purposes of this resolution:

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

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

(iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (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 recognized regulatory body or any stock exchange).”

10. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 8 and 9 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 9 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 8 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

By Order of the Board
CLIFFORD MODERN LIVING HOLDINGS LIMITED
祈福生活服務控股有限公司
MAN Lai Hung
Chairman

Hong Kong, 27 May 2020

As at the date of this notice, the board of directors of the Company comprises Ms. MAN Lai Hung, Ms. HO Suk Mee and Ms. LIANG Yuhua as executive Directors; Mr. LIU Xing as non-executive Director; and Ms. LAW Elizabeth, Mr. HO Cham and Mr. MAK Ping Leung (alias Mr. MAK Wah Cheung) as independent non-executive Directors.

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Company’s articles of association and the Listing Rules. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder may appoint any number of proxies to represent him and vote on his behalf at the above meeting. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.

NOTICE OF ANNUAL GENERAL MEETING

3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited 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 not less than 48 hours before the time appointed for the meeting (i.e. no later than 11:30 a.m. (Hong Kong time) on Wednesday, 24 June 2020) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. Closure of Register of Members

(i) ***For the purpose of determining the entitlement to attend and vote at the Annual General Meeting***

The Register of Members of the Company will be closed from Friday, 19 June 2020 to Friday, 26 June 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents 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 Thursday, 18 June 2020.

In the event that the Annual General Meeting is adjourned to a date later than 26 June 2020 because of bad weather or other reasons, the book closure period and record date for determination of entitlement to attend and vote at the above meeting will remain the same as stated above.

(ii) ***For the purpose of determining the entitlement to the proposed final dividend***

Subject to the approval of the proposed final dividend by the shareholders at the Annual General Meeting, the Register of Members of the Company will be closed from Monday, 6 July 2020 to Tuesday, 7 July 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents 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 Friday, 3 July 2020.

5. In relation to the proposed Resolution no. 7 above, the Board concurs with the views of the Audit Committee of the Board and has recommended that Moore Stephens CPA Limited be appointed as independent auditor of the Company.

6. A circular containing further details concerning Resolution nos. 3 to 6 and Resolution nos. 8 to 10 set out in this notice will be dispatched to all shareholders of the Company.

7. **Bad Weather Arrangements**

If a tropical cyclone warning signal number 8 or above is hoisted, or "extreme conditions" caused by super typhoons or a black rainstorm warning is/are in force in Hong Kong at any time between 8:30 a.m. to 11:30 a.m. on the date of the Annual General Meeting, the meeting will be automatically postponed to a later date. The Company will post an announcement on the websites of Hong Kong Exchanges and Clearing Limited and the Company to notify shareholders of the date, time and location of the rescheduled meeting.

The Annual General Meeting will be held as scheduled when an amber or a red rainstorm warning signal is in force in Hong Kong. Shareholders should in any event exercise due care and caution when deciding to attend the meeting in adverse weather conditions.

8. References to time and dates in this notice are to Hong Kong time and dates.