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

If you have sold or transferred all your shares in Perfect Group International Holdings Limited (the “Company”), you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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PERFECT GROUP INTERNATIONAL HOLDINGS LIMITED**保發集團國際控股有限公司***(Incorporated in the Cayman Islands with limited liability)***(Stock Code: 3326)**

(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
(2) RE-ELECTION OF RETIRING DIRECTORS
AND
(3) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the AGM (as defined herein) of the Company to be held at Monet Room, B1, Intercontinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at 2:30 p.m. on Monday, 6 June 2016 is set out on pages 14 to 18 of this circular of the Company.

A form of proxy for the AGM is enclosed with this circular. If you do not intend to attend and vote at the AGM in person, you are requested to complete and return the enclosed form of proxy to the Company’s branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

27 April 2016

CONTENTS

| | <i>Page</i> |
|---|-------------|
| Definitions | 1 |
| Letter from the Board | |
| 1. Introduction | 3 |
| 2. Proposed General Mandate to Issue and Repurchase Shares..... | 4 |
| 3. Re-election of Retiring Directors | 4 |
| 4. AGM | 5 |
| 5. Voting by Poll | 5 |
| 6. Responsibility Statement | 5 |
| 7. Closure of Register of members | 6 |
| 8. Recommendation | 6 |
| 9. General Information | 6 |
| Appendix I — Explanatory Statement of the Repurchase Mandate | 7 |
| Appendix II — Details of Retiring Directors | 10 |
| Notice of Annual General Meeting | 14 |

DEFINITIONS

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

| | |
|---------------------------|---|
| “AGM” | the annual general meeting of the Company to be convened and held at Monet Room, B1, Intercontinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at 2:30 p.m. on Monday, 6 June 2016 |
| “Articles of Association” | the articles of association of the Company, as amended and restated from time to time |
| “associates” | has the same meaning ascribed to it under the Listing Rules |
| “Board” | the board of Director(s) |
| “Business Day” | any day on which the Stock Exchange is open for the business of dealing in securities listed thereon |
| “Companies Law” | the Companies Law, chapter 22 (Law of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time |
| “Company” | Perfect Group International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on Main Board of the Stock Exchange |
| “Core connected person” | has the same meaning ascribed to it under the Listing Rules |
| “Director(s)” | director(s) of the Company |
| “Extension Mandate” | a general and unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollar, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Issue Mandate” | a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all the powers of the Company to allot, issue and otherwise deal with Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution |

DEFINITIONS

| | |
|---------------------------|---|
| “Latest Practicable Date” | 20 April 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “PRC” | The People’s Republic of China, excluding (except where the context requires) Hong Kong, Macau and Taiwan |
| “Repurchase Mandate” | a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of such resolution |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | registered holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | The Hong Kong Code on Takeovers and Mergers and Share Buy-backs |
| “%” | per cent. |

LETTER FROM THE BOARD

PERFECT GROUP INTERNATIONAL HOLDINGS LIMITED

保發集團國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3326)

Executive Directors

Mr. Kan Kin Kwong (*Chairman*)

Ms. Shek Mei Chun

Mr. Chung Chi Keung

Non-executive Director

Mr. Chu Kin Wang Peleus

Independent Non-executive Directors

Mr. Fan Chor Ho

Mr. Li Cheuk Wai

Mr. Wong Wai Keung Frederick

Registered Office

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal Place of
Business in Hong Kong*

26/F., YHC Tower

1 Sheung Yuet Road

Kowloon Bay

Hong Kong

27 April 2016

To the Shareholders

Dear Sir or Madam

**(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
(2) RE-ELECTION OF RETIRING DIRECTORS
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The primary purposes of this circular are to provide you with information regarding the resolutions to be proposed at the AGM and to give you notice of the AGM.

Resolutions to be proposed at the AGM include ordinary resolutions relating to (a) the grant of each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (b) the re-election of retiring Directors.

LETTER FROM THE BOARD

2. PROPOSED GENERAL MANDATE TO ISSUE AND REPURCHASE SHARES

At the AGM, ordinary resolutions will be proposed:

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

The Issue Mandate and the Repurchase Mandate would expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; or (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, the Companies Law or the applicable laws of Cayman Islands to be held; or (c) revocation or variation by an ordinary resolution of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

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

As at the Latest Practicable Date, the issued share capital of the Company comprised 450,000,000 Shares. Assuming that there is no change in the issued share capital of the Company between the period from the Latest Practicable Date and the date of passing the resolution approving the Repurchase Mandate and the Issue Mandate, the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate on the date of passing the resolution approving the Repurchase Mandate will be 45,000,000 Shares and the maximum number of Shares which may be issued pursuant to the Issue Mandate on the date of passing the resolution approving the Issue Mandate will be 90,000,000 Shares.

3. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84 of the Articles of Association, Mr. Chung Chi Keung, Mr. Chu Kin Wang Peleus and Mr. Fan Chor Ho shall retire as Directors by rotation at the AGM and, being eligible, offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

Biographical details of each of the retiring Directors who offer himself for re-election at the AGM are set out in Appendix II to this circular.

Save as disclosed in this circular, there is no other matters in relation to the proposed re-election of Directors that need to be brought to the attention of the Shareholders.

4. AGM

The notice of AGM is set out on pages 14 to 18 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, (i) the granting of the Issue Mandate, the Repurchase Mandate and the Extension Mandate; and (ii) the re-election of the retiring Directors.

A form of proxy for the AGM is enclosed with this circular and such form of proxy is also published on the website of the Stock Exchange (www.hkex.com.hk). If you do not intend to attend and vote at the AGM in person, you are requested to complete and return the form of proxy to the Company's branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the meeting or any adjournment thereof. The completion and return of a form of proxy will not preclude you from attending and voting in person at the AGM or at any adjournment thereof should you wish and, in such event, the form of proxy shall be deemed to be revoked.

5. VOTING BY POLL

All the resolutions set out in the notice of AGM would be voted by way of by poll in accordance with the Listing Rules and the Articles of Association. The Chairman will explain the detailed procedures for conducting a poll at the commencement of the AGM.

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

After the conclusion of the AGM, the poll results will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.hkperjew.com.hk.

6. 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: (i) the information contained in this circular 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 misleading.

LETTER FROM THE BOARD

7. CLOSURE OF REGISTER OF MEMBERS

To ascertain Shareholders' eligibility to attend and vote at the AGM to be held on Monday, 6 June 2016, the register of members of the Company will be closed from Friday, 3 June 2016 to Monday, 6 June 2016, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify to attend and vote at the annual general meeting, all transfers of share ownership, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Thursday, 2 June 2016.

8. RECOMMENDATION

The Directors are of the opinion that the proposed resolutions referred in this circular and the notice of AGM are in the best interests of the Company and the Shareholders as a whole. The Directors recommend the Shareholders to vote in favour of all the resolutions as set out in the notice of AGM.

9. GENERAL INFORMATION

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

By order of the Board
Kan Kin Kwong
Chairman

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

This appendix contains the particulars required by the Listing Rules to be included in an explanatory statement to enable Shareholders to make an informed decision on whether to vote for or against the resolution to be proposed at the AGM in relation to the Repurchase Mandate.

(1) SHAREHOLDERS' APPROVAL

The Listing Rules provide that all repurchase of securities by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval in relation to specific transactions.

(2) EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the issued share capital of the Company comprised 450,000,000 Shares. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 45,000,000 Shares, being 10% of the issued share capital of the Company.

(3) SOURCE OF FUNDS

In repurchasing securities, the Company may only apply funds legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable Companies Law.

To the extent that repurchase is funded entirely from the available cash flow or working capital facilities of the Company, there might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the 2015 Annual Report of the Company for the year ended 31 December 2015) in the event that repurchases of Shares under the Repurchase Mandate were to be carried out in full during the period of the Repurchase Mandate.

(4) REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from Shareholders to enable the Company to repurchase its Shares on the Stock Exchange. Such repurchases may, depending on market conditions, and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company. The Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the consolidated financial position of the Company as at 31 December 2015, being the date to which the latest published audited financial statements of the Company have been made up) in the event that the Repurchase Mandate is exercised in full. The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(5) SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the calendar months since the listing of the Shares on the Stock Exchange on 4 January 2016 were as follows:

| | Highest | Lowest |
|---|----------------|---------------|
| | <i>HK\$</i> | <i>HK\$</i> |
| 2016 | | |
| January | 3.20 | 1.12 |
| February | 2.46 | 1.82 |
| March | 2.44 | 2.00 |
| April (up to the Latest Practicable Date) | 4.47 | 2.00 |

(6) DIRECTORS, THEIR ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors and to the best of their knowledge, having made all reasonable enquiries, none of their respective associates, have any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

No core connected persons of the Company have notified the Company that they have any present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the proposed Repurchase Mandate is approved by the Shareholders.

(7) UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Articles of Association, the Listing Rules and the applicable Companies Law.

(8) TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 or Rule 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the public record, and to the best of the knowledge and belief of the Directors, Mr. Kan Kin Kwong, the executive Director, in aggregate was beneficially interested in 243,000,000 Shares (held via Immaculate Diamonds Limited, the entire issued share capital of which is sole and beneficially owned by Mr. Kan Kin Kwong), representing 54% of the total number of issued Shares. In the event that the Directors exercise in full the power to buy back Shares in accordance with the Repurchase Mandate, the shareholding of the aforesaid executive Director would be increased to 60% of the total number of the issued Shares of the Company. Such increase would not give rise to an obligation on the part of Immaculate Diamonds Limited and parties acting in concert (as defined in the Takeovers Code) with it to make a mandatory offer under Rule 26 of the Takeovers Code.

On the basis that the issued share capital of the Company remains the same, the Directors are not aware of any consequences which may arise under Rules 26 and 32 of the Takeovers Code. The Directors do not intend to exercise the Repurchase Mandate to an extent which would, in the circumstances, trigger any potential consequences under the Takeovers Code.

(9) GENERAL

The Company has not repurchased any Shares, whether on the Stock Exchange or otherwise, in the six months preceding the Latest Practicable Date.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

The details of the retiring Directors proposed to be re-elected at the AGM are set out as follows:

Mr. Chung Chi Keung (鍾志強先生), aged 54, was appointed as our executive Director in August 2015. Mr. Chung joined HK Perfect as an accountant in March 1990. Mr. Chung was appointed as a director of HK Perfect in November 2006. In September 2008, Mr. Chung was promoted to the chief financial officer of our Group mainly responsible for financial planning and management of our Group.

Mr. Chung was awarded a higher stage certificate for proficiency in accounting and a certificate of proficiency in cost accounting, both issued by the London Chamber of Commerce and Industry in 1982 and 1985 respectively. Mr. Chung also passed the intermediate examination of the Association of Accounting Technicians in December 1991.

Mr. Chung has over 30 years of experience in the accounting industry. Prior to joining our Group, Mr. Chung worked for Dyechem Trading Co., (H.K.) Ltd., a company engaging in trading of pharmaceutical products, first as an accounts clerk from January 1982 to March 1986 and thereafter as a senior accounts clerk from April 1986 to September 1988. From August 1988 to February 1990, Mr. Chung worked for Rex Watch Case Manufacturing Co., Ltd., a company engaging in watch case manufacturing, as an assistant accountant.

Other than his directorship disclosed above, Mr. Chung has not held other positions with the Company and other members of the Group. Mr. Chung has no relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company. Save as disclosed herein, Mr. Chung did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years preceding the Latest Practicable Date.

Mr. Chung is the sole shareholder of Classic Emerald Holdings Limited (“Classic Emerald”) which holds 10,125,000 Shares.

Save as disclosed above, Mr. Chung did not have any other interests in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Mr. Chung entered into a service contract with the Company pursuant to which Mr. Chung is appointed as an executive director of the Company for a term of three (3) years commencing on 4 January 2016 unless and until terminated by either party by serving not less than three-months’ written notice. He will be subject to retirement by rotation and re-election at the AGM of the Company in accordance with the Articles of Association. The annual director fee and salary of Mr. Chung will be approximately HK\$1,500,000 and such other fringe benefit as the Board shall in its discretion deem appropriate. The remuneration of Mr. Chung has been reviewed by the Remuneration Committee of the Company and was determined by the Board with reference to the prevailing market conditions, and the qualifications, experience, duties and responsibilities of Mr. Chung with the Company. Mr. Chung’s remuneration is subject to review by the Board from time to time pursuant to the power conferred on it in the AGM of the Company.

Save as disclosed above, Mr. Chung confirmed that there are no other matter relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Chu Kin Wang Peleus (朱健宏先生), aged 51, was appointed as our non-executive Director in August 2015. Mr. Chu is mainly responsible for providing advice and participating in meetings of our Board in connection with matters requiring Directors' consideration and/or approval.

Mr. Chu received a master's degree in business administration from the University of Hong Kong in December 1998. Mr. Chu has been an associate of the Hong Kong Institute of Chartered Secretaries (formerly known as the Hong Kong Institute of Company Secretaries) since April 1996, an associate of the Institute of Chartered Secretaries and Administrators since April 1996, a fellow of the Association of Chartered Certified Accountants since May 1997 and a fellow of the Hong Kong Institute of Certified Public Accountants since March 2000.

Mr. Chu has over 20 years of experience in corporate finance, auditing, accounting and taxation. Mr. Chu was or has been an executive director or a senior management personnel of the following companies listed on the Main Board of the Stock Exchange:

- (a) Mastermind Capital Limited (formerly known as Haywood Investment Limited) (stock code: 905): executive director from September 2005 to March 2007;
- (b) Chinese People Holdings Company Limited (stock code: 681): executive director since December 2008 and deputy chairman since March 2015; and
- (c) Sun Century Group Limited (formerly known as Hong Long Holdings Limited) (stock code: 1383): company secretary from February 2007 to September 2010.

Further, Mr. Chu was or has been an independent non-executive director of the following companies listed on the Main Board or the Growth Enterprise Market of the Stock Exchange:

- (a) Sustainable Forest Holdings Limited (stock code: 723) from January 2008 to August 2010;
- (b) EYANG Holdings (Group) Co. Limited (stock code: 117) since April 2007;
- (c) Huayu Expressway Group Limited (stock code: 1823) since May 2009;
- (d) Flyke International Holdings Ltd. (stock code: 1998) since February 2010;
- (e) China First Capital Group Limited (formerly known as China Vehicle Components Technology Holdings Limited) (stock code: 1269) since October 2011;
- (f) EDS Wellness Holdings Limited (stock code: 8176) since March 2012;
- (g) Telecom Service One Holdings Limited (stock code: 8145) since April 2013;
- (h) National Agricultural Holdings Limited (stock code: 1236) from June 2015 to September 2015; and
- (i) Madison Wine Holdings Limited (stock code: 8057) since October 2015.

Other than his directorship disclosed above, Mr. Chu has not held other positions with the Company and other members of the Group. Mr. Chu has no relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company. Save as disclosed herein, Mr. Chu did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Chu did not have any other interests in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Mr. Chu entered into a service contract with the Company pursuant to which Mr. Chu is appointed as a non-executive director of the Company for a term of three (3) years commencing on 4 January 2016 unless and until terminated by either party by serving not less than three-months' written notice. He will be subject to retirement by rotation at least once every three years and re-election at the AGM of the Company in accordance with the Articles of Association. Mr. Chu receives an annual director fee of HK\$288,000 and such other fringe benefit as the Board shall in its discretion deem appropriate. The remuneration of Mr. Chu has been reviewed by the Remuneration Committee of the Company and was determined by the Board with reference to the prevailing market conditions, and the qualifications, experience, duties and responsibilities of Mr. Chu with the Company. Mr. Chu's remuneration is subject to review by the Board from time to time pursuant to the power conferred on it in the AGM of the Company.

Save as disclosed above, Mr. Chu confirmed that there are no other matter relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

Mr. Fan Chor Ho (范佐浩先生), aged 73, was appointed as our independent non-executive Director in December 2015.

Mr. Fan graduated from King's College in Hong Kong in 1960.

Mr. Fan began his securities brokerage business in 1970 and founded Paul Fan Securities Limited, a company engaging in securities brokerage, in 1987. Mr. Fan was the chairman of Paul Fan Securities Limited until 2012. Mr. Fan served the Stock Exchange as a member of the compensation committee from 1988 to 1992 and as a council member from 1990 to 1993. From 1993 to 1997 and from 2001 to 2007, Mr. Fan was a member of the advisory committee to the SFC. From April 2000 to April 2003, Mr. Fan was a non-executive director of Hong Kong Exchanges and Clearing Limited. Mr. Fan held various positions on government boards and committees, including the chairman of the Chinese Medicine Council of Hong Kong from September 2005 to September 2011. Mr. Fan has been an independent non-executive director of Tysan Holdings Limited, a company listed on the Stock Exchange (stock code: 687), since August 1993 and is currently the chairman of the audit committee, a member of the remuneration committee and a member of the nomination committee of such company. Mr. Fan was awarded the Badge of Honour in 1991, made a Justice of the Peace in 1993, awarded the Bronze Bauhinia Star in 2005 and awarded the Silver Bauhinia Star in 2011.

Other than his directorship disclosed above, Mr. Fan has not held other positions with the Company and other members of the Group. Mr. Fan has no relationship with any other Directors, senior management or substantial or controlling Shareholders of the Company. Save as disclosed herein, Mr. Fan did not hold any directorship in any other public companies the securities of which are listed on any securities market in Hong Kong or overseas during the last three years preceding the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Fan did not have any other interests in the Shares and underlying shares of the Company within the meaning of Part XV of the SFO.

Mr. Fan entered into an appointment letter with the Company pursuant to which Mr. Fan is appointed as an Independent Non-executive Director of the Company for a term of 3 years with the Company effective from 4 January 2016. Mr. Fan and the Company may terminate his appointment by serving not less than three (3) months' written notice. He will be subject to retirement by rotation at least once every three years and re-election at the AGM of the Company in accordance with the Articles of Association. Mr. Fan receives an annual director fee of HK\$192,000 and such other fringe benefit as the Board shall in its discretion deem appropriate. The remuneration of Mr. Fan has been reviewed by the Remuneration Committee of the Company and was determined by the Board with reference to the prevailing market conditions, and the qualifications, experience, duties and responsibilities of Mr. Fan with the Company. Mr. Fan's remuneration is subject to review by the Board from time to time pursuant to the power conferred on it in the AGM of the Company.

NOTICE OF ANNUAL GENERAL MEETING

PERFECT GROUP INTERNATIONAL HOLDINGS LIMITED

保發集團國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3326)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (“AGM”) of Perfect Group International Holdings Limited (the “Company”) will be held at Monet Room, B1, Intercontinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong at 2:30 p.m. on Monday, 6 June 2016 for the following purposes:

1. to receive and consider the audited consolidated financial statements and the reports of the directors and auditors of the Company for the year ended 31 December 2015;
2. to consider the re-election of the retiring Directors, each as separate resolution;
3. to authorize the board of directors to fix the remuneration of the Directors;
4. to re-appoint Deloitte Touche Tohmatsu as auditors and to authorize the board of directors to fix their remuneration;
5. As special business, to consider and, if thought fit, pass with or without alterations, the following resolution as an ordinary resolution:

“THAT

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the share capital of the Company or securities convertible into shares of the Company, or options, warrants or similar rights to subscribe for shares of the Company or such convertible securities, and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options (including bonds, warrants, debentures and other securities convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors 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 any option scheme or similar arrangement for the time being adopted by the Company and/or any of its subsidiaries for the grant or issue to eligible participants thereunder or rights to acquire shares in the capital of the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable Companies Law to be held; or
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meetings.

“**Rights Issue**” means the allotment, issue or grant of shares or securities convertible into shares of the Company pursuant to an offer of shares of the Company open for a period fixed by the directors of the Company to the holders of shares or of such securities or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or of such securities or any class thereof as at that date (subject to such exclusions 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 any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, and, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved; and
- (b) the total nominal amount of shares of the Company to be purchased pursuant to the approval in paragraph (a) above of this Resolution during the Relevant Period shall not exceed 10% of the total nominal amount of the share capital of the Company in issue on the date of this Resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
 - (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meetings.”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** conditional upon Resolutions nos. (5) and (6) above being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers pursuant to Resolutions no. (5) be and is hereby extended by the total nominal amount of shares in the capital of the Company repurchased by the Company since the granting of a general mandate to the directors of the Company to exercise the powers of the Company to purchase such shares pursuant to Resolution no. (6) above, provided that such amount shall not exceed 10 per cent. of the total nominal amount of the share capital of the Company in issue on the date of this Resolution.”

By order of the Board

Kan Kin Kwong

Chairman

Hong Kong, 27 April 2016

Head office and principal Place of Business in Hong Kong

26/F., YHC Tower

1 Sheung Yuet Road

Kowloon Bay

Hong Kong

As at the date hereof, the executive Directors are Mr. Kan Kin Kwong, Ms. Shek Mei Chun and Mr. Chung Chi Keung; the non-executive Director is Mr. Chu Kin Wang Peleus; and the independent non-executive Directors are Mr. Fan Chor Ho, Mr. Li Cheuk Wai and Mr. Wong Wai Keung Frederick.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxy(ies) (if he/she/it is the holder of two or more shares) to attend and on a poll, vote instead of him/her at the AGM that the appointment shall specify the number and class of shares in respect of which such proxy is so appointed. A proxy need not be a member of the Company.
2. In order to be valid, the instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of authority, must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
3. Completion and return of the form of proxy will not preclude members from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
4. Where there are joint registered holders of any shares, any one of such joint holders may vote, either in person or by proxy in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members of the Company in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.