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If you have sold or transferred all your shares in **Modern Living Investments Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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Modern Living Investments Holdings Limited

雅居投資控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8426)

- (1) PROPOSED GRANTING OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;**
- (2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;**
- (3) PROPOSED RE-APPOINTMENT OF AUDITOR; AND**
- (4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (the “**Annual General Meeting**”) of Modern Living Investments Holdings Limited (the “**Company**”) to be held at Units 1102–1103, 11th Floor, Delta House, No. 3 On Yiu Street, Sha Tin, New Territories, Hong Kong on Wednesday, 22 May 2019 at 10:00 a.m. is set out on pages 19 to 24 of this circular.

A form of proxy for use by the shareholders of the Company at the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend and/or vote at the Annual General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as practicable but in any event not later than 48 hours before the time for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

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

22 March 2019

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE

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

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

“Annual General Meeting”	the annual general meeting of the Company to be convened and held at Units 1102–1103, 11th Floor, Delta House, No. 3 On Yiu Street, Sha Tin, New Territories, Hong Kong on Wednesday, 22 May 2019 at 10:00 a.m. or any adjournment thereof (as the case may be), the notice of which is set out on pages 19 to 24 of this circular
“Articles of Association”	the articles of association of the Company adopted on 24 October 2017 and effective on 10 November 2017, as amended, supplemented or modified from time to time
“associate(s)” or “close associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Branch Share Registrar”	Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong
“BVI”	the British Virgin Islands
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, modified and supplemented from time to time
“Company”	Modern Living Investments Holdings Limited (雅居投資控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed and traded on GEM (stock code: 8426)
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Extension Mandate”	a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares purchased or repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted, issued and dealt with under the General Mandate
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM

DEFINITIONS

“General Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all the powers of the Company to allot, issue and deal with the Shares for an aggregate number not exceeding 20% of the total number of Shares in issue as at the date of passing of the relevant resolution at the Annual General Meeting
“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
“Latest Practicable Date”	15 March 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Date”	10 November 2017, the date on which dealing in the Shares first commenced on GEM
“Memorandum”	the memorandum of association of the Company, as amended from time to time
“R5A BVI”	R5A Group Limited, a company incorporated in the BVI with limited liability on 23 June 2017, which is owned as to 55.23%, 16.28%, 13.96%, 12.79%, 1.16% and 0.58% by Ms. Tam Mo Kit, Mr. Sung Alfred Lee Ming, Mr. Ho Chu Ming, Mr. Tang Kong Fuk, Mr. Ho Tik Wai and Mr. Yiu Ping Keung, respectively, R5A BVI is one of the Controlling Shareholders of the Company
“Register of Members”	the register of members of the Company
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to purchase or repurchase the Shares for an aggregate number not exceeding 10% of the total number of Shares in issue as at the date of passing the relevant resolution at the Annual General Meeting
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial shareholders”	has the meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong, as amended, supplemented or otherwise modified from time to time
“%”	per cent.

LETTER FROM THE BOARD



Modern Living Investments Holdings Limited

雅居投資控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8426)

Executive Directors:

Mr. Ho Chu Ming (*Chairman*)
Mr. Ng Fuk Wah (*Chief Executive Officer*)
Mr. Sung Alfred Lee Ming
Mr. Tang Kong Fuk

Non-executive Directors:

Ms. Tam Mo Kit
Mr. Tam Kam Cheung Patrick

Independent non-executive Directors:

Dr. Chan Man Wai
Mr. Wong Siu Fai Albert
Mr. Ng Kee Fat Ronny

Registered office:

PO Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

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

Units 1102–1103, 11th Floor
Delta House
No. 3 On Yiu Street
Sha Tin, New Territories
Hong Kong

22 March 2019

To the Shareholders,

Dear Sir or Madam,

- (1) PROPOSED GRANTING OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF RETIRING DIRECTORS;
(3) PROPOSED RE-APPOINTMENT OF AUDITOR; AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purposes of this circular are to provide you with information regarding certain ordinary resolutions to be proposed at the Annual General Meeting to enable you to make an informed decision on whether to vote for or against these resolutions and to give you notice of the Annual General Meeting.

LETTER FROM THE BOARD

The resolutions to be proposed at the Annual General Meeting, as ordinary business, include (i) ordinary resolutions relating to the proposed granting of the General Mandate, the Repurchase Mandate and the Extension Mandate; and (ii) ordinary resolutions relating to the proposed re-election of retiring Directors; and ordinary resolution to re-appoint auditor of the Company.

PROPOSED GRANTING OF REPURCHASE MANDATE, GENERAL MANDATE AND EXTENSION MANDATE

The Repurchase Mandate

The Directors have been granted a general unconditional mandate to exercise all powers of the Company to repurchase the Shares pursuant to the ordinary resolution passed at the annual general meeting held on 11 May 2018. As at the Latest Practicable Date, such repurchase mandate has not been utilised and will lapse at the conclusion of the Annual General Meeting.

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to purchase or repurchase issued Shares. The maximum number of Shares that may be repurchased pursuant to the Repurchase Mandate shall not in aggregate exceed 10% of the total number of the issued Shares as at the date of passing of the relevant resolution.

The Repurchase Mandate will lapse on the earliest of (i) the conclusion of the next annual general meeting of the Company, or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held, or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting.

As at the Latest Practicable Date, the Company has in issue an aggregate of 800,000,000 Shares. Subject to the passing of the proposed resolutions for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased during the period from the Latest Practicable Date until the Annual General Meeting, the Company would be allowed to purchase or repurchase a maximum of 80,000,000 Shares.

Details of the Repurchase Mandate are set out in the ordinary resolution as referred to in resolution no. 7 of the notice of the Annual General Meeting.

The explanatory statement required by the GEM Listing Rules to be sent to the Shareholders in connection with the proposed resolution to grant to the Directors the Repurchase Mandate is set out in Appendix I to this circular, which contains all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the resolution.

The Directors wish to state that they have no immediate plans to repurchase any Shares or to allot and issue any new Shares, other than Shares which may fall to be allotted and issued upon the exercise of any options granted under the share option scheme of the Company.

LETTER FROM THE BOARD

The General Mandate

The Directors have been granted a general unconditional mandate to allot, issue and deal with Shares pursuant to the ordinary resolution passed at the annual general meeting held on 11 May 2018. As at the Latest Practicable Date, such general mandate has not been utilised and will lapse at the conclusion of the Annual General Meeting.

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to issue, allot and deal with the Shares for an aggregate number not exceeding 20% of the total number of the issued Shares as at the date of passing of the relevant resolution.

The General Mandate will lapse on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

Details of the General Mandate are set out in the ordinary resolution as referred to in resolution no. 6 of the notice of the Annual General Meeting.

Based on 800,000,000 Shares in issue as at the Latest Practicable Date and on the basis that no new Shares will be issued and no Shares will be repurchased by the Company for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, the Company will be allowed under the General Mandate to issue up to a maximum of 160,000,000 Shares, representing 20% of the Shares in issue as at the Latest Practicable Date.

The Extension Mandate

Subject to the passing of the ordinary resolutions of the Repurchase Mandate and the General Mandate, an ordinary resolution will also be proposed to grant to the Directors the Extension Mandate to extend the General Mandate by the addition to the number of the Shares which may be issued, allotted and dealt with by the Directors pursuant to the General Mandate of an amount not exceeding the aggregate number of the Shares repurchased by the Company pursuant to the Repurchase Mandate.

Details of the Extension Mandate are set out in the ordinary resolution as referred to in resolution no. 8 of the notice of the Annual General Meeting.

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

Pursuant to Article 108(a) of the Articles of Association, at each 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 shall be subject to retirement at an annual general meeting at least once every three years. A retiring Director shall be eligible for re-election.

LETTER FROM THE BOARD

Pursuant to Article 108(b) of the Articles of Association, the Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

In accordance with the above provisions of the Articles of Association, three Directors, namely Ms. Tam Mo Kit, Mr. Tam Kam Cheung Patrick and Mr. Ng Kee Fat Ronny will retire at the Annual General Meeting and, being eligible, have offered themselves for re-election.

Biographical details of each of the retiring Directors are set out in Appendix II to this circular.

RE-APPOINTMENT OF THE AUDITOR

PricewaterhouseCoopers will retire as the auditor of the Company at the Annual General Meeting and being eligible, offer themselves for re-appointment as the auditor of the Company.

PROPOSED FINAL DIVIDEND

The Directors have recommended the payment of a final dividend of HK\$0.005 per ordinary share for the year ended 31 December 2018. The proposed dividend payment is subject to approval by the Shareholders at the Annual General Meeting. Upon Shareholders' approval for the payment of the final dividend at the Annual General Meeting, the proposed final dividend will be paid on 12 July 2019 to shareholders whose names is obtained appear on the Register of Members on 21 June 2019. The resolution for approval of the payment of the final dividend is set out in resolution no. 2 of the notice of the Annual General Meeting.

CLOSURE OF REGISTER OF MEMBERS

(i) For determining eligibility to attend and vote at the Annual General Meeting:

The Register of Members will be closed from Friday, 17 May 2019 to Wednesday, 22 May 2019 (both dates inclusive) during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all completed share transfer instruments accompanied by the relevant share certificate(s) should be lodged for registration with the Branch Share Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 16 May 2019.

(ii) For determining entitlement to the final dividend:

The Register of Members will be closed from Tuesday, 18 June 2019 to Friday, 21 June 2019 (both dates inclusive), during which period no transfer of the shares will be registered for ascertaining the entitlement of the final dividend of the shareholders.

LETTER FROM THE BOARD

In order to qualify entitlement to the final dividend, all completed share transfer forms 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 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 17 June 2019.

ANNUAL GENERAL MEETING

Set out on pages 19 to 24 of this circular is a notice convening the Annual General Meeting at which ordinary resolutions will be proposed to approve, among other matters, the following:

- (a) the grant of the General Mandate, the Repurchase Mandate and the Extension Mandate;
- (b) the re-election of retiring Directors;
- (c) the re-appointment of the auditor of the Company; and
- (d) the payment of a final dividend.

Whether or not you intend to attend the Annual General Meeting in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Branch Share Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable and in any event not later than 48 hours before the time for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof should you so wish.

To the extent that the Directors are aware, having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the proposed resolutions at the Annual General Meeting.

VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions proposed at the Annual General Meeting shall be voted by poll.

An announcement on the poll results will be published by the Company after the Annual General Meeting in accordance with Rule 17.47(5) of the GEM Listing Rules.

RECOMMENDATIONS

The Directors consider that the resolutions proposed at the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend the Shareholders to vote in favour of all the resolutions at the Annual General Meeting.

LETTER FROM THE BOARD

RECOMMENDATION OF THE NOMINATION COMMITTEE

On 22 March 2019, the nomination committee of the Board (the “**Nomination Committee**”), having reviewed the composition of the Board, nominated Ms. Tam Mo Kit (“**Ms. Tam**”), Mr. Tam Kam Cheung Patrick (“**Mr. Tam**”) and Mr. Ng Kee Fat Ronny (“**Mr. Ng**”) to the Board for it to recommend to Shareholders for re-election at the Annual General Meeting. Mr. Ng, who is a member of the Nomination Committee, abstained from voting at the Committee meeting when his own nomination was being considered.

The nominations were made in accordance with the nomination policy and the objective criteria (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity, as set out under the board diversity policy of the Company, details of which are set out in the 2018 annual report of the Company. The Nomination Committee had also taken into account of the respective contributions of Ms. Tam, Mr. Tam and Mr. Ng to the Board and their commitment to their roles. The Nomination Committee was satisfied with the independence of Mr. Ng having regard to the independence criteria as set out in Rule 5.09 of the GEM Listing Rules.

Mr. Ng, who is proposed to be re-elected as an independent non-executive Director of the Company, confirmed to the Company that he did not, as at the Latest Practicable Date, hold more seven or more directorship in any listed companies. The biographical background of Mr. Ng is more particularly set out in Appendix II of this circular.

On 22 March 2019, the Board accepted Nomination Committee’s nominations and recommended Ms. Tam, Mr. Tam and Mr. Ng to stand for re-election by Shareholders at the AGM. The Board considers that the re-election of Ms. Tam, Mr. Tam and Mr. Ng as Directors is in the best interest of the Company and Shareholders as a whole. Ms. Tam, Mr. Tam and Mr. Ng abstained from the discussion and voting at the Board meeting regarding their respective nominations.

Further information about the Board’s composition and diversity (including their gender, age, expertise, skills and qualifications) and Directors’ attendance record at Board/committee meetings held by Directors will be disclosed in the corporate governance report in the annual report of the Company for the year ended 31 December 2018.

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.

LETTER FROM THE BOARD

ADDITIONAL 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
By order of the Board
Modern Living Investments Holdings Limited
Mr. Ho Chu Ming
Chairman and Executive Director

This appendix serves as an explanatory statement, as required under Rule 13.08 of the GEM Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

1. GEM LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The GEM Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their securities on GEM or on any other stock exchange on which securities of the company are listed and such exchange is recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions. Among such restrictions, the GEM Listing Rules provide that the shares of such company 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 or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 800,000,000 Shares in issue. As at the Latest Practicable Date, the Company did not have any outstanding options, warrants and convertible securities to subscribe for the Shares.

Subject to the passing of the proposed resolution granting the Repurchase Mandate and on the basis that no new Shares are issued and no Shares are repurchased for the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase up to a maximum of 80,000,000 Shares, representing 10% of the total number of the issued Shares as at the Latest Practicable Date.

3. REASONS FOR THE REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole since the grant of such a general authority from the Shareholders to the Directors will provide them with the flexibility to make such repurchases when appropriate and beneficial to the Company. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. The number of the Shares to be repurchased on any occasion and the price and other terms on which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining. The Directors have no present intention to repurchase any Shares.

4. FUNDING OF REPURCHASES

In making repurchases, the Company may only apply funds legally available for such purposes in accordance with the Memorandum, the Articles, the applicable laws of the Cayman Islands, the GEM Listing Rules and all other applicable laws, rules and regulations, as the case may be.

The Company may not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange in effect from time to time.

Subject to the foregoing, any repurchase of the Shares by the Company may be made out of profits of the Company, out of share premium, or out of the proceeds of a fresh issue of the Shares made for the purpose of the repurchase or, subject to the Companies Law, out of capital. Any amount of premium payable on the purchase over the par value of the Shares to be repurchased must be out of profits of the Company, out of the Company's share premium account before or at the time the Shares are repurchased, or subject to the Companies Law, out of capital.

5. MATERIAL ADVERSE IMPACT IN THE EVENT OF REPURCHASE IN FULL

Taking into account the current working capital position of the Group, the Directors consider that, if the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period, it might have a material adverse impact on the working capital and/or gearing position of the Company as compared with the position as at 31 December 2018, being the date on which its latest published audited consolidated financial statements were made up. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares traded on GEM during each of the previous twelve months before the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
March	0.232	0.200
April	0.201	0.190
May	0.201	0.176
June	0.207	0.191
July	0.192	0.166
August	0.199	0.168
September	0.204	0.188
October	0.203	0.165
November	0.185	0.163
December	0.185	0.168
2019		
January	0.187	0.162
February	0.179	0.160
March (<i>up to the Latest Practicable Date</i>)	0.175	0.165

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules, the Companies Law and the Articles of Association.

8. INTENTION TO SELL SHARES

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 under the Repurchase Mandate if the same is approved by the Shareholders at the Annual General Meeting.

No core connected person of the Company have notified the Company that he/she/it has a present intention to sell any Shares to the Company, or has undertaken not to do so, in the event that the grant of the Repurchase Mandate is approved by the Shareholders at the Annual General Meeting.

9. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase securities pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any such consequence which may arise under the Takeovers Code if the Repurchase Mandate is exercised.

As at the Latest Practicable Date, according to the register of interests kept by the Company pursuant to section 336 of the SFO and so far as is known to, or can be ascertained after reasonable enquiry by the Directors, the following persons were directly or indirectly interested in 5% or more of the issued Shares:

Name	Capacity /Nature of interest	Number of Shares held (L) <i>(Note 1)</i>	Approximate	Approximate
			percentage of existing shareholding <i>(Note 2)</i>	percentage of shareholding if the Repurchase Mandate is exercised in full
R5A BVI	Beneficial owner	491,440,000 <i>(Note 3)</i>	61.43%	68.25%
Ms. Tam Mo Kit	Interest in controlled Corporation	506,490,000 <i>(Note 3)</i>	63.31%	70.35%
Mr. Ng Fuk Wah	Interest of Spouse	506,490,000 <i>(Note 4)</i>	63.31%	70.35%
Ms. Yeung Siu Wan	Beneficial Owner	57,120,000	7.14%	7.93%

Notes:

- (1) The letter “L” denotes the person’s long position in the Shares.
- (2) The percentage of shareholding was calculated based on the total 800,000,000 Shares in issue as at the Latest Practicable Date.
- (3) R5A Group Limited is the registered owner of 491,440,000 Shares, representing approximately 61.43% of the Company’s issued share capital. R5A Group Limited is owned as to 55.23% by Ms. Tam Mo Kit, 16.28% by Mr. Sung Alfred Lee Ming, 13.96% by Mr. Ho Chu Ming, 12.79% by Mr. Tang Kong Fuk, 1.16% by Mr. Ho Tik Wai and 0.58% by Mr. Yiu Ping Keung. Therefore, Ms. Tam Mo Kit is deemed to be interested in all the Shares held by R5A Group Limited for the purposes of the SFO. Mr. Ng Fuk Wah is the beneficial owner of 15,050,000 Shares in the Company, representing approximately 1.88% of the issued share capital of the Company. As Ms. Tam Mo Kit is the spouse of Mr. Ng Fuk Wah, Ms. Tam Mo Kit is also deemed to be interested in the same number of Shares held by Mr. Ng Fuk Wah under the SFO.
- (4) Mr. Ng Fuk Wah is the beneficial owner of 15,050,000 Shares in the Company, representing approximately 1.88% of the issued share capital of the Company. Mr. Ng Fuk Wah is the spouse of Ms. Tam Mo Kit. Under the SFO, Mr. Ng Fuk Wah is deemed to be interested in the same number of Shares in which Ms. Tam Mo Kit is interested.

On the basis of 800,000,000 Shares in issue as at the Latest Practicable Date and assuming there is no further issue or repurchases of Shares during the period from the Latest Practicable Date up to and including the date of the Annual General Meeting, if the Repurchase Mandate were exercised in full, the total number of the Shares which will be repurchased pursuant to the Repurchase Mandate shall be 80,000,000 Shares (being 10% of the total number of issued Shares as at the Latest Practicable Date) and the interests in the shareholding in the Company held by R5A BVI would be increased from approximately 61.43% to approximately 68.25% of the issued Shares and Ms. Tam Mo Kit and Mr. Ng Fuk Wah would be increased from approximately 63.31% to approximately 70.35% of the issued Shares. Such increase would not result in the aggregate number of Shares in the public hands being reduced to less than 25%. Any repurchase of the Shares which results in the number of the Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the GEM Listing Rules requirements regarding the public float. The Directors confirm that the Repurchase Mandate will not be exercised to the extent which may result in a public shareholding falling below the prescribed minimum percentage under the GEM Listing Rules.

10. SHARE REPURCHASE MADE BY THE COMPANY

The Company had not repurchased any Shares since its listing to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

Set out below are the biographical details of the retiring Directors, who being eligible, would offer themselves for re-election at the Annual General Meeting.

NON-EXECUTIVE DIRECTORS

Ms. Tam Mo Kit (譚慕潔女士), aged 59, joined the Group in April 2007 and was appointed as a Director on 6 July 2017 and was designated as a non-executive Director on 14 July 2017. Ms. Tam is one of the controlling shareholders of the Company and the spouse of Mr. Ng Fuk Wah, who is an executive Director and the chief executive officer of the Company. Ms. Tam is responsible for strategic planning and financial planning of the Group.

Ms. Tam obtained a professional diploma in accountancy from the Hong Kong Polytechnic (currently known as the Hong Kong Polytechnic University) in November 1983. Ms. Tam was admitted as an associate member of the Hong Kong Society of Accountants (currently known as the Hong Kong Institute of Certified Public Accountants) since October 1985.

Ms. Tam has entered into an appointment letter with the Company for a term of three years commencing from the Listing Date, which is subject to renewal and termination by either party on the other in accordance with the terms of the appointment letter. She is also subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association. For the year ended 31 December 2018, she has waived her entitlement and received nil emolument from the Group.

As at the Latest Practicable Date, R5A BVI held 491,440,000 Shares, representing 61.43% of the issued share capital of the Company, and R5A BVI was owned as to 55.23% by Ms. Tam. Ms. Tam is deemed to be interested in all the Shares held by R5A BVI for the purpose of the SFO. Mr. Ng Fuk Wah was the beneficial owner of 15,050,000 Shares in the Company, representing approximately 1.88% of the issued share capital of the Company. As Ms. Tam is the spouse of Mr. Ng Fuk Wah, Ms. Tam is also deemed to be interested in the same number of shares held by Mr. Ng Fuk Wah.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, Ms. Tam (i) has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (ii) is not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) has not held any other major appointments or professional qualifications; and (iv) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, there is no other information relating to Ms. Tam that is required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules, nor are there any other matters concerning Ms. Tam that needs to be brought to the attention of the Shareholders.

Mr. Tam Kam Cheung Patrick (譚錦章先生), aged 68, was appointed as a Director on 6 July 2017 and was designated as a non-executive Director on 14 July 2017. He is primarily responsible for strategic planning of the Group.

Mr. Tam retired from the Hong Kong Institute of Certified Public Accountants in September 2015 and his last position was a director in corporate and mainland affairs.

Mr. Tam could proactively assist the Group by providing strategic planning and corporate governance advice to the Company as he has gained relevant experience during his employment at the Hong Kong Institute of Certified Public Accountants. Given his expected involvement as we expect Mr. Tam to provide such strategic planning and corporate governance advice to the Group on a regular basis.

Mr. Tam has entered into an appointment letter with the Company for a term of three years commencing from the Listing Date, which is subject to renewal and termination by either party on the other in accordance with the terms of the appointment letter. He is also subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association. Pursuant to the appointment letter, he is entitled to a basic annual salary of HK\$144,000 per annum (which is subject to review and the Shareholders' approval). The level of his emolument was and will be determined by the Board with reference to his experience, qualifications, duties and responsibilities involved in the Group, as well as the performance of the Company and the prevailing market conditions. For the year ended 31 December 2018, he received by way of remuneration of approximately HK\$144,000 from the Group. As at the Latest Practicable Date, Mr. Tam was not interested in any shares in the Company.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, Mr. Tam (i) has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (ii) is not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) has not held any other major appointments or professional qualifications; and (iv) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, there is no other information relating to Mr. Tam that is required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules, nor are there any other matters concerning Mr. Tam that needs to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Ng Kee Fat Ronny (吳紀法先生), aged 71, was appointed as an independent non-executive director on 24 October 2017. He is primarily responsible for providing independent advice to the Board.

Mr. Ronny Ng was a former employee of the Hong Kong Housing Department of the Government of Hong Kong Special Administrative Region (the “**Housing Department**”). He has 38 years of experience in property management of public rental housing estates and shopping centres. Mr. Ronny Ng retired from the Housing Department in January 2007 and his last position was senior housing manager. Mr. Ronny Ng was a fellow of Chartered Institute of Housing from June 1991 to March 2006 and member of Hong Kong Institute of Housing from 1993 to 2006. Mr. Ronny Ng is also a registered professional housing manager from 2000 to 2007. He was awarded the Medal of Honour by the Government in 2006. Mr. Ronny Ng completed the certificate course in Housing Management offered by the Department of Extramural Studies of the University of Hong Kong in 1978.

Mr. Ng has entered into an appointment letter with the Company for a term of three years commencing from the Listing Date, which is subject to renewal and termination by either party on the other in accordance with the terms of the appointment letter. He is also subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association. Pursuant to the appointment letter, he is entitled to a basic annual salary of HK\$120,000 per annum (which is subject to review and the Shareholders’ approval). The level of his emolument was and will be determined by the Board with reference to his experience, qualifications, duties and responsibilities involved in the Group, as well as the performance of the Company and the prevailing market conditions. For the year ended 31 December 2018, he received by way of remuneration of approximately HK\$120,000 from the Group. As at the Latest Practicable Date, Mr. Ng was not interested in any shares in the Company.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, Mr. Ng (i) has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (ii) is not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) has not held any other major appointments or professional qualifications; and (iv) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, there is no other information relating to Mr. Ng that is required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules, nor are there any other matters concerning Mr. Ng that needs to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



Modern Living Investments Holdings Limited

雅居投資控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8426)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of Modern Living Investments Holdings Limited (the “**Company**”) will be held at Units 1102–1103, 11th Floor, Delta House, No. 3 On Yiu Street, Sha Tin, New Territories, Hong Kong on Wednesday, 22 May 2019, at 10:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

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

1. To receive and approve the audited consolidated financial statements of the Company and its subsidiaries, the reports of the directors and the auditor of the Company for the year ended 31 December 2018.
2. To approve the payment of a final dividend.
3.
 - (a) To re-elect Ms. Tam Mo Kit as a non-executive director of the Company.
 - (b) To re-elect Mr. Tam Kam Cheung Patrick as a non-executive director of the Company.
 - (c) To re-elect Mr. Ng Kee Fat Ronny as an independent non-executive director of the Company.
4. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
5. To re-appoint PricewaterhouseCoopers as the auditor of the Company and to authorise the board of directors of the Company to fix their remuneration for the year ending 31 December 2019.

NOTICE OF ANNUAL GENERAL MEETING

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

ORDINARY RESOLUTIONS

6. “**THAT:**

- (a) subject to paragraph (c) below, pursuant to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of the Hong Kong Limited (the “**GEM Listing Rules**”) and all other applicable laws, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue or otherwise deal with unissued shares (the “**Shares**”) of the Company or securities convertible into such shares or options, warrants or similar rights to subscribe for any such shares or such convertible securities, and to make or grant offers, agreements and options (including bonds, notes, debentures, warrants and other securities which carry rights to subscribe for or are convertible into Shares) and rights of exchange or conversion 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) above shall authorise the Directors during the Relevant Period (as defined in paragraph (d) below) to make or grant offers, agreements and options (including bonds, notes, debentures, warrants and other securities which carry rights to subscribe for or are convertible into Shares) and rights of exchange or conversion which would or might require the exercise of such powers either during or after the end of the Relevant Period (as defined in paragraph (d) below);
- (c) the aggregate number of the Shares or securities of the Company 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 paragraphs (a) and (b) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (d) below); or
 - (ii) the exercise of options granted under all share option schemes of the Company adopted from time to time in accordance with the GEM Listing Rules; or
 - (iii) any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in accordance with the articles of association of the Company (the “**Articles of Association**”) and other relevant regulations 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, bonds or debentures of the Company or any securities which are convertible into Shares; or

NOTICE OF ANNUAL GENERAL MEETING

(v) a specific authority granted by the shareholders of the Company,

shall not exceed the aggregate of 20% of the number of Shares in issue as at the date of the passing of this resolution; and the said approval shall be limited accordingly;

(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 of the Company is required by the Articles of Association or any applicable laws to be held; and

(iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, 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).”

7. “**THAT:**

(a) subject to paragraph (b) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined in paragraph (c) below) of all the powers of the Company to purchase or repurchase the shares of the Company of all classes and securities which carry a right to subscribe or purchase the shares issued by the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the Shares or securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**SFC**”) and the Stock Exchange for such purpose, and subject to and in accordance with the rules and regulations of the SFC, the Stock Exchange, the Companies Law (2013 Revision) of the Cayman Islands (as amended,

NOTICE OF ANNUAL GENERAL MEETING

supplemented or modified from time to time) and all other applicable laws as amended from time to time in this regard, be and the same is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of Shares of all classes and securities which carry a right to subscribe or purchased shares issued directly or indirectly by the Company which may be purchased or repurchased or agreed to be purchased or repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the number of the 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 passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable laws to be held; and
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting.”
8. “**THAT** conditional on the passing of resolutions numbered 5 and 6 above, the unconditional general mandate granted to the directors of the Company (the “**Directors**”) to exercise all powers of the Company to allot, issue and deal with the unissued shares of the Company pursuant to resolution numbered 5 above be and it is hereby extended by the addition to the number of shares of the Company which may be issued, allotted or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to or in accordance with such general mandate of an amount representing the aggregate number of issued shares of the Company purchased or repurchased by the Company pursuant to or in accordance with the authority granted under resolution numbered 6 above, provided that such number of shares of the Company shall not exceed 10% of the total number of the issued shares of the Company at the date of passing of this resolution.”

By order of the Board
Modern Living Investments Holdings Limited
Ho Chu Ming
Chairman and Executive Director

Hong Kong, 22 March 2019

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) Any member entitled to attend and vote at the AGM is entitled to appoint one or more proxies (if such member is the holder of two or more shares) to attend and to vote instead of them. A proxy need not be a member of the Company.
- (2) Where there are joint holders of any share of the Company, any one of such joint holders may vote at the AGM, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at the AGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
- (3) A form of proxy for use at the AGM is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting. Completion and return of the form of proxy will not preclude a member of the Company from attending and voting in person at the AGM or adjourned meeting. In such event, his form of proxy will be deemed to be revoked.
- (4) According to Rule 17.47(4) of the GEM Listing Rules, the voting at the AGM will be taken by poll.
- (5) To ascertain the members' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 17 May 2019 to Wednesday, 22 May 2019 (both days inclusive), during which period no transfer of shares of the Company can be registered. In order to be eligible to attend and vote at the AGM, all completed share transfer forms, accompanied by the relevant share certificates, shall be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 16 May 2019.
- (6) Members of the Company or their proxies shall produce documents of their proof of identity when attending the AGM.
- (7) If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the AGM, the meeting will be postponed. The Company will post an announcement on the website of Company at www.modernliving.com.hk and on the HKExnews website of the Stock Exchange at www.hkexnews.hk to notify members of the Company of the date, time and place of the rescheduled meeting.
- (8) An explanatory statement containing further details regarding resolutions numbered 7 above is set out in Appendix I to the AGM circular.
- (9) Details of the retiring directors proposed to be re-elected as directors of the Company are set out in Appendix II to the AGM circular.

As at the date of this notice, the executive Directors are Mr. Ho Chu Ming, Mr. Ng Fuk Wah, Mr. Sung Alfred Lee Ming and Mr. Tang Kong Fuk; the non-executive Directors are Ms. Tam Mo Kit and Mr. Tam Kam Cheung Patrick; and the independent non-executive Directors are Dr. Chan Man Wai, Mr. Wong Siu Fai Albert and Mr. Ng Kee Fat Ronny.

NOTICE OF ANNUAL GENERAL MEETING

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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, (i) the information contained in this notice is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement herein or this notice misleading.

*This notice will remain on GEM website at **www.hkgem.com** on the “Latest Company Announcements” page for at least 7 days from the date of its posting. This notice will also be published on the Company’s website at **www.modernliving.com.hk**.*