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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Asia Grocery Distribution Limited (the “**Company**”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

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**Asia Grocery Distribution Limited**  
**亞洲雜貨有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 8413)**

**PROPOSED GRANTING OF GENERAL MANDATES TO  
ISSUE SHARES AND TO REPURCHASE SHARES,  
PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT,  
PROPOSED RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the annual general meeting of the Company (“**AGM**”) to be held at Upper Ground Floor, Mai Tong Industrial Building, No. 22 Sze Shan Street, Kowloon, Hong Kong on Friday, 30 July 2021 at 2:30 p.m. is set out on pages 19 to 25 of this circular. A form of proxy for use at the AGM is enclosed with this circular. Such form of proxy is also published on the websites of GEM ([www.hkgem.com](http://www.hkgem.com)) and the Company ([www.agdl.com.hk](http://www.agdl.com.hk)).

Whether or not you are able to attend the AGM in person, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, 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 holding the AGM (i.e. not later than 2:30 p.m. on Wednesday, 28 July 2021 (Hong Kong Time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting if you so wish.

*This circular will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the website of the Company at [www.agdl.com.hk](http://www.agdl.com.hk).*

Hong Kong, 29 June 2021

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## CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE

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

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

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at Upper Ground Floor, Mai Tong Industrial Building, No. 22 Sze Shan Street, Kowloon, Hong Kong on Friday, 30 July 2021 at 2:30 p.m. or any adjournment thereof
“Articles”	the articles of association of the Company currently in force, as may be amended from time to time, and “Article” shall mean an article of the Articles
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Company”	Asia Grocery Distribution Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	the GEM listing sub-committee of the board of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	24 June 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information
“Memorandum”	the memorandum of association of the Company currently in force, as may be amended from time to time

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## DEFINITIONS

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“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme, being 10% of the issued share capital of the Company as at the date of approval of the adoption of the Share Option Scheme and thereafter, if refreshed, shall not exceed 10% of the issued share capital of the Company as at the date of approval of the refreshed limit by the Shareholders
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Buy-back Mandate”	a general and unconditional 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 as at the date of passing of the relevant resolution
“Share Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of passing of the relevant resolution
“Shareholder(s)”	the registered holder(s) of Share(s)
“Share Option Scheme”	the share option scheme adopted by the Company on 27 March 2017
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers approved by the Securities and Futures Commission as amended from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

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## LETTER FROM THE BOARD

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### Asia Grocery Distribution Limited

### 亞洲雜貨有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8413)**

*Executive Directors:*

Mr. WONG Siu Man (*Chairman*)

Mr. WONG Siu Wa (*Chief Executive Officer*)

Mr. YIP Kam Cheong (*Compliance Officer*)

*Registered office:*

PO Box 309, Uglan House

Grand Cayman, KY1-1104

Cayman Islands

*Non-executive Director:*

Mr. WONG Chun Hung Hanson

*Head office and principal place of  
business in Hong Kong:*

The Whole of Upper Ground Floor,

Mai Tong Industrial Building,

No.22 Sze Shan Street, Kowloon

Hong Kong

*Independent Non-executive Directors:*

Mr. WANG Zhaobin

Mr. NG Fan Kay Frankie

Ms. CHAN Hoi Yee

29 June 2021

*To the Shareholders*

Dear Sir or Madam,

**PROPOSED GRANTING OF GENERAL MANDATES TO  
ISSUE SHARES AND TO REPURCHASE SHARES,  
PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT,  
PROPOSED RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

#### **1. INTRODUCTION**

The purpose of this circular is to provide you with information regarding (i) the proposed granting of Share Issue Mandate; (ii) the proposed granting of Share Buy-back Mandate; (iii) the proposed extension of the Share Issue Mandate; (iv) the proposed refreshment of Scheme Mandate Limit; and (v) the proposed re-election of retiring Directors, and to give you the notice of the AGM and seek your approval of the relevant ordinary resolutions relating to these matters to be proposed at the AGM.

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## LETTER FROM THE BOARD

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### 2. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the last annual general meeting of the Company held on 31 July 2020, general mandate was granted to the Directors to issue new Shares. The said general mandate will expire at the conclusion of the AGM.

In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the AGM to approve the granting of a general and unconditional mandate to the Directors to allot, issue and deal with additional Shares of not exceeding 20% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution as contained in item 5 of the notice of the AGM of this circular (i.e. a total of 232,400,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the AGM).

The Share Issue Mandate will, if granted, remain effective until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the Articles to be held; or
- (iii) its revocation, variation or renewal by an ordinary resolution of the Shareholders in a general meeting.

Conditional upon the passing of the resolutions to grant the Share Issue Mandate and the Share Buy-back Mandate as more particularly described in the section below, an ordinary resolution will also be proposed at the AGM to extend the Share Issue Mandate by adding the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such mandate of a number of Shares representing the total number of Shares repurchased by the Company pursuant to the Share Buy-back Mandate provided that such extended number shall not exceed 10% of the total number of Shares in issue on the date of passing the resolution approving the Share Issue Mandate.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Share Issue Mandate.

### 3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the last annual general meeting of the Company held on 31 July 2020, general mandate was granted to the Directors to repurchase Shares. The said general mandate will expire at the conclusion of the AGM.

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## LETTER FROM THE BOARD

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In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will also be proposed at the AGM to approve the granting of a general and unconditional mandate to the Directors to exercise all the powers of the Company to repurchase Shares on the Stock Exchange of not more than 10% of the total number of issued Shares as at the date of passing of the proposed ordinary resolution as contained in item 6 of the notice of the AGM of this circular (i.e. a total of 116,200,000) Shares on the basis that the issued share capital of the Company remains unchanged on the date of the AGM).

The Share Buy-back Mandate will, if granted, remain in effect until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the Articles to be held; or
- (iii) its revocation, variation or renewal by an ordinary resolution of the Shareholders in a general meeting.

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

An explanatory statement required by the GEM 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 Buy-back Mandate is set out in Appendix I to this circular.

#### **4. PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT**

The Share Option Scheme was adopted by the Company on 27 March 2017 and will remain in force for 10 years from the date of adoption. The purpose of the Share Option Scheme to enable our Group to grant Share Options to the eligible persons as incentives or rewards for their contribution to our Group and/or to enable our Group to recruit and retain high-calibre employees and attract human resources that are valuable to our Group or any entity in which any member of our Group holds any equity interest. As at the Latest Practicable Date, save for the Share Option Scheme, the Company has not adopted any other share option scheme.

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## LETTER FROM THE BOARD

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Since the adoption of the Share Option Scheme and up to the Latest Practicable Date, 112,000,000 options were granted by the Company.

Details of the 112,000,000 options granted are as follows:

Date of grant	Category of participants	Identities and positions of grantees	Total number of options granted	Exercise price per share	Exercisable period	Vesting condition	Total number of options outstanding as at the Latest Practicable Date
19 February 2021	Employees	10 employees who hold mid to senior level positions	112,000,000	HK\$0.30	19 February 2021 to 18 February 2023	No	112,000,000

Up to the Latest Practicable Date, no option under the Share Option Scheme was exercised, cancelled or lapsed. As at the Latest Practicable Date, there were 112,000,000 options outstanding under the Share Option Scheme, representing approximately 9.6% of the total number of issued Shares as at the Latest Practicable Date. Unless the Scheme Mandate Limit is refreshed, no options may be granted under the Share Option Scheme.

If the proposed Refreshment of Scheme Mandate Limit is approved at the AGM, based on the 1,162,000,000 Shares in issue as at the Latest Practicable Date and assuming no further Shares will be allotted and issued or repurchased after the Latest Practicable Date and up to the date of the AGM, the Company may grant further share options carrying rights to subscribe for up to a total of 116,200,000 Shares under the Share Option Scheme, representing 10% of the total number of issued Shares as at the date of the AGM.

Pursuant to the GEM Listing Rules and the terms of the Share Option Scheme, share options previously granted (including those exercised, outstanding, cancelled and lapsed in accordance with the Share Option Scheme) will not be counted for the purpose of calculating the Scheme Mandate Limit as “refreshed”. The aggregate number of Shares that may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company at any time must not exceed 30% of the Shares in issue from time to time.

Assuming that the refreshment of Scheme Mandate Limit will be approved, the total number of Shares that may be issued upon exercise of all outstanding share options and the share options to be granted under the refreshed limit will be 228,200,000, representing approximately 19.6% of the Shares in issue as at the Latest Practicable Date. Therefore, the limit on the number of Shares that may be issued upon all existing outstanding share options and share options to be granted under the Share Option Scheme and any other share option schemes do not exceed the 30% of Shares in issue as at the Latest Practicable Date.

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## LETTER FROM THE BOARD

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The Directors believe that the proposed refreshment of Scheme Mandate Limit provides the Company with a higher degree of flexibility to provide incentives and rewards to eligible participants to contribute to the Group and enable the Group to recruit high-caliber employees which can add values to the Shares.

The refreshment of the Scheme Mandate Limit is conditional upon:

- a) The passing of an ordinary resolution by the Shareholders at the AGM to approve the refreshment of the Scheme Mandate Limit under the Share Option Scheme; and
- b) The GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of Shares, representing 10% of the issued Shares as at the date of the AGM, which may fall to be allotted and issued pursuant to the exercise of the options to be granted under the Share Option Scheme.

Application will be made to the GEM Listing Committee of the Stock Exchange for the grant of the listing of, and the permission to deal in, the Shares which may be issued pursuant to the exercise of the share options to be granted by the refreshed Scheme Mandate Limit under the Share Option Scheme.

### **5. PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

In accordance with Article 16.18 of the Articles, at every annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Accordingly, Mr. Wong Chun Hung Hanson, Mr. Ng Fan Kay Frankie and Mr. Wang Zhaobin shall retire by rotation at the AGM and being eligible, will offer themselves for re-election at the AGM.

Pursuant to Article 16.2 of the Articles, any Director appointed by the Board to fill a casual vacancy or as an addition to the Board shall hold office until the next following general meeting of the Company after his/her appointment and shall be subject to re-election at such meeting. Accordingly, Ms. Chan Hoi Yee shall hold office until the AGM and being eligible, will offer himself for re-election at the AGM.

Details of retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

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## LETTER FROM THE BOARD

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### 6. AGM

A notice convening the AGM to be held at Upper Ground Floor, Mai Tong Industrial Building, No. 22 Sze Shan Street, Kowloon, Hong Kong on Friday, 30 July 2021 at 2:30 p.m. is set out on pages 19 to 25 of this circular. At the AGM, resolutions will be proposed to approve, *inter alia*, the proposed granting of Share Issue Mandate, the proposed granting of Share Buy-back Mandate, the proposed extension of the Share Issue Mandate, the proposed refreshment of Scheme Mandate Limit and the proposed re-election of the retiring Directors.

### 7. PROXY ARRANGEMENT

A form of proxy for use at the AGM is enclosed with this circular and published on the GEM website ([www.hkgem.com](http://www.hkgem.com)) and the Company's website ([www.agdl.com.hk](http://www.agdl.com.hk)). Whether or not you are able to attend the AGM in person, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, 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 holding the AGM (i.e. not later than 2:30 p.m. on Wednesday, 28 July 2021 (Hong Kong time)) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting if you so wish.

### 8. VOTING AT THE AGM

Pursuant to Rule 17.47(4) of the GEM Listing Rules and Article 13.5, any vote of Shareholders at a general meeting must be taken by poll save that the chairman presiding at the meeting may, in good faith, allow a resolution which relates purely 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 AGM in the manner prescribed under the GEM Listing Rules.

### 9. RECOMMENDATION

As explained in this circular, the Directors consider that the proposed granting of the Share Issue Mandate and the Share Buy-back Mandate, the proposed extension of the Share Issue Mandate, the proposed refreshment of Scheme Mandate Limit and the proposed re-election of the retiring Directors are in the best interests of the Company and its Shareholders. The Directors therefore recommend the Shareholders to vote in favour of all relevant resolutions to be proposed at the AGM.

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## LETTER FROM THE BOARD

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### 10. 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 not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### 11. GENERAL INFORMATION

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

Yours faithfully,  
By Order of the Board  
**Asia Grocery Distribution Limited**  
**WONG Siu Man**  
*Chairman*

*This appendix serves as an explanatory statement, as required by the GEM Listing Rules, to provide requisite information to the Shareholders for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Share Buy-back Mandate.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,162,000,000 Shares.

Subject to the passing of the ordinary resolution set out in item 6 of the notice of the AGM in respect of the granting of the Share Buy-back Mandate and on the basis that the issued shares of the Company remains unchanged on the date of the AGM, the Directors would be authorised under the Share Buy-back Mandate to repurchase, during the period in which the Share Buy-back Mandate remains in force, up to a maximum of 116,200,000 Shares, representing 10% of the total number of Shares in issue as at the date of the AGM.

The Share Issue Mandate will, if granted, remain effective until the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiry of the period within which the next annual general meeting of the Company is required by any applicable laws of the Cayman Islands or the Articles to be held; or
- (iii) its revocation, variation or renewal by an ordinary resolution of the Shareholders in a general meeting.

## **2. REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from Shareholders to enable the Directors to repurchase Shares at any time they consider appropriate for the enhancement of long-term shareholder value. An exercise of the Share Buy-back Mandate 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 its Shareholders.

## **3. FUNDING OF REPURCHASES**

Repurchases will be funded entirely from the Company's available cash flow or working capital from time to time which will be funds legally available under the Cayman Islands law and the Memorandum and the Articles for such purposes.

**4. IMPACT OF REPURCHASES**

The Directors would exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the Shares can be repurchased on the terms favourable to the Company. There might be a material adverse impact on the working capital and/or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements contained in the annual report of the Company for the year ended 31 March 2021) in the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy-back period. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

**5. MARKET PRICES OF SHARES**

The highest and lowest traded prices for the Shares on the Stock Exchange during each of the twelve months immediately preceding and up to the Latest Practicable Date were as follows:

<b>Month</b>	<b>Price per Share</b>	
	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2020</b>		
July	0.500	0.255
August	0.335	0.255
September	0.325	0.260
October	0.265	0.242
November	0.240	0.200
December	0.415	0.215
<b>2021</b>		
January	0.385	0.300
February	0.320	0.285
March	0.305	0.250
April	0.325	0.246
May	0.390	0.290
June (up to the Latest Practicable Date)	0.320	0.265

**6. REPURCHASE OF SECURITIES FROM CORE CONNECTED PERSONS**

The GEM Listing Rules prohibit a company from knowingly purchasing shares from a “core connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective close associates, and a core connected person is prohibited from knowingly selling his/her/its shares to the Company, on GEM.

As at the Latest Practicable Date, no core connected person (as defined in the GEM Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

**7. DIRECTORS AND THEIR CLOSE ASSOCIATES**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates has any present intention to sell any Shares to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

**8. UNDERTAKING OF THE DIRECTORS**

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

**9. EFFECT OF TAKEOVERS CODE**

If, as a result of a repurchase of Shares pursuant to the Share Buy-back 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 Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in 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 Rules 26 and 32 of the Takeovers Code.

To the best knowledge of the Company, as at the Latest Practicable Date, Sky Alpha Investments Limited which is controlled by Mr. Wong Siu Man and Mr. Wong Siu Wa, the controlling shareholders of the Company (as defined in the GEM Listing Rules), control the exercise of voting rights of 602,800,000 Shares representing approximately 51.88% of the total issued share capital of the Company. In the event that the Directors exercise the proposed Share Buy-back Mandate in full, the aggregate shareholding of Mr. Wong Siu Man and Mr. Wong Siu Wa through Sky Alpha Investments Limited would be increased from approximately 51.88% to approximately 57.64% of the issued share capital of the Company. The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code or result in the aggregate number of Shares held by the public shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

#### **10. SHARES REPURCHASES MADE BY THE COMPANY**

No repurchases of Shares have been made by the Company (whether on GEM or otherwise) during the six months preceding the Latest Practicable Date.

*The followings are the particulars of the retiring Directors proposed to be re-elected at the AGM:*

**(1) Mr. WONG Chun Hung Hanson**

**Mr. Wong Chun Hung Hanson (黃俊雄) (“Mr. Hanson Wong”)**, aged 47, was appointed as a non-executive Director with effect from 29 September 2016. Mr. Hanson Wong has over 19 years of industry experience in the finance industry. Mr. Hanson Wong has been an executive director of Seazen Resources Capital Group Limited since January 2015, which mainly engaged in managing a portfolio of companies that carry on business or dealing in securities, futures contracts and asset management. Mr. Hanson Wong previously served as a sales manager at CSC Securities (HK) Limited whose business includes dealing in futures contracts from May 2001 to February 2010, acted as the chief operation officer at New Trend Futures Limited whose business includes dealing in futures contracts from March 2010 to December 2011, as a director from March 2010 to November 2013 at Well Smart Asia Investment Limited, as a futures broker from December 2011 to September 2013 at Stockwell Commodities Limited whose business includes dealing in futures contracts and as a director of SFG Management Limited from May 2012 to March 2015.

Mr. Hanson Wong was appointed as the charter committee member (創會會長) of the Kowloon City District Kindergarten Heads Association from August 2018 to July 2020, as the 副理監事長 of the Shamshuipo Kaifong Welfare Advancement Association with effect from January 2019, as the regional commander, Hong Kong & Islands (總區指揮官) of the Hong Kong Road Safety Patrol with effect from May 2019 and as the 17th, 18th and 20th chairman of the Hong Kong Precious Metals Traders Association Limited in May 2014, August 2016 and January 2020 respectively. He was an alternate committee member (候補理監事) of the Chinese Gold & Silver Exchange Society (金銀業貿易場) since January 2017. He was also appointed as the 40th term board of directors of Yan Oi Tong from April 2019 to March 2020, as the chairman of Hong Kong WuYi Youth Association since 2019, as the president of Resources Capital Football Club with effect from July 2016, as the charter committee member (創會理事) of the Happy Hong Kong Charity Foundation from May 2015 to May 2018, as the chairman of the Scout Association of Hong Kong, Kowloon City District in July 2013 and July 2015 and as vice president since September 2016 and as the vice president of Association of International Certified Financial Consultants in October 2016.

Mr. Hanson Wong completed his secondary education at Munsang College in July 1990. He was a licenced representative in carrying out dealing in futures contracts from April 2003 to November 2013, in advising on futures contracts from April 2003 to March 2004 and in asset management from April 2003 to March 2004 under the SFO.

Mr. Hanson Wong has entered into a letter of appointment with the Company for an initial term of three years commencing from 27 March 2017 and shall thereafter continue on a month to month basis, subject to retirement and re-election in accordance with the Articles and GEM Listing Rules, unless terminated by either party by giving at least one month's written notice to the other. Pursuant to the letter of appointment, Mr. Hanson Wong is entitled to an annual remuneration of HK\$50,000. The remuneration of Mr. Hanson Wong is determined by reference to, among others, his responsibilities and duties, business performance of the Group and market conditions and will be reviewed and approved by the remuneration committee of the Company and the Board from time to time.

Save as disclosed above, Mr. Hanson Wong (i) does not hold any other positions with the Company or other members of the Group; (ii) has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) has no interest in the shares of the Company within the meaning of Part XV of the SFO; and (iv) has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Hanson Wong has confirmed that, save as disclosed above, there is no information in relation to his appointment which is required to be disclosed pursuant to Rule 17.50(2) (h) to (v) of the GEM Listing Rules or any other matter that needs to be brought to the attention of the Shareholders.

**(2) Mr. NG Fan Kay Frankie**

**Mr. Ng Fan Kay Frankie** (吳奮基) (“**Mr. Ng**”), aged 44, has over 20 years of experience in auditing, taxation and financial management and had been appointed as an independent non-executive Director with effect from 31 August 2018. Mr. Ng is also the chairman of our audit committee and a member of our remuneration committee and our nomination committee. Mr. Ng has been appointed as the Managing Director of Smartac International Holdings Limited (stock code: 0395) since January 2020.

Mr. Ng obtained a bachelor degree in accountancy from The Hong Kong Polytechnic University in 1999. He has been a member of Hong Kong Institute of Certified Public Accountants (“HKICPA”) and a Certified Tax Advisor of The Taxation Institute of Hong Kong since November 2009 and September 2010, respectively.

Mr Ng was the executive director of a leading corporate services provider, Vistra Services (Hong Kong) Limited, from May 2013 to June 2018 and was responsible for managing the Greater China business on company formation, corporates services, accounting, payroll and tax services for different jurisdictions including Hong Kong, PRC and offshore. From February 2007 to March 2013, he worked as a tax manager in Ernst and Young Tax Services Limited, an international accounting firm and has extensive experience in accounting and taxation.

Mr. Ng has entered into a letter of appointment with the Company for an initial term of three years commencing from 31 August 2018 and shall thereafter continue on a month to month basis, subject to retirement and re-election in accordance with the Articles and GEM Listing Rules, unless terminated by either party by giving at least one month's written notice to the other. Pursuant to the letter of appointment, Mr. Ng is entitled to an annual remuneration of HK\$180,000. The remuneration of Mr. Ng is determined by reference to, among others, his responsibilities and duties, business performance of the Group and market conditions and will be reviewed and approved by the remuneration committee of the Company and the Board from time to time.

Save as disclosed above, Mr. Ng (i) does not hold any other positions with the Company or other members of the Group; (ii) has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) has no interest in the shares of the Company within the meaning of Part XV of the SFO; and (iv) has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Ng has confirmed that, save as disclosed above, there is no information in relation to his appointment which is required to be disclosed pursuant to Rule 17.50(2) (h) to (v) of the GEM Listing Rules or any other matter that needs to be brought to the attention of the Shareholders.

**(3) Mr. WANG Zhaobin**

**Mr. Wang Zhaobin** (王兆斌)(“**Mr. Wang**”), aged 36, was appointed as an independent non-executive Director with effect from 27 November 2019. Mr. Wang is also the chairman of our remuneration committee and a member of our audit and nomination committee. Mr. Wang graduated from Shangqiu Normal University with a bachelor’s degree in 2007. Mr. Wang has extensive experience in strategic planning and operation management. Mr. Wang has held senior managerial positions in sizeable corporations in the People’s Republic of China.

Mr. Wang has entered into a letter of appointment with the Company for an initial term of three years commencing from 27 November 2019 and shall thereafter continue on a month to month basis, subject to retirement and re-election in accordance with the Articles and GEM Listing Rules, unless terminated by either party by giving at least one month’s written notice to the other. Pursuant to the letter of appointment, Mr. Wang is entitled to an annual remuneration of HK\$96,000. The remuneration of Mr. Wang is determined by reference to, among others, his responsibilities and duties, business performance of the Group and market conditions and will be reviewed and approved by the remuneration committee of the Company and the Board from time to time.

Save as disclosed above, Mr. Wang (i) does not hold any other positions with the Company or other members of the Group; (ii) has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) has no interest in the shares of the Company within the meaning of Part XV of the SFO; and (iv) has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Wang has confirmed that, save as disclosed above, there is no information in relation to his appointment which is required to be disclosed pursuant to Rule 17.50(2) (h) to (v) of the GEM Listing Rules or any other matter that needs to be brought to the attention of the Shareholders.

**(4) Ms. CHAN Hoi Yee**

**Ms. Chan Hoi Yee (陳愷兒) (“Ms. Chan”)**, aged 35, was appointed as an independent non-executive Director with effect from 12 October 2020. Ms. Chan is also the chairlady of our nomination committee and a member of our audit committee and remuneration committee. Ms. Chan graduated from the City University of Hong Kong with a bachelor degree of business administration in 2007. Ms. Chan is a member of the HKICPA. Ms. Chan has over 10 years’ experience in auditing, commercial accounting and financial reporting. She had held accounting positions in several international accounting firms in Hong Kong.

Ms. Chan has entered into a letter of appointment with the Company for an initial term of three years commencing from 12 October 2020 and shall thereafter continue on a month to month basis, subject to retirement and re-election in accordance with the Articles and GEM Listing Rules, unless terminated by either party by giving at least one month’s written notice to the other. Pursuant to the letter of appointment, Ms. Chan is entitled to an annual remuneration of HK\$120,000. The remuneration of Ms. Chan is determined by reference to, among others, her responsibilities and duties, business performance of the Group and market conditions and will be reviewed and approved by the remuneration committee of the Company and the Board from time to time.

Save as disclosed above, Ms. Chan (i) does not hold any other positions with the Company or other members of the Group; (ii) has no relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) has no interest in the shares of the Company within the meaning of Part XV of the SFO; and (iv) has not held any directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Ms. Chan has confirmed that, save as disclosed above, there is no information in relation to her appointment which is required to be disclosed pursuant to Rule 17.50(2) (h) to (v) of the GEM Listing Rules or any other matter that needs to be brought to the attention of the Shareholders.

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## NOTICE OF THE ANNUAL GENERAL MEETING

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### Asia Grocery Distribution Limited

### 亞洲雜貨有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8413)**

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (“AGM”) of Asia Grocery Distribution Limited (the “Company”) will be held at Upper Ground Floor, Mai Tong Industrial Building, No. 22 Sze Shan Street, Kowloon, Hong Kong on Friday, 30 July 2021 at 2:30 p.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the reports of the directors of the Company and auditors of the Company for the year ended 31 March 2021.
2. To re-elect, each as a separate resolution, the following persons:
  - (a) Mr. WONG Chun Hung Hanson as a non-executive director of the Company;
  - (b) Mr. NG Fan Kay Frankie as an independent non-executive director of the Company;
  - (c) Mr. WANG Zhaobin as an independent non-executive director of the Company;  
and
  - (d) Ms. CHAN Hoi Yee as an independent non-executive director of the Company.
3. To authorise the board of Directors of the Company to fix the remuneration of the directors.
4. To re-appoint McMillan Woods (Hong Kong) CPA Limited as auditor of the Company and to authorise the board of Directors of the Company to fix auditor’s remuneration.

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## NOTICE OF THE ANNUAL GENERAL MEETING

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

**“THAT:**

- (a) subject to paragraph (c) of this resolution and pursuant to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;
- (b) the approval given in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option schemes of the Company; or (iii) any scrip dividend or similar arrangements 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 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 or any securities which are convertible into shares of the Company, shall not exceed 20% of the total number of issued shares of the Company as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

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## NOTICE OF THE ANNUAL GENERAL MEETING

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(d) 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 its articles of association or any applicable laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, varying or renewing the authority given to the directors of the Company 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 of the Company to holders of shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company 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 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 amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company during the Relevant Period (as defined below) of all powers of the Company to repurchase the shares 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 (the “**SFC**”) and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Law of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- (b) the aggregate number of shares which may be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; 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 its articles of association or any applicable laws of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, varying or renewing the authority given to the directors of the Company by this resolution.”

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

“**THAT** subject to the passing of resolutions no. 5 and no. 6 above, the general mandate granted to the directors of the Company to allot, issue and deal with unissued shares pursuant to resolution no. 5 be and is hereby extended by the addition thereto of an amount representing the aggregate number of shares repurchased by the Company under the authority granted pursuant to resolution no. 6, provided that such amount shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this resolution.”

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## NOTICE OF THE ANNUAL GENERAL MEETING

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

“**THAT** subject to and conditional upon the GEM Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the shares of the Company (the “**Shares**”) to be issued pursuant to the exercise of share options which may be granted under the share option scheme adopted by the Company on 27 March 2017 (the “**Share Option Scheme**”), the refreshment of the scheme mandate limit in respect of the granting of share options to subscribe for Shares under the Share Option Scheme be and is hereby approved provided that the total number of Shares in respect of which options may be granted under the Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme) shall not exceed 10% of the total number of Shares at the date of passing this resolution (the “**Refreshed Limit**”) and the directors of the Company be and are hereby authorized to grant share options under the Share Option Scheme up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with Shares pursuant to the exercise of such options and to do such acts and execute such documents for or incidental to such purpose.”

By Order of the Board  
**Asia Grocery Distribution Limited**  
**WONG Siu Man**  
*Chairman*

Hong Kong, 29 June 2021

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## NOTICE OF THE ANNUAL GENERAL MEETING

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*Notes:*

1. A member entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxy(ies) to attend and, subject to the provisions of the articles of association of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the AGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the AGM (i.e. not later than 2:30 p.m. on Wednesday, 28 July 2021) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude a member of the Company from attending and voting in person at the AGM or any adjournment thereof, and in such event, the proxy form shall be deemed to be revoked.
3. For determining the entitlement to attend and vote at the above meeting, the register of members of the Company will be closed from Tuesday, 27 July 2021 to Friday, 30 July 2021, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, 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 not later than 4:30 p.m. on Monday, 26 July 2021.
4. Reference to time and dates in this notice are to Hong Kong time and dates.
5. If Typhoon Signal No. 8 or above is hoisted, or a "black" rainstorm warning signal or "extreme conditions after super typhoons" announced by the Government of Hong Kong is/are in force in Hong Kong at or at any time after 9:00 a.m. on the date of the meeting, the meeting will be postponed. The Company will publish an announcement on the website of the Company at [www.agdl.com.hk](http://www.agdl.com.hk) and on the GEM website at [www.hkgem.com](http://www.hkgem.com) to notify shareholders of the date, time and venue of the rescheduled meeting.

### **PRECAUTIONARY MEASURES FOR THE AGM**

The health of our shareholders, staff and stakeholders is of paramount importance to us. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the AGM to protect attending shareholders, 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 or any flu-like symptoms may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) The Company encourages each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.

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## NOTICE OF THE ANNUAL GENERAL MEETING

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- (iv) Seating at the AGM revenue will be arranged so as to allow for appropriate social distancing. As a result, there will be limited capacity for Shareholders to attend the AGM. The Company may limit the number of attendees at the AGM as may be necessary to avoid over-crowding.
- (v) Any person who has travelled outside Hong Kong within 14 days immediately before the AGM (“**recent travel history**”), is subject to quarantine or self-quarantine in relation to COVID-19, or has close contact with any person under quarantine or with recent travel history shall not attend the AGM.

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 document.

If any shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to our registered office. If any shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong as follows:–

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