
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in QPL International Holdings Limited, you should at once hand this circular and the accompanying 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.

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QPL INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 243)

**PROPOSED CAPITAL REORGANISATION
AND
NOTICE OF SPECIAL GENERAL MEETING**

Capitalised terms used in this cover page should have the same meaning as those defined in this circular.

A notice convening the SGM to be held on Wednesday, 29 April 2020 at 11:00 a.m. at Portion 2, 12/F, The Center, 99 Queen's Road Central, Central, Hong Kong is set out on pages 15 to 17 of this circular.

Whether or not you are able to attend the SGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

6 April 2020

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DEFINITIONS

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

“Board”	the board of Directors
“Capital Reduction”	the proposed reduction of the issued share capital of the Company by (i) rounding down the number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by cancelling any fraction of a Consolidated Share in the issued share capital of the Company; and (ii) cancelling the paid up capital of the Company to the extent of HK\$0.95 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$0.96 to HK\$0.01
“Capital Reorganisation”	the proposed capital reorganisation of the Company comprising (i) the Capital Reduction, and (ii) the Share Consolidation
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Act”	the Companies Act 1981 of Bermuda (as amended from time to time)
“Company”	QPL International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 243)
“Consolidated Share(s)”	ordinary share(s) of HK\$0.96 each in the issued share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“Existing Share(s)”	ordinary share(s) of HK\$0.08 each in the share capital of the Company
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	1 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Limited Voting Preference Shares”	redeemable preference share(s) of par value of HK\$0.02 each in the authorised share capital of the Company
“Listing Committee”	has the meaning ascribed thereto in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company immediately after the Capital Reduction becoming effective
“SGM”	the special general meeting of the Company to be convened for the Shareholders to consider and, if thought fit, approve the Capital Reorganisation
“Share(s)”	the Existing Share(s) or the Consolidated Share(s) or the New Share(s) as the case may be
“Share Consolidation”	the proposed consolidation of every twelve (12) Existing Shares of HK\$0.08 each in issue into one (1) issued Consolidated Share of HK\$0.96 each
“Share Option(s)”	the option(s) to subscribe for Shares on terms determined by the Directors pursuant to the share option scheme adopted by the Company on 15 September 2015, or any other share option scheme of the Company
“Shareholder(s)”	holder(s) of the Existing Share(s) or the Consolidated Share(s) or the New Share(s) as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

EXPECTED TIMETABLE

The expected timetable for the Capital Reorganisation is set out below. The expected timetable is subject to the results of the SGM and satisfaction of the conditions of the Capital Reorganisation and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to Hong Kong local times and dates.

Events	Expected Time and Date, 2020
Latest time to lodge transfer documents	4:30 p.m. on Wednesday, 22 April
Closure of register of members (both dates inclusive)	Thursday, 23 April to Wednesday, 29 April
Latest date and time for lodging forms of proxy for the SGM	11:00 a.m. on Monday, 27 April
Date and time of the SGM	11:00 a.m. on Wednesday, 29 April
Announcement of the voting result of the SGM	Wednesday, 29 April
Effective date of the Capital Reorganisation	Tuesday, 5 May
First day for free exchange of existing share certificates for new share certificates for the New Shares	Tuesday, 5 May
Dealing in the New Shares commences	9:00 a.m. on Tuesday, 5 May
Original counter for trading in the Existing Shares in board lots of 9,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Tuesday, 5 May
Temporary counter for trading in the New Shares in board lots of 750 New Shares (in the form of existing share certificates) opens	9:00 a.m. on Tuesday, 5 May
Original counter for trading in the New Shares in board lots of 9,000 New Shares (in the form of new share certificates) re-opens	9:00 a.m. on Tuesday, 19 May

EXPECTED TIMETABLE

Events	Expected Time and Date, 2020
Parallel trading in the New Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Tuesday, 19 May
Designated broker starts to stand in the market to provide matching services for odd lots of the New Shares	9:00 a.m. on Tuesday, 19 May
Temporary counter for trading in the New Shares in board lots of 750 New Shares (in the form of existing share certificates) closes	4:10 p.m. on Monday, 8 June
Parallel trading in the New Shares (in the form of new share certificates and existing share certificates) ends	4:10 p.m. on Monday, 8 June
Designated broker ceases to stand in the market to provide matching services for odd lots of the New Shares	4:10 p.m. on Monday, 8 June
Last day for free exchange of existing share certificates for new share certificates for the New Shares	Wednesday, 10 June

LETTER FROM THE BOARD



QPL INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 243)

Executive Directors:

Mr. Li Tung Lok (*Executive Chairman and
Chief Executive*)

Mr. Phen Hoi Ping, Patrick

Mr. Wong Ka Lok, Andrew

Ms. Tung Siu Ching

Registered Office:

Victoria Place

5th Floor

31 Victoria Street

Hamilton HM10

Bermuda

Independent non-Executive Directors:

Ms. Chung Hoi Yan

Mr. Liu Rongrui

Mr. Chu Chun On, Franco

Head Office and Principal Place of

Business in Hong Kong:

8th Floor, Hale Weal Industrial Building

22-28 Tai Chung Road

Tsuen Wan, New Territories

Hong Kong

6 April 2020

To the Shareholders

Dear Sir/Madam,

PROPOSED CAPITAL REORGANISATION AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

The Company has announced on 27 March 2020 regarding the proposed Capital Reorganisation. The purpose of this circular is to provide you with information regarding the proposed Capital Reorganisation and the notice of SGM for the purpose of considering and, if thought fit, approving the resolution to be proposed.

LETTER FROM THE BOARD

PROPOSED CAPITAL REORGANISATION

The Board proposes that every twelve (12) issued Existing Shares of a par value of HK\$0.08 each in the issued share capital of the Company be consolidated into one (1) Consolidated Share of a par value of HK\$0.96 each in the issued share capital of the Company. The Board further proposes that immediately upon the Share Consolidation becoming effective, the issued share capital of the Company be reduced by (i) rounding down the number of Consolidated Shares in the issued share capital of the Company to the nearest whole number by cancelling any fraction of a Consolidated Share in the issued share capital of the Company; and (ii) cancelling the paid up capital of the Company to the extent of HK\$0.95 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$0.96 to HK\$0.01.

Effects of the Capital Reorganisation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$1,210,000,000 divided into 15,000,000,000 Existing Shares of a par value of HK\$0.08 each and 500,000,000 Limited Voting Preference Shares of a par value of HK\$0.02 each, of which 2,256,265,322 Existing Shares have been allotted and issued as fully paid or credited as fully paid.

Upon the Capital Reorganisation becoming effective and assuming no further Existing Shares will be allotted, issued or repurchased from the date hereof until the effective date of the Capital Reorganisation, the authorised share capital of the Company shall become HK\$1,210,000,000 divided into 120,000,000,000 New Shares of a par value of HK\$0.01 each and 500,000,000 Limited Voting Preference Shares of a par value of HK\$0.02 each, of which 188,022,110 New Shares have been allotted and issued as fully paid or credited as fully paid upon the Capital Reorganisation becoming effective.

The credit of HK\$178,621,004.66 arising from the Capital Reduction will be credited to the contributed surplus account of the Company and the Board will be authorised to utilise credits in the contributed surplus account in any manner as may be permitted under the bye laws of the Company and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of the Company.

LETTER FROM THE BOARD

Upon the Capital Reorganisation becoming effective and assuming that there is no change in the number of issued Shares prior to the SGM, the share capital structure of the Company will be as follows:

	Immediately before the Capital Reorganisation becoming effective	Immediately after the Capital Reorganisation becoming effective
Authorised share capital	HK\$1,210,000,000.00	HK\$1,210,000,000.00
Par value	HK\$0.08 per Existing Share HK\$0.02 per Limited Voting Preference Share	HK\$0.01 per New Share HK\$0.02 per Limited Voting Preference Share
Number of authorised Shares	15,000,000,000 Existing Shares 500,000,000 Limited Voting Preference Shares	120,000,000,000 New Shares 500,000,000 Limited Voting Preference Shares
Amount of issued share capital	HK\$180,501,225.76	HK\$1,880,221.10
Number of issued Shares	2,256,265,322 Existing Shares	188,022,110 New Shares
Amount of unissued share capital	HK\$1,029,498,774.24	HK\$1,208,119,778.90
Number of unissued Shares	12,743,734,678 Existing Shares 500,000,000 Limited Voting Preference Shares	119,811,977,890 New Shares 500,000,000 Limited Voting Preference Shares

The Limited Voting Preference Shares will not be subject to the Capital Reorganisation.

Upon the Capital Reorganisation becoming effective, the size of each board lot of the New Shares will remain the same, being 9,000 New Shares per board lot and the New Shares will rank *pari passu* in all respects with each other in accordance with the memorandum of association and bye-laws of the Company.

LETTER FROM THE BOARD

Other than the expenses to be incurred in relation to the Capital Reorganisation, the implementation of the Capital Reorganisation will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to Shareholders who may otherwise be entitled. The Board are of the view that the Capital Reorganisation will not have any material adverse effect on the financial position of the Group or its overall net asset value.

The Board does not expect that on the date the Capital Reorganisation is to be effected, there will be any reasonable grounds for believing that the Company is, or after the Capital Reorganisation would be, unable to pay its liabilities as they become due. No outflow of resources would be caused by the Capital Reorganisation, except for the expenses expected to be insignificant in the context of the net asset value of the Company. The Capital Reorganisation itself does not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any paid up capital of the Company nor will it result in changes to the relative rights of the Shareholders.

Conditions of the Capital Reorganisation

The Capital Reorganisation is conditional upon the following conditions:

- (a) the passing of the necessary special resolution(s) by the Shareholders to approve the Capital Reorganisation at the SGM;
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation;
- (c) the compliance with the relevant procedures and requirements under the laws of Bermuda and the Listing Rules to effect the Capital Reorganisation; and
- (d) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Capital Reorganisation.

It is expected that the Capital Reorganisation will become effective on Tuesday, 5 May 2020.

LETTER FROM THE BOARD

Adjustment in relation to other securities of the Company

As at the Latest Practicable Date, the Company has 448,330,000 outstanding Share Options. Further announcement will be made by the Company as and when appropriate in respect of any adjustment to be made as a result of the Capital Reorganisation to the exercise price of those outstanding Share Options and the aggregate number of Shares to be allotted and issued upon exercise of the subscription rights attaching to those outstanding Share Options.

Save as aforesaid, the Company has no other outstanding convertible securities, shares options or warrants in issue which confer any right to subscribe for, convert or exchange into shares of the Company.

Listing Application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the New Shares upon the Capital Reorganisation becoming effective.

Subject to the granting of the listing of, and the permission to deal in, the New Shares on the Stock Exchange upon the Capital Reorganisation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the New Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time of the Capital Reorganisation becoming effective, the New Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

LETTER FROM THE BOARD

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Shareholders concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling Existing Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

Exchange of share certificates

Subject to the Capital Reorganisation becoming effective, the Shareholders may during the period from Tuesday, 5 May 2020 to Wednesday, 10 June 2020 (both days inclusive) submit existing share certificates in the colour of pale yellow for the Existing Shares to the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for the exchange of new share certificates in the colour of red for the New Shares (on the basis of twelve (12) Existing Shares for one (1) New Share) at the expense of the Company.

Thereafter, certificates of the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.5 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the New Shares, whichever the number of certificates cancelled/issued is higher.

After 4:30 p.m. on Wednesday, 10 June 2020, existing share certificates for the Existing Shares will only remain effective as documents of title and may be exchanged for certificates for New Shares at any time but will not be accepted for delivery, trading and settlement purposes.

LETTER FROM THE BOARD

Arrangement on odd lot trading

In order to facilitate the trading of odd lots (if any) of the New Shares, the Company will appoint a securities firm to provide matching services, on a best efforts basis, to those Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot, or to dispose of the holding of odd lots of the New Shares. Shareholders who wish to take advantage of this facility should contact China Prospect Securities Limited at Units 1113A and 1115, 11/F, Cosco Tower, 183 Queen's Road Central, Sheung Wan, Hong Kong (telephone number: (852) 3899 1600) from 9:00 a.m. on Tuesday, 19 May 2020 to 4:10 p.m. on Monday, 8 June 2020.

Holders of odd lots of the New Shares should note that the matching of the sale and purchaser of odd lots of the New Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

REASONS FOR THE CAPITAL REORGANISATION

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities.

The "Guide on Trading Arrangements for Selected Types of Corporate Actions" issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 30 August 2019 (the "Guide") has further stated that market price of the shares at a level less than HK\$0.1 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules. It has also stated in the Guide that taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000. For the purpose of reducing transaction costs, the Board proposes the Share Consolidation.

The closing price of the Existing Shares as at the Latest Practicable Date was HK\$0.024. The closing prices of the Existing Shares ranged from HK\$0.021 to HK\$0.105 for the past two years (the "Review Period"). By considering the highest daily closing price of HK\$0.105 and the current board lot size of 9,000, the value per board lot during the Review Period were lower than HK\$2,000. Brokers generally charge their clients a fee per board lot, i.e. the handling costs of dealings in more board lots are higher than those for less board lots. After the Share Consolidation, the number of new board lots will be one-twelve of that of old board lots for the same amount of value. Further, the Share Consolidation will reduce the overall dealing costs of the Shareholders. In view of the trading price of the Existing Shares and after weighing the potential benefits and the immediate effect of the Share Consolidation on increasing the trading price per Share and the minimal expenses involved in the Share Consolidation, the Board proposes to implement the Share Consolidation and considers that the Share Consolidation would be most effective and practical mean to bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange. Based on the closing price of HK\$0.024 per Existing Share (equivalent to the theoretical closing price of HK\$0.288 per New Share) as at Latest Practicable Date, the value of each board lot of the Existing Shares is

LETTER FROM THE BOARD

HK\$216 and the theoretical market value of each board lot of the New Shares, assuming the Capital Reorganisation had become effective, would be HK\$2,592. It is expected that the Share Consolidation would enable the Company to comply with Rule 13.64 of the Listing Rules.

Pursuant to the bye-laws of the Company, the Company may not issue new shares below par value, which will be HK\$0.96 if the Share Consolidation takes effect without the Capital Reduction.

Since 16 March 2019, the closing prices of the Existing Shares dropped below the par value of the Existing Shares of HK\$0.08. Without the Capital Reduction, the Board may find it extremely difficult to negotiate with any potential investors to subscribe for new Shares or securities of the Company. The Board believes that the Capital Reduction will provide greater flexibility to the Company in pricing any future capital raising exercise as the par value per Share can be kept at a lower level.

In addition, the credit arising from the Capital Reduction will be transferred to the Contributed Surplus and following the Share Consolidation, the Board will be authorised to utilise and apply any credit balance in the Contributed Surplus in accordance with the bye-laws of the Company and all applicable laws, including the application of any credit balance to set off against accumulated losses of the Company, as and when the Board may consider appropriate. In the event of the Board applying credit balance in the Contributed Surplus to set-off against the accumulated losses of the Company, the Company's capital and reserves will more closely reflect the available net assets of the Company and would give the Company a capital structure that should, subject to performance and availability of distributable reserves, permit the payment of dividends as and when the Board consider it appropriate in the future.

Based on the above, the Board is of the view that the Capital Reorganisation is beneficial to and in the interests of the Company and its Shareholders as a whole.

As at the Latest Practicable Date, the Company had no intention to carry out any other corporate actions or arrangements and had no plan or intention or was not under any negotiation to enter into any agreement to conduct any potential fund raising activity in the coming 12 months. However, the Board does not rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support future developments of the Group. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

LETTER FROM THE BOARD

SGM

The notice convening the SGM is set out on pages 15 to 17 of this circular at which a special resolution will be proposed to approve the proposed Capital Reorganisation. A form of proxy for use at the SGM is enclosed. Whether or not you are able to attend the SGM, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon and deposit it with the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, 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. Accordingly, each of the resolution set out in the notice of SGM will be put to the vote by way of a poll.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution to be proposed at the SGM.

GENERAL

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

RESPONSIBILITY STATEMENT

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

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the resolution in respect of the proposed Capital Reorganisation to be proposed at the SGM are in the best interests of the Company and the Shareholders as a whole and recommends the Shareholders to vote in favour of such resolution at the SGM.

By Order of the Board
QPL International Holdings Limited
Wong Ka Lok, Andrew
Executive Director

NOTICE OF SPECIAL GENERAL MEETING



QPL INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 243)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Special General Meeting of QPL International Holdings Limited (the “**Company**”) will be held on Wednesday, 29 April 2020 at 11:00 a.m. at Portion 2, 12/F, The Center, 99 Queen’s Road Central, Central, Hong Kong for the following purposes:

SPECIAL RESOLUTION

“**THAT**, conditional upon: (i) the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the listing of, and the permission to deal in, the New Shares (as defined below); and (ii) compliance with Section 46(2) of the Companies Act 1981 of Bermuda to effect the Capital Reduction (as defined below), with effect from 9:00 a.m. on the next business day after the date on which this resolution is passed by the shareholders of the Company (the “**Shareholders**”):

- (a) every twelve (12) issued ordinary shares of nominal value of HK\$0.08 each (the “**Existing Share**”) in the share capital of the Company be consolidated into one (1) issued ordinary share of nominal value of HK\$0.96 each (the “**Consolidated Share**”) (the “**Share Consolidation**”);
- (b) the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation will be rounded down to a whole number by cancelling any fraction in the total number of issued Consolidated Shares arising from the Share Consolidation;
- (c) the nominal value of all issued Consolidated Shares be reduced from HK\$0.96 each to HK\$0.01 each (the “**New Share**”) by cancelling the capital paid-up thereon to the extent of HK\$0.95 per Consolidated Share in issue (together with the step described in paragraph (b) above, the “**Capital Reduction**”); and

NOTICE OF SPECIAL GENERAL MEETING

- (d) the credit arising from the Capital Reduction be credited to the contributed surplus account of the Company (together with the Share Consolidation and the Capital Reduction, the “**Capital Reorganisation**”) and the directors of the Company (the “**Directors**”) be and are hereby authorised to use the amount then standing to the credit of the contributed surplus account in any manner as may be permitted under the bye-laws of the Company and all applicable laws including, without limitation, eliminating or setting off the accumulated losses of the Company.”

By Order of the Board
QPL International Holdings Limited
Wong Ka Lok, Andrew
Executive Director

Hong Kong, 6 April 2020

*Head Office and Principal Place
of Business in Hong Kong:*
8th Floor, Hale Weal Industrial Building
22-28 Tai Chung Road
Tsuen Wan, New Territories
Hong Kong

Notes:

1. At the date of this notice, the Board comprises four Executive Directors, namely Mr. Li Tung Lok (Executive Chairman and Chief Executive), Mr. Phen Hoi Ping, Patrick, Mr. Wong Ka Lok, Andrew and Ms. Tung Siu Ching, and three Independent Non-executive Directors, namely Ms. Chung Hoi Yan, Mr. Liu Rongrui and Mr. Chu Chun On, Franco.
2. In order to be valid, the form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited with the Company’s branch share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding of the Special General Meeting or any adjournment meeting (as the case may be). A form of proxy for use at the Special General Meeting is enclosed herewith.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. A member entitled to attend and vote at the Special General Meeting (or at any adjournment thereof) is entitled to appoint one or more proxies to attend the meeting and vote in his stead. A proxy need not be a member of the Company.

NOTICE OF SPECIAL GENERAL MEETING

5. Where there are joint registered holders of any share, any one of such persons may vote at the Special General Meeting (or at any adjournment thereof), either personally 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 the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
6. At the Special General Meeting (or at any adjournment thereof), the chairman will put each of the above resolution to the vote by way of a poll as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The poll results will be published on the website of the Company at www.qpl.com and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk.
7. The register of members of the Company will be closed from 23 April 2020 to 29 April 2020 (both days inclusive), during which period no transfer of shares in the Company shall be registered. In order to qualify for the Special General Meeting, all transfers, accompanied by the relevant share certificates, have to be lodged with the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 22 April 2020.
8. The Chinese translation of this notice is for reference only. In case of any inconsistency, the English version shall prevail.