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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in Million Stars Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Million Stars

MILLION STARS HOLDINGS LIMITED

萬星控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8093)

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE SHARES
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Million Stars Holdings Limited to be held at Room 907B, Empire Centre, 68 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 11 December 2020 at 10:30 a.m. is set out on pages 15 to 19 in this circular. A form of proxy for the Annual General Meeting is enclosed with this circular. Whether or not you are able 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 as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting (or any adjournment thereof) to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the Annual General Meeting (or any adjournment thereof) should you so wish.

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

This circular will remain on the "Latest Company Announcements" page of GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the Company's website at www.millionstars.hk.

5 November 2020

CHARACTERISTICS OF GEM

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

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

PRECAUTIONARY MEASURES FOR ANNUAL GENERAL MEETING

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

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the Annual General Meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the Annual General 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 Annual General Meeting venue a declaration form providing 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. Any person who does not comply with this requirement may be denied entry into the Annual General Meeting venue or be required to leave the Annual General Meeting venue.
- (iii) The Company encourages attendees to wear surgical face masks inside the Annual General Meeting venue at all times, and to maintain a safe distance between seats.
- (iv) No refreshments will be served, and there will be no corporate gifts.
- (v) To the extent permitted under law, the Company reserves the right to deny entry into the Annual General Meeting venue or require any person to leave the Annual General Meeting venue in order to ensure the safety of the attendees at the Annual General Meeting. In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the Annual General Meeting is not necessary for the purpose of exercising voting rights. As an alternative, by using forms of proxy with voting instructions inserted, Shareholders may appoint the Chairman of the Annual General Meeting as their proxy to vote on the relevant resolutions at the Annual General Meeting instead of attending the Annual General Meeting in person.

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Room 907B, Empire Centre, 68 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 11 December 2020 at 10:30 a.m.
“Articles”	the Articles of Association of the Company
“Board”	the board of Directors
“Cayman Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961 as amended, supplemented or otherwise modified from time to time) of the Cayman Islands
“close associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Code on Share Buy-backs”	the Code on Share Buy-backs approved by the SFC as amended from time to time
“Company”	Million Stars Holdings Limited 萬星控股有限公司, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“core connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“Extension Mandate”	the extension of the Issue Mandate to include Shares bought back pursuant to the Repurchase Mandate
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue 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

DEFINITIONS

“Latest Practicable Date”	28 October 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares up to a maximum of 10% of the number of issued Shares as at the date of passing the relevant resolution at the Annual General Meeting
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers approved by the SFC as amended from time to time
“%”	per cent.

LETTER FROM THE BOARD



Million Stars

MILLION STARS HOLDINGS LIMITED

萬星控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8093)

Executive Directors:

Zhu Yongjun (Chairman)

Tian Yuan

Independent Non-executive Directors:

Chen Ce

Ji Fang

Gao Shuo

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:*

Room 907B, 9/F

Empire Centre

68 Mody Road

Tsim Sha Tsui

Hong Kong

5 November 2020

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE SHARES
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The 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*, grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and the re-election of retiring Directors.

LETTER FROM THE BOARD

1. PROPOSED GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the Annual General Meeting, ordinary resolutions will be proposed to grant to the Directors new general mandates:

- (i) to allot, issue and deal with new Shares up to a maximum of 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolutions;
- (ii) to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolutions; and
- (iii) subject to the passing of the aforesaid ordinary resolutions approving the Issue Mandate and the Repurchase Mandate, the general mandate to extend the Issue Mandate by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted and issued Shares in an amount not exceeding the aggregate nominal amount of the Shares repurchased pursuant to the Repurchase Mandate.

An explanatory statement containing information relating to the Repurchase Mandate and as required pursuant to the GEM Listing Rules is set out in Appendix I to this circular. This explanatory statement contains information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate at the Annual General Meeting.

As at the Latest Practicable Date, the issued share capital of the Company comprised 420,000,000 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Repurchase Mandate and the Issue Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate on the date of passing the resolution approving the Repurchase Mandate will be 42,000,000 Shares and the maximum number of Shares which may be issued pursuant to the Issue Mandate on the date of passing the resolution approving the Issue Mandate will be 84,000,000 Shares.

2. RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of five Directors, namely, Mr. Zhu Yongjun, Ms. Tian Yuan, Mr. Chen Ce, Ms. Ji Fang and Mr. Gao Shuo.

According to Article 105(A) of the Articles, at each annual general meeting, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation. A retiring Director shall be eligible for re-election. Any Director appointed by the Board pursuant to Article 109 of the Articles shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting. Mr. Chen Ce, Mr. Gao Shuo and Ms. Ji Fang will retire and, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

LETTER FROM THE BOARD

The biographical details of the retiring Directors eligible for re-election at the Annual General Meeting are set out in Appendix II to this circular.

3. ANNUAL GENERAL MEETING

At the Annual General Meeting, ordinary resolutions will be proposed to approve, *inter alia*, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate and the re-election of retiring Directors.

Notice of the Annual General Meeting is set out on pages 15 to 19 of this circular. A form of proxy for use at the Annual General Meeting is despatched together with this circular. They are also published on the website of the Stock Exchange and the website of the Company. Whether or not you intend to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Union Registrars Limited, Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or at any adjournment thereof if you so wish and in such event, the form of proxy shall be deemed to be revoked.

4. VOTING BY WAY OF POLL

All the resolutions set out in the notice of Annual General Meeting would be decided by poll in accordance with the GEM Listing Rules and the Articles. The Chairman will explain the detailed procedures for conducting a poll at the commencement of the Annual General Meeting.

On a poll, every Shareholder presents in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder presents in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy who is entitled to more than one vote need not use all his/its votes or cast all his/its votes in the same way.

After the conclusion of the Annual General Meeting, an announcement on the poll results will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.millionstars.hk.

LETTER FROM THE BOARD

5. RECOMMENDATION

The Board considers that the ordinary resolutions to be proposed at the Annual General Meeting to approve, *inter alia*, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and the re-election of retiring Directors, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the proposed resolutions as set out in the notice of the Annual General Meeting.

6. RESPONSIBILITY STATEMENT

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

7. GENERAL INFORMATION

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

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

Yours faithfully,
For and on behalf of the Board
Million Stars Holdings Limited
Zhu Yongjun
Chairman

This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide requisite information to enable you 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. GEM LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The GEM Listing Rules permit companies listing on GEM to repurchase their shares on GEM or on another stock exchange recognised for this purpose by the SFC and the Stock Exchange, subject to the provisions of the Code on Share Buy-backs and certain restrictions, amongst which the GEM Listing Rules provide that the shares proposed to be repurchased by the issuer must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate to its directors to make the purchase(s) or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, the number of Shares in issue is 420,000,000. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the date of the Annual General Meeting, the Directors will be authorised to repurchase a maximum of 42,000,000 Shares, being 10% of the number of issued Shares as at the date of passing of the relevant resolution for granting the Repurchase Mandate during the period up to (a) the conclusion of the next annual general meeting of the Company; or (b) the expiration of the period within which the Company is required by its Articles or the applicable laws of the Cayman Islands to hold its next annual general meeting; or (c) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company, whichever occurs first.

3. REASONS FOR THE REPURCHASES

The Directors believe that it is in the best interests of the Company and its Shareholders to seek general authority from the Shareholders to enable the Directors to exercise power of the Company to repurchase its Shares on GEM pursuant to the Repurchase Mandate. 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 a repurchase will benefit the Company and its Shareholders.

4. FUNDING OF REPURCHASES

Repurchases made pursuant to the Repurchase Mandate would be funded out of funds legally available for such purpose in accordance with the Articles, the GEM Listing Rules and the applicable laws of the Cayman Islands. Under the Cayman Companies laws, any repurchases by the Company may only be made out of profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose of the repurchase or, if so authorised by its Articles and subject to the provisions of the Cayman Companies Law, out of capital and,

in the case of any premium payable on a repurchase, such premium must be provided for out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by its Articles and subject to the provisions of the Cayman Companies Law, out of capital. The Company may not repurchase securities on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

5. WORKING CAPITAL

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended 30 June 2020) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital requirements of the Company or its gearing levels which, in the opinion of the Board, are from time to time appropriate for the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares were traded on GEM in each of the twelve months preceding the Latest Practicable Date and up to the Latest Practicable Date were as follows:

	Highest HK\$	Lowest HK\$
2019		
September	0.69	0.44
October	0.55	0.27
November	0.31	0.25
December	0.65	0.25
2020		
January	0.74	0.4
February	0.5	0.365
March	0.5	0.315
April	0.385	0.35
May	0.6	0.28
June	0.485	0.25
July	0.42	0.28
August	0.39	0.335
September	0.4	0.28
October (up to the Latest Practicable Date)	0.4	0.234

7. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If, as a result of a repurchase of Shares 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. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO and to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Shanghai Hutong Investments Centre (Limited Partnership)* (上海胡桐投資中心(有限合夥)), United Conquer Limited and Mr. Zhu Yongjun (the "Concert Party Group"), as a group of Shareholders deemed to be acting in concert, were interested in 110,895,955 Shares, representing approximately 26.40% of the issued Shares.

In the event that the Directors exercise in full the power to repurchase the Shares under the Repurchase Mandate (if it is approved by the Shareholders at the Annual General Meeting) and assuming that none of the share options of the Company is exercised, the percentage voting rights controlled by the Concert Party Group in the Company would increase to approximately 29.34% of the issued share capital of the Company. To the best knowledge and belief of the Directors, the Directors are not aware of any consequence under the Takeovers Code as a result of the full exercise of the Repurchase Mandate. The Directors have no intention to exercise the Repurchase Mandate that would result in the number of Shares held by the public would fall below 25% of the total issued share capital of the Company (or such other percentage as may be prescribed as the minimum public shareholding under the GEM Listing Rules).

8. DISCLOSURE OF INTERESTS AND UNDERTAKING

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

The Company has not been notified by any core connected persons of the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to sell any Shares held by them to the Company, if the Repurchase Mandate is approved by the Shareholders.

9. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will only exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the GEM Listing Rules, the Memorandum and Articles of Association of the Company and the applicable laws of the Cayman Islands.

* For identification purposes only

10. SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares (whether on GEM or otherwise) has been made by the Company during the previous six months prior to the Latest Practicable Date.

The particulars of the retiring Directors proposed to be re-elected at the Annual General Meeting are set out below:

INDEPENDENT NON-EXECUTIVE DIRECTORS

Chen Ce

Mr. Chen Ce (“**Mr. Chen**”), aged 35, has been appointed as an independent non-executive director of the Company on 1 January 2019. He is now serving as the chairman of audit committee and corporate governance committee, and a member of remuneration committee and nomination committee of the Company.

Mr. Chen has been a senior investment manager of Haitong Capital Investment Co., Ltd. since August 2011 and is mainly responsible for pre-investment research, post-investment management and coordination between relevant parties of investment projects. Before joining Haitong Capital Investment Co., Ltd., Mr. Chen worked as an analyst of the Investment Center of the State Administration of Foreign Exchange from July 2010 to May 2011 and was mainly responsible for calculation and statistical work relating to daily foreign exchange positions as well as monthly performance analysis and attribution. Prior to this, Mr. Chen successively worked for Shanghai Lixin Ruisi Information Management Co., Ltd. and Tebon Securities Co., Ltd. in various positions during the period from June 2008 to December 2009.

Mr. Chen obtained a master’s degree in management from the School of Management of Fudan University in June 2010 and a bachelor’s degree in management from the School of Management of Xiamen University in June 2007. Mr. Chen is also a certified public accountant, a non-practising member of the Chinese Institute of Certified Public Accountants, and a CFA charterholder. Mr. Chen is a qualified securities practitioner and funds practitioner.

Mr. Chen entered into a letter of appointment with the Company under which he is appointed for a period of three years, but is subject to retirement by rotation and re-election at the annual general meeting of the Company at least once every three years in accordance with the Articles.

Mr. Chen is entitled to a Director’s fee of HK\$180,000 per annum. The remuneration of Mr. Chen has been reviewed by the Remuneration Committee of the Company and was determined by reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market conditions. The remuneration of Mr. Chen is subject to review by the Board and the Remuneration Committee from time to time.

With reference to the past contributions made by Mr. Chen to the Company during his tenure, his qualifications and his work experiences as disclosed above, the Board is of the view that Mr. Chen can provide valuable accounting and risk management advice to the Board and make contributions to the Board’s diversity. Given that he has confirmed in writing to the Company of his independence with reference to various factors set out in Rule 5.09 of the GEM Listing Rules, the Board is satisfied with his independence.

Gao Shuo

Mr. Gao Shuo (“**Mr. Gao**”), aged 37, has been appointed as an independent non-executive director of the Company on 6 November 2017. He is now serving as the chairman of nomination committee, and a member of audit committee, remuneration committee and corporate governance committee of the Company.

Mr. Gao has 12 years of experience in investment management. He is currently a partner of Hanfor Capital Limited (漢富(北京)資本管理有限公司), and participated in the RAZER equity investment project. From April 2015 to May 2016, Mr. Gao successively served as vice-president, managing director of risk compliance centre and chairman of strategy committee of ZZ Capital* (中植資本). From April 2011 to April 2015, he served as board secretary cum general manager of capital operations centre of Zhongze Holdings* (中澤控股集團). From June 2007 to March 2011, he successively served as division head and department head of project investment management of Goldman Sachs, and participated in the YK merger and restructuring project. From 2005 to March 2007, he was the investment risk specialist of Bank of Tokyo-Mitsubishi UFJ. He is a certified public accountant of China, financial analyst of Japan Finance Federation* (日本金融聯合會) and appraiser of Higashi-Nippon Bank Federation* (東日本銀行聯合會). Mr. Gao holds a master’s degree from Waseda University in Japan, majoring in law and finance.

Mr. Gao entered into a letter of appointment with the Company under which he is appointed for a period of three years, but is subject to retirement by rotation and re-election at the annual general meeting of the Company at least once every three years in accordance with the Articles.

Mr. Gao is entitled to a Director’s fee of HK\$180,000 per annum. The remuneration of Mr. Gao has been reviewed by the Remuneration Committee of the Company and was determined by reference to his duties and responsibilities with the Company, the Company’s performance and the prevailing market conditions. The remuneration of Mr. Gao is subject to review by the Board and the Remuneration Committee from time to time.

With reference to the past contributions made by Mr. Gao to the Company during his tenure, his qualifications and his work experiences as disclosed above, the Board is of the view that Mr. Gao can provide valuable accounting and risk management advice to the Board and make contributions to the Board’s diversity. Given that he has confirmed in writing to the Company of his independence with reference to various factors set out in Rule 5.09 of the GEM Listing Rules, the Board is satisfied with his independence.

Ji Fang

Ms. Ji Fang, (“**Ms. Ji**”), aged 46, has been appointed as an independent non-executive Director of the Company on 1 January 2019. She is now serving as the chairman of remuneration committee, and a member of audit committee, nomination committee and corporate governance committee of the Company.

Ms. Ji has over 20 years’ experience in senior corporate management, industrial investment and capital operations. She specializes in large enterprise cost control, multinational supply chain management, sales operation management, risk assessment, investment decision-making, and project management, etc. Since October 2016, Ms. Ji has served as the chief executive officer of Guangzhou Parallel Line Investment Management Co., Ltd.* (廣州平行線投資管理有限公司). Ms. Ji held senior management positions at several famous companies in the past, including chief executive officer of Sichuan Bangminrong Investment Guarantee Consulting Co., Ltd.* (四川省邦民融投資擔保諮詢有限公司) from October 2013 to September 2016; vice chairlady of Zhejiang Zhengrui Industrial Investment Co., Ltd.* (浙江正瑞實業投資有限公司) from March 2009 to August 2013; assistant to the president of Otis Elevator Company North Asia Pacific Headquarters and key clients manager of Otis Elevator Company in China region from March 2004 to March 2009.

Ms. Ji holds an undergraduate degree in economic management from the Southwest Minzu University and a master’s degree in business administration from Edinburgh Business School, Heriot-Watt University in the United Kingdom. She has completed a postgraduate course in political economics at Sichuan University. She is familiar with the investment environment and policies of the People’s Republic of China. Ms. Ji has a deep understanding of the project incubation and corporate mergers and acquisition practice in areas such as emerging manufacturing, new materials and the Internet. She was invited to be the guest lecturer of the business administration program for president course of Shanghai Jiao Tong University.

Ms. Ji entered into a letter of appointment with the Company under which she is appointed for a period of three years, but is subject to retirement by rotation and re-election at the annual general meeting of the Company at least once every three years in accordance with the Articles.

Ms. Ji is entitled to a Director’s fee of HK\$180,000 per annum. The remuneration of Ms. Ji has been reviewed by the Remuneration Committee of the Company and was determined by reference to her duties and responsibilities with the Company, the Company’s performance and the prevailing market conditions. The remuneration of Ms. Ji is subject to review by the Board and the Remuneration Committee from time to time.

With reference to the past contributions made by Ms. Ji to the Company during her tenure, her qualifications and her work experiences as disclosed above, the Board is of the view that Ms. Ji can provide valuable corporate management, industrial investment and capital operations advice to the Board and make contributions to the Board’s diversity. Given that she has confirmed in writing to the Company of her independence with reference to various factors set out in Rule 5.09 of the GEM Listing Rules, the Board is satisfied with her independence.

* For identification purpose only

GENERAL

Save as disclosed above, none of the above Directors:

- (i) held any other positions in any members of the Group as at the Latest Practicable Date;
- (ii) had any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date;
- (iii) held any other directorships in listed public companies in the three years prior to the Latest Practicable Date; and
- (iv) had any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information in relation to the above Directors that needs to be disclosed pursuant to any of the requirements under Rules 17.50(2)(h) to 17.50(2)(v) of the GEM Listing Rules, and there are no other matters that need to be brought to the attention of the Shareholders pursuant to Rule 17.50(2)(w) of the GEM Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



Million Stars

MILLION STARS HOLDINGS LIMITED

萬星控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8093)

NOTICE IS HEREBY GIVEN that the annual general meeting of Million Stars Holdings Limited (the “Company”) will be held at Room 907B, Empire Centre, 68 Mody Road, Tsim Sha Tsui, Kowloon, Hong Kong on Friday, 11 December 2020 at 10:30 a.m. for the following purposes:

AS ORDINARY BUSINESS

ORDINARY RESOLUTIONS

1. To receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (the “Director(s)”) and the independent auditors of the Company for the year ended 30 June 2020.
2. To re-elect the following retiring Directors:
 - (a) Mr. Chen Ce as an independent non-executive Director;
 - (b) Mr. Gao Shuo as an independent non-executive Director; and
 - (c) Ms. Ji Fang as an independent non-executive Director.
3. To authorise the board (the “Board”) of Directors to fix the Directors’ remuneration.
4. To re-appoint Yongtuo Fuson CPA Limited as the Company’s independent auditors and to authorise the Board to fix their remuneration.
5. To consider and, if thought fit, pass with or without modifications, the following resolution (“Resolution”) as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) of this Resolution below, pursuant to the Rules (the “GEM Listing Rules”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the directors (“Directors”) of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with the unissued shares (each a “Share”) of HK\$0.01 each in the capital of the Company and to make or grant offers, agreements and options (including bonds,

NOTICE OF ANNUAL GENERAL MEETING

warrants to subscribe for Shares and debentures convertible into Shares), which would or might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this Resolution above shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds warrants to subscribe for Shares and debentures convertible into Shares), which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of issued Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of Shares under the exercise of any options granted under the share option scheme or similar arrangement of the Company for the time being adopted by the Company for the grant or issue to eligible participants thereunder or rights to acquire Shares; or (iii) an issue of Shares as any scrip dividend scheme or similar arrangements providing for the 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”) in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed 20 per cent of the aggregate number of issued Shares as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this Resolution, “Relevant Period” means the period from the date of 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 is required by the Articles or any applicable law of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution;

“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 holders of Shares on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares as at that date (subject to such exclusion 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, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or

NOTICE OF ANNUAL GENERAL MEETING

obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

6. To consider and, if thought fit, pass with or without modifications, the following resolution (“Resolution”) as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) of this Resolution below, the exercise by the directors (“Directors”) of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares (“Shares”) of the Company on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the 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 Governing of Listing of Securities on GEM, other rules, regulations and requirements of the SFC, the Stock Exchange or other stock exchange, and all applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of issued Shares which the Company is authorised to purchase pursuant to the approval in paragraph (a) of this Resolution above during the Relevant Period (as hereinafter defined) shall not exceed 10 per cent of the aggregate number of issued Shares as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution, “Relevant Period” means the period from the date of 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 or any applicable law of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this Resolution.”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** conditional on the passing of resolutions numbered 5 and 6 above, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares (“Shares”) of the Company pursuant to resolution numbered 5 above be and it is hereby extended by the addition thereto of the aggregate number of issued Shares which may be purchased by the Company pursuant to or in accordance with the authority granted under resolution numbered 6 above, provided that such number of Shares so purchased shall not exceed 10% of the total number of issued Shares as at the date of passing of the said resolution.”

By order of the Board
Million Stars Holdings Limited
Zhu Yongjun
Chairman

Hong Kong, 5 November 2020

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:*

Room 907B, 9/F
Empire Centre
68 Mody Road
Tsim Sha Tsui
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting above 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 Shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the above meeting, personally or by proxy, that one of the said persons so present whose name stands first in the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under its common seal, or under the hand of an officer or attorney duly authorised, and must be deposited at the Company’s branch share registrar and transfer office in Hong Kong (“Branch Registrar”), Union Registrars Limited, Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof) not less than 48 hours before the time fixed for holding the meeting (or any adjournment thereof).

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4. For the purpose of determining members who are qualified for attending the above meeting, the register of members of the Company will be closed from Tuesday, 8 December 2020 to Friday, 11 December 2020 (both days inclusive), during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the meeting, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Registrar at the above address for registration by no later than 4:00 p.m. on Monday, 7 December 2020.
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. Save for resolutions approving any procedural and administrative matters, any voting of the meeting should be taken by poll.
7. If Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal or extreme conditions caused by super typhoons is in force in Hong Kong at any time after 7:30 a.m. on the date of the meeting, the meeting will be adjourned. The Company will post an announcement on the website of the Company (www.millionstars.hk) and HKExnews website (www.hkexnews.hk) to notify shareholders of the date, time and place of the adjourned meeting.

The meeting will be held as scheduled if an Amber or a Red Rainstorm Warning Signal is in force. Members of the Company should decide on their own whether they would attend the meeting under bad weather condition bearing in mind their own situations.

8. In light of epidemic situation of COVID-19, members of the Company may consider appointing the Chairman of the meeting as his/her proxy to vote on the resolutions instead of attending the meeting in person.

As at the date of this notice, the Board comprises Mr. Zhu Yongjun and Ms. Tian Yuan as executive Directors; and Mr. Chen Ce, Ms. Ji Fang and Mr. Gao Shuo as independent non-executive Directors.