
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 Legendary Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser, the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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LEGENDARY GROUP LIMITED

創天傳承集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8195)

**(I) PROPOSED BONUS ISSUE;
(II) PROPOSED ADOPTION OF SHARE AWARD SCHEME AND
PROPOSED GRANT OF SCHEME MANDATE;
AND
(III) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

A notice convening the EGM to be held at 5/F, World Interests Building, 8 Tsun Yip Lane, Kwun Tong, Kowloon, Hong Kong on Friday, 25 November 2022 at 11:00 a.m. is set out on pages 28 to 31 of this circular. A form of proxy for use by the shareholders of the Company at the EGM is enclosed herein.

Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Share Registrar, 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 holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such event, the form of proxy shall be deemed to be revoked.

This circular will remain on the Stock Exchange's website at www.hkexnews.hk on the "Latest Company Announcements" page for a minimum of seven (7) days from the date of its posting and on the Company's website at www.legendarygp.com.

PRECAUTIONARY MEASURES FOR THE EGM

To safeguard the health and safety of the attendees who will attend the EGM and to prevent the spreading of the coronavirus (COVID-19) pandemic, the following measures will be implemented at the EGM:

- mandatory body temperature check;
- seating at the EGM venue will be arranged so as to allow for appropriate social distancing;
- mandatory wearing of surgical face masks; and
- no refreshments nor corporate gift for attendees

The Company reserves the right to deny entry into the EGM venue if such person: (i) refuses to comply with any of the above precautionary measures; (ii) is subject to any Hong Kong Government prescribed quarantine; (iii) is having a body temperature of over 37.4 degree Celsius; and/or (iv) has any flu-like symptoms.

For the health and safety of shareholders of the Company, the Company would like to encourage shareholders of the Company to appoint the chairman of the EGM as their proxy to vote on the proposed resolutions at the EGM, instead of attending the EGM in person.

Subject to the development of COVID-19, the Company may be required to change the EGM arrangements at short notice. Shareholders should check the Company's website for further announcements and updates on the EGM arrangements.

7 November 2022

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CHARACTERISTICS OF GEM

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

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

DEFINITIONS

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

“Adoption Date”	the date on which the adoption of the Scheme by the Company is approved by the Shareholders in general meeting
“Amended Rules”	the amended GEM Listing Rules stated in Appendix IV to the Consultation Conclusions
“associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Award”	an award granted under the Share Award Scheme by the Board to a Selected Participant, which may vest in the form of Award Shares or the actual selling price of the Award Shares in cash in accordance with the Scheme Rules and the terms of the Award
“Award Shares”	the Shares granted to a Selected Participant in an Award
“Board”	the board of Director(s)
“Bonus Shares”	the new Shares proposed to be issued under the Bonus Issue
“Clawback”	in respect of any Award Shares allocated or awarded to a Selected Participant, the return or repayment of all or a specified part of such Award Shares by such Selected Participant and/or the ceasing or variation of the Selected Participant’s entitlement to receive or be vested with all or a specified part of any such Award Shares which have not yet been vested in the Selected Participant
“Company”	Legendary Group Limited (創天傳承集團有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Consultation Conclusions”	Consultation Conclusions on Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers and Housekeeping Rule Amendment published by the Stock Exchange in July 2022

DEFINITIONS

“Consultation Paper”	Consultation Paper on Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers published by the Stock Exchange in October 2021
“Control”	has the meaning given to it in The Hong Kong Code on Takeovers and Mergers from time to time
“core connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held at 5/F, World Interests Building, 8 Tsun Yip Lane, Kwun Tong, Kowloon, Hong Kong on Friday, 25 November 2022 at 11:00 a.m. or any adjournment thereof
“EGM Notice”	the notice convening the EGM set out on pages 28 to 31 of this circular
“Eligible Person”	any person, being an employee, a director (including executive directors, non-executive directors and independent non-executive directors), officer of any member of the Group (including nominees and/or trustees of any employee benefit trust established for them) whom the Board or its delegate considers, in their sole discretion, to have contributed or will contribute to the Group
“Excluded Participant(s)”	any Selected Participants who is resident in a place where (a) the award of the Award Shares, the award of the Returned Shares or the vesting or transfer of Shares pursuant to the terms of the Scheme is not permitted under the laws and regulations of such place or (b) in the view of the Board, the need to comply with applicable laws and regulations in such place makes it necessary or expedient to exclude such Selected Participants, in each case as determined by the Board in its absolute discretion
“Further Shares”	Shares purchased or subscribed for by the Trustee out of cash income or net proceeds of sale of non-cash and non-scrip distributions declared and distributed by the Company in respect of Shares held upon the Trust
“GEM”	GEM operated by Stock Exchange

DEFINITIONS

“GEM Listing Committee”	shall have the meaning as set out in GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“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”	4 November 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Board, after making enquiries, considers it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of any relevant foreign regulatory body or stock exchange in that place not to extend the Bonus Issue to them
“Overseas Shareholder(s)”	Shareholder(s) whose addresses appear(s) on the register of members of the Company on the Record Date is(are) outside Hong Kong
“Performance Condition(s)”	the performance condition(s) set by the Board in relation to an Award, as may be amended by the Board from time to time
“Qualifying Shareholder(s)”	holders of Shares, not being Non-Qualifying Shareholders, whose addresses as shown on the register of members of the Company on the Record Date who are entitled to the Bonus Issue
“Record Date”	Wednesday, 7 December 2022, being the date for ascertaining the entitlement of the shareholders to the Bonus Shares under the Bonus Issue
“Reference Date”	the date of final approval by the Board of the total number of Shares to be awarded to the Selected Participants in a single occasion pursuant to the Scheme

DEFINITIONS

“Related Income”	all income derived from a Share held upon the Trust in the form of Shares (including but not limited to, the Further Shares, any bonus Shares and scrip Shares received in respect of that Share)
“Relevant Event”	any variation in the share capital of the Company arising from any capitalisation issue, reduction, sub-division or consolidation of share capital of the Company, any rights issue of any share capital of the Company by way of capitalisation of profits or reserves or in connection with an open offer to the Shareholders (except where Shares are issued as consideration or part consideration in a transaction)
“Returned Shares”	such Award Shares and their Related Income which are not vested in accordance with the terms of the Scheme (whether as a result of a lapse or otherwise), or were forfeited in accordance with the terms of the Scheme, or such Shares which are deemed to be Returned Shares, or Related Income of any Returned Shares
“Scheme”	the “Share Award Scheme” constituted by the Scheme Rules, in its present form or as amended from time to time in accordance with the provisions of the Scheme Rules
“Scheme Mandate”	a specific mandate to allot and issue new Shares not exceeding 10% of the total number of Shares in issue as at the date of the EGM to satisfy Awards that may be granted under the Scheme (if approved by the Shareholders and adopted by the Company) and the Share Option Scheme. Such mandate is proposed on the basis that if the Company conducts a share consolidation or subdivision after grant of the Scheme Mandate has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards granted, as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same
“Scheme Rules”	the rules governing the Share Award Scheme
“Selected Participant(s)”	any Eligible Person approved for participation in the Scheme and who has been granted any Award in accordance with the Scheme Rules

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) with a par value of HK\$0.0005 each in the share capital of the Company
“Share Registrar”	Union Registrars Limited, the Company’s branch share registrar and transfer office in Hong Kong
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme of the Company as approved by the Board on 25 September 2014
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trustee”	an entity to be appointed for the sole purpose of holding the Shares underlying Awards issued on trust for Selected Participants pursuant to the Scheme
“Trust”	the trust to be constituted by a trust deed or such other governing documents of such trust arrangements and known as the “Share Award Scheme Trust” or such other name as the Board may determine from time to time
“Trust Deed(s)”	in respect of each Trust, the trust deed to be entered into between the Company and the relevant Trustee (as amended, supplemented and restated from time to time) in respect of the establishment of the Trust and administrative of the Scheme
“Vesting Date”	the date or each such date on which the Award Shares are vested
“Vesting Expenses”	all transfer fees, taxes, social security contributions and other levies associated with the vesting, release or transfer of the relevant Award Shares and Related Income
“%”	per cent.

EXPECTED TIMETABLE

Set out below is the expected timetable of the Bonus Issue:

Event	2022
Latest time for lodging transfer of Shares for entitlement to the right to attend and vote at the EGM	4:00 p.m. on Monday, 21 November 2022
Closure of register of members for determining entitlement to attend and vote at the EGM	From Tuesday, 22 November 2022 to Friday, 25 November 2022 (both days inclusive)
Latest time for lodging the proxy form for the EGM	11:00 a.m. on Wednesday, 23 November 2022
EGM	11:00 a.m. on Friday, 25 November 2022
Publication of poll results announcement of the EGM	Friday, 25 November 2022
Re-opening of the register of members	Monday, 28 November 2022
<p>The following events are subject to the satisfaction of the conditions of the Bonus Issue as set out in the section headed “PROPOSED BONUS ISSUE – Conditions of the Bonus Issue” below in this circular.</p>	
Last day of dealings in Shares on a cum-entitlement basis relating to the Bonus Issue	Tuesday, 29 November 2022
First day of dealings in Shares on an ex-entitlement basis relating to the Bonus Issue	Wednesday, 30 November 2022
Latest time for lodging the transfer documents for entitlement to the Bonus Shares	4:00 p.m. on Thursday, 1 December 2022
Closure of register of members for determining entitlement to the Bonus Issue	From Friday, 2 December 2022 to Wednesday, 7 December 2022 (both days inclusive)
Record Date for determining entitlement to the Bonus Shares	Wednesday, 7 December 2022
Re-opening of register of members	Thursday, 8 December 2022

EXPECTED TIMETABLE

Event	2022
Despatch of certificates of the Bonus Shares	Thursday, 15 December 2022
First date of dealings in the Bonus Shares	9:00 a.m. on Friday, 16 December 2022
Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lot of Shares	9:00 a.m. on Friday, 16 December 2022
Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lot of Shares	4:00 p.m. on Friday, 6 January 2023

All times in this circular refer to Hong Kong times. Dates and deadlines specified above are indicative only and may be varied by the Company. If trading of Shares on the Stock Exchange is interrupted due to a tropical cyclone warning signal no. 8 or above, or “extreme conditions” caused by super typhoons (as announced by the Government of Hong Kong) and/or a black rainstorm warning, the Record Date or book close date (thus the ex-entitlement date) may need to be postponed. In such circumstances, the Company will publish an announcement on the revised timetable as soon as practicable.

LETTER FROM THE BOARD



Legendary
Group Limited

Stock Code: 8195

LEGENDARY GROUP LIMITED

創天傳承集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8195)

Executive Directors:

Mr. Yuen Yu Sum (*Chairman*)

Mr. Chan Lap Jin Kevin

Non-executive Director:

Mr. Law Wing Chung

Independent non-executive Directors:

Mr. Chung Chin Kwan

Mr. Ng Chi Ho Dennis

Mr. Chan Kim Fai Eddie

Mr. Chung Kwok Pan

Mr. Leung Kai Cheong Kenneth

Registered office:

Maples Corporate Services Limited

P.O. Box 309, Umland House

Grand Cayman, KY1-1104

Cayman Islands

*Headquarter and principal place of
business in Hong Kong:*

5/F, World Interests Building

8 Tsun Yip Lane

Kwun Tong, Kowloon

Hong Kong

7 November 2022

To the Shareholders

Dear Sir or Madam,

**(I) PROPOSED BONUS ISSUE;
(II) PROPOSED ADOPTION OF SHARE AWARD SCHEME AND
PROPOSED GRANT OF SCHEME MANDATE;
AND
(III) NOTICE OF EXTRAORDINARY GENERAL MEETING**

References are made to the announcements of the Company dated 26 September 2022, 7 October 2022, 14 October 2022, 21 October 2022, 26 October 2022 and 31 October 2022 in relation to, among others, the Bonus Issue, the proposed adoption of the Scheme and the proposed grant of the Scheme Mandate. The purpose of this circular is to give you further information about the Bonus Issue, the Scheme, the Scheme Mandate and other information in accordance with the requirements of the GEM Listing Rules and the notice of the EGM.

LETTER FROM THE BOARD

I. PROPOSED BONUS ISSUE

On 26 September 2022 (after trading hours), the Board has resolved to recommend a bonus issue of Shares on the basis of one (1) Bonus Share for every ten (10) existing Shares held by the Qualifying Shareholders whose names appeared on the register of members of the Company on the Record Date. Details of the Bonus Issue are set out below.

Basis of the Bonus Issue

Subject to the conditions set out under the paragraph headed “Conditions of the Bonus Issue” below, the Bonus Shares will be issued and credited as fully paid at par value on the basis of one (1) Bonus Share for every ten (10) existing Shares held by the Qualifying Shareholders on the Record Date.

Assuming that no further Shares will be issued or repurchased on or before the Record Date, on the basis of 358,456,059 existing Shares in issue as at the Latest Practicable Date, it is expected that a total of 35,845,605 Bonus Shares would be allotted and issued under the Bonus Issue, representing 10% of the existing issued share capital of the Company as at the Latest Practicable Date. The Bonus Shares may be allotted in odd lot (i.e. less than a board lot of 2,000 Shares).

Upon completion of the Bonus Issue, there will be a total of 394,301,664 Shares in issue as enlarged by the Bonus Issue. The Bonus Shares will be credited as fully paid at par by way of capitalisation of the amount equal to the total par value of the Bonus Shares standing to the credit of the share premium account of the Company.

Conditions of the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM for approving the Bonus Issue;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of the Cayman Islands and the articles of association of the Company to effect the Bonus Issue.

LETTER FROM THE BOARD

Overseas Shareholders

As at the Latest Practicable Date and based on the branch register of members maintained by Union Registrars Limited, the Hong Kong branch share registrar and transfer office of the Company, 45 Shareholders as recorded on the register of members of the Company have addresses situated in The People's Republic of China (the "PRC"), holding 1,970,090 Shares (representing approximately 0.55% of the total issued Shares).

The Company has made enquiries regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange for extending the Bonus Issue to the Overseas Shareholders.

Based on the advice of the legal adviser in the PRC, under the applicable legislations of the jurisdiction, there is no regulatory restriction or requirement of any regulatory body or stock exchange with respect to extending the Bonus Issue to the Overseas Shareholders having registered addresses situated in the PRC. Accordingly, the Board is of the view that it is expedient to extend the Bonus Issue to the Overseas Shareholders having registered addresses situated in the PRC and such Overseas Shareholders are considered as Qualifying Shareholders. It is the responsibility of the Shareholders (including the Overseas Shareholders) to observe the local legal and regulatory requirements applicable to them for taking up and onward sale (if applicable) the Bonus Shares.

Arrangements will be made for the Bonus Shares, which would otherwise have been issued to the Non-Qualifying Shareholders, if any, to be sold in the market as soon as practicable after dealings in the Bonus Shares commence. Any net proceeds of sale, after deduction of the related expenses, will be distributed in Hong Kong dollar to the Non-Qualifying Shareholders, if any, pro rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount falling to be distributed to any such persons is less than HK\$100.00, in which case it will be retained for the benefit of the Company.

Any Shareholder with a registered address outside Hong Kong or otherwise residing outside Hong Kong should consult their professional advisers as to whether they are permitted to receive the Bonus Shares under the Bonus Issue and the taxation consequences of their decision. It is the responsibility of the Shareholders who wish to receive the Bonus Shares under the Bonus Issue to comply with the laws of the relevant jurisdiction(s).

Overseas Shareholders (if any) receiving a copy of this circular concerning, among others, the Bonus Issue may not treat the same as an invitation to participate in the Bonus Issue unless such invitation could lawfully be made to him/her/it without having to comply with any registration and/or other legal requirements in the relevant territory.

LETTER FROM THE BOARD

Status of the Bonus Shares and fractional entitlements

The Bonus Shares, upon issuance, will rank pari passu with the then existing Shares in all respects, including the entitlements of receiving dividends and other distributions the record date for which falls on or after the date of allotment and issue of the Bonus Shares. The total number of Bonus Shares to be issued to any Shareholders will be rounded down to a whole number, if there are any fractional entitlements of the Bonus Shares. Such fractional entitlements arising from the Bonus Issue (if any) will not be issued to the Shareholders, but will be aggregated and issued to a nominee to be nominated by the Board, and sold and the net proceeds, after deducting the related expenses therefrom, will be retained for the benefit of the Company in such manner and on such terms as the Directors may think fit.

Listing

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares. No part of the securities of the Company is listed or dealt in, nor is listing or permission to deal in the securities of the Company being or proposed to be sought, on any other stock exchange. Subject to fulfillment of all conditions of the Bonus Issue have been fulfilled, dealings in the Bonus Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Friday, 16 December 2022.

Certificates for the Bonus Shares

It is expected that certificates for the Bonus Shares will be posted on Thursday, 15 December 2022, after all the conditions having been fulfilled at the risk of the Shareholders entitled thereto to their respective addresses shown on the register of members of the Company on the Record Date.

Share options

As at the Latest Practicable Date, there were 61,442,400 share options granted by the Company pursuant to the Share Option Scheme which remained outstanding. The Bonus Issue may lead to adjustments to the exercise price and the number of Shares which may fall to be issued upon exercise of the outstanding share options. Other than the outstanding share options, the Company did not have any warrants, options, or other securities exchangeable or convertible into Shares as at the Latest Practicable Date. The Company will make further announcement upon the aforesaid adjustments to the share options, if any adjustment is required to be made.

LETTER FROM THE BOARD

Details of the outstanding share options as at the Latest Practicable Date are set out below:

Name of grantees	Position in the Group	Exercise price	Exercise period	Vesting conditions	Number of outstanding share options
Directors					
Mr. Yuen Yu Sum	Executive Director and Chairman	HK\$1.104	14 October 2022 to 13 October 2032	N/A	3,584,000
Mr. Chan Lap Jin Kevin	Executive Director	HK\$1.104	14 October 2022 to 13 October 2032	N/A	3,584,000
Mr. Law Wing Chung	Non-executive Director	HK\$1.104	14 October 2022 to 13 October 2032	N/A	728,000
					<hr/>
					7,896,000
Substantial Shareholder					
Mr. Lui Yu Kin	Substantial Shareholder and tutor of an operating subsidiary of the Group, providing financial quotient and investment experience- sharing training courses	HK\$1.650	26 March 2021 to 25 March 2031	N/A	3,067,200
		HK\$1.104	14 October 2022 to 13 October 2032	N/A	3,584,000
					<hr/>
					6,651,200

LETTER FROM THE BOARD

Name of grantees	Position in the Group	Exercise price	Exercise period	Vesting conditions	Number of outstanding share options
Other 25 employees					
	Employees of the Company or its subsidiaries (other than Directors and chief executives)	HK\$1.650	26 March 2021 to 25 March 2031	N/A	22,531,200
		HK\$1.104	14 October 2022 to 13 October 2032	N/A	13,648,000
		HK\$1.104	14 October 2022 to 13 October 2032	A total of 8,258,000 share options granted to three employees will only be vested if each of the net profit of the Group for the financial year of the Company ending 31 March 2023 and 31 March 2024 is equal to or exceeds the net profit of the Group for the financial year ended 31 March 2022	8,258,000
					44,437,200

LETTER FROM THE BOARD

Name of grantees	Position in the Group	Exercise price	Exercise period	Vesting conditions	Number of outstanding share options
Consultants <i>(Note)</i>					
Mr. Chan Chun Kit Jack Eason	External consultant providing marketing-related services for YH Group Limited, a principal subsidiary of the Company	HK\$1.104	14 October 2022 to 13 October 2032	A total of 2,458,000 Share Options granted to four consultants will only be vested if each of the net profit of the Group for the financial year of the Company ending 31 March 2023 and 31 March 2024 is equal to or exceeds the net profit of the Group for the financial year ended 31 March 2022	364,000
Mr. Tam Jeffrey Chun Yip	External consultant providing marketing-related services for Maxi Chain Enterprises Limited, a principal subsidiary of the Company	HK\$1.104	14 October 2022 to 13 October 2032	Company ending 31 March 2023 and 31 March 2024 is equal to or exceeds the net profit of the Group for the financial year ended 31 March 2022	638,000
Mr. Wong Siu Ki	External consultants providing mergers and acquisitions services to the Company, including but not limited to identifying appropriate acquisition targets and facilitating negotiation process with sellers	HK\$1.104	14 October 2022 to 13 October 2032		456,000
Mr. Chow Kut Fu	External consultants providing mergers and acquisitions services to the Company, including but not limited to identifying appropriate acquisition targets and facilitating negotiation process with sellers	HK\$1.104	14 October 2022 to 13 October 2032		1,000,000
					2,458,000
Total					61,442,400

Note:

Pursuant to the terms of the Share Option Scheme, the Directors may invite any person that provides, among others, development support to the Group or any entity in which the Group holds an equity interest. The share options were granted to the four consultants abovementioned (the “Consultants”) in consideration of the contribution the Consultants had made to the Group’s business operations. The grant of the Share Options to the Consultants constitutes rewards for the services rendered and will furnish the Consultants with a personal stake in the Company, which the Directors believe will serve to achieve retention purpose and incentivise the Consultants to contribute further to the development and growth of the Group for the benefit of the Shareholders.

LETTER FROM THE BOARD

Reasons for the Bonus Issue

The reason for the Bonus Issue is to give due recognition to the Shareholders for their continuing loyalty to and support of the Company. The Board believes that the Bonus Issue will enable the Shareholders to enjoy a pro rata increase in the number of Shares being held in the Company without incurring any cost. The Board expects that the Bonus Issue will provide the Shareholders with more flexibility in disposing of a portion of their Shares and realizing a cash return to meet their financial needs under favourable market conditions. In addition, through increasing the number of Shares to be held by the Shareholders, the Bonus Issue may enhance the liquidity of the Shares and thereby broaden the shareholder base of the Company.

Closure of register of members

The register of members of the Company will be closed from Tuesday, 22 November 2022 to Friday, 25 November 2022 (both days inclusive), during which no transfer of Shares will be registered. In order to attend and vote at the EGM (or any adjournment thereof), all transfers of Shares accompanied by the relevant share certificates must be lodged with Union Registrars Limited, the Hong Kong branch share registrar and transfer office of the Company, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Monday, 21 November 2022.

The register of members of the Company will be closed from Friday, 2 December 2022 to Wednesday, 7 December 2022 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for the Bonus Issue, all transfers of Shares accompanied by the relevant share certificates must be lodged with Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Thursday, 1 December 2022.

Odd lot arrangement of the Shares

To alleviate the difficulties in trading odd lots of the Shares upon completion of the Bonus Issue, the Company has appointed Oshidori Securities Limited as an agent to provide matching services to those Qualifying Shareholders who wish to top up or sell their holdings of odd lots of the Shares during the period from Friday, 16 December 2022 to Friday, 6 January 2023 (both days inclusive). Shareholders should note that the matching service will be on a "best efforts" basis only. Holders of the Bonus Shares in odd lots represented by valid share certificates for the Bonus Shares who wish to take advantage of this facility either to dispose of their odd lots of the Bonus Shares or to top up their odd lots to a full new board lot, may directly or through their brokers, contact Mr. Patrick Lim of Oshidori Securities Limited at 25/F, China United Centre, 28 Marble Road, North Point, Hong Kong or at telephone number (852) 31980347 during the matching period which commences from 9:00 a.m. on Friday, 16 December 2022 to 4:00 p.m. on Friday, 6 January 2023 (both days inclusive).

LETTER FROM THE BOARD

The successful matching of the sale and purchase of odd lots of the Shares is not guaranteed and will depend on there being adequate amounts of odd lots of the Shares available for such matching. Shareholders are recommended to consult their professional advisers if they are in doubt about the above measures.

Impact of the Bonus Issue on the share capital of the Company

The following table illustrates (i) the existing shareholding structure of the Company as at the Latest Practicable Date; and (ii) the shareholding structure of the Company immediately upon the completion of the Bonus Issue, on the assumption that there will be no other change to the share capital of the Company on or before the Record Date.

	As at the Latest Practicable Date		Immediately upon the completion of the Bonus Issue	
	<i>No. of Shares</i>	<i>approximate % of the issued Shares</i>	<i>No. of Shares</i>	<i>approximate % of the issued Shares</i>
Substantial Shareholders				
Poon Chi Ming	49,259,259	13.74	54,185,184	13.74
Lui Yu Kin	48,206,000	13.45	53,026,600	13.45
Directors				
Chan Lap Jin Kevin	30,892,800	8.62	33,982,080	8.62
Yuen Yu Sum	6,276,800	1.75	6,904,480	1.75
Chung Chin Kwan	1,200,000	0.33	1,320,000	0.33
Law Wing Chung	192,000	0.05	211,200	0.05
Public Shareholders	222,429,200	62.05	244,672,120	62.05
Total	358,456,059	100.00	394,301,664	100.00

LETTER FROM THE BOARD

II. PROPOSED ADOPTION OF THE SHARE AWARD SCHEME AND PROPOSED GRANT OF SCHEME MANDATE

Proposed adoption of the Scheme

The Board has resolved to propose the adoption of the Scheme on 26 September 2022 (after trading hours). A summary of the Scheme Rules is set out below:

Purpose

The purposes of the Scheme are to align the interests of Eligible Persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares and to encourage and enable Eligible Persons, upon whose judgment, initiative and efforts the Group largely depends for the successful conduct of its business, to make contributions to the long-term growth and profits of the Group and share in the success of the Group.

Duration

Subject to any early termination as may be determined by the Board, the Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date, and thereafter for so long as there are any non-vested Award Shares relating to Awards granted prior to the expiration of the Scheme.

Administration

The Scheme shall be subject to the administration of the Board in accordance with the Scheme Rules and all applicable laws and regulations. Any decision made by the Board as to all matters arising in relation to the Scheme or its interpretation or effect (save as otherwise provided herein) shall be final, conclusive and binding on all parties.

The Trustee will hold the Shares and the income derived therefrom in accordance with the terms of the Trust Deed(s).

LETTER FROM THE BOARD

Operation

Subject to the Scheme Rules, the Board may, from time to time, in its absolute discretion and subject to such terms and conditions as it may think fit (including the basis of eligibility of each Selected Participant determined by the Board from time to time), select any Eligible Person (excluding any Excluded Participant) for participation in the Scheme as a Selected Participant, grant an Award to such Selected Participant and determine the number of Award Shares. However, until so selected, no Eligible Person shall be entitled to participate in the Scheme.

Subject to the Scheme Rules, the Board may impose any conditions, restrictions or limitations or waive any such conditions, restrictions or limitations from time to time in relation to the Award as it may at its absolute discretion think fit. Where a Selected Participant or his associate is a member of the Board, such person will abstain from voting on any approval by the Board of an award of Shares to such Selected Participant.

The underlying Award Shares to satisfy the Awards (including potential Awards) may be purchased on-market by the Trustee at prevailing market prices from funds provided by the Company (subject to such maximum price as may from time to time be prescribed by the Board) or issued and allotted as new Shares by the Company for subscription by the Trustee on terms and at issue prices (including at par value) as shall be determined by the Board and from funds provided by the Company. The Company shall appoint the Trustee to acquire and hold such Award Shares and Related Income on Trust for the Selected Participants, and to distribute such Award Shares and Related Income to the Selected Participants, in accordance with the Scheme Rules and pursuant to the Trust Deed or such other governing documents of such trust arrangements. The Board may from time to time cause to be paid the Reference Amount to the Trustee by way of settlement as directed by the Board which shall constitute part of the trust fund of the Trust, for the purchase or subscription (as the case may be) of Shares and other purposes set out in the relevant Trust Deed.

Subject to the Scheme Rules and the terms of the Award, as soon as practicable following the vesting of the Award Shares, the Board shall direct the Trustee to transfer the relevant vested Award Shares and Related Income to, the Selected Participant on the Vesting Date, or as soon as possible thereafter if it is not practicable to effect such transfer on such Vesting Date subject to (i) the receipt by the Trustee of, a written confirmation from the Company that all vesting conditions have been fulfilled and its prescribed transfer document(s) duly signed by the Selected Participant; and (ii) the payment of all Vesting Expenses by the Selected Participant.

Consideration

The Award Shares will be granted to the Selected Participant(s) at nil consideration, if any.

LETTER FROM THE BOARD

Restrictions

No Award shall be made and no instructions to acquire Shares on-market shall be given to the Trustee (i) where any Director is in possession of unpublished inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the GEM Listing Rules or any applicable laws, rules or regulations, or (ii) during the period of 60/30 days immediately preceding the publication date of the annual/half-year results for any financial period of the Company or, if shorter, the period from the end of the relevant financial/interim period up to and including the publication date of such results.

Scheme Limit

The Board shall not make any further Award which will result in the aggregate number of the Shares which may be issued in respect of all options and awards granted under all of the schemes of the Company (including under the Scheme and the Share Option Scheme) exceeding 10% of the issued share capital of the Company as at the Adoption Date or 35,845,605 Shares (“**Scheme Limit**”).

The Scheme Limit may be refreshed after three years from the Adoption Date or the date of the Company’s shareholders’ approval for the last refreshment (as the case may be) in accordance with the relevant GEM Listing Rules. Any Refreshment within any three year period must be approved by shareholders of the Company (other than the controlling shareholders (or if there is no controlling shareholder, the directors (excluding independent non-executive directors) and chief executive of the Company and their respective associates) and their associates, who must abstain from voting in favour of the relevant resolution at the general meeting) in general meeting. The aggregate number of Shares which may be issued in respect of all options and awards to be granted under all of the schemes of the Company (including the Scheme) under the Scheme Limit as refreshed shall not exceed 10% of the relevant class of Shares in issue as at the date of approval of the refreshed Scheme Limit by shareholders of the Company in general meeting.

Where any grant of Awards to a Selected Participant would result in the Shares issued and to be issued in respect of all options and awards granted to such person (excluding any options and awards lapsed in accordance with the terms of the scheme) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of shares of the Company in issue, such grant must be separately approved by shareholders of the Company in general meeting with such Selected Participant and his/her close associates (or associates if the Selected Participant is a connected person) abstaining from voting.

LETTER FROM THE BOARD

Award to a Director, chief executive or substantial shareholder of the Company or any of their respective associates and a connected person of the Company

Any grant of Awards to a director, chief executive or substantial shareholder of the Company, or any of their respective associates, under the Scheme must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Awards).

Where any grant of Awards to a director (other than an independent non-executive director) or chief executive of the Company, or any of their associates would result in the Shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the relevant class of shares in issue, such further grant of Awards must be approved by shareholders of the Company in general meeting, at which the grantee, his/her associates and all core connected persons of the Company must abstain from voting. Where any grant of Awards to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the relevant class of shares in issue, such further grant of Awards must be approved by shareholders of the Company in general meeting, at which the grantee, his/her associates and all core connected persons of the Company must abstain from voting.

For any grant of Awards to any connected person of the Company, the Company shall comply with all applicable laws, rules and regulations, including but not limited to the GEM Listing Rules from time to time.

Voting rights

No Selected Participant shall exercise any voting rights in respect of any Shares held on Trust that have not yet vested or take any action in relation to such Shares in the event of a proposed change in Control of the Company. The Trustee shall not exercise the voting rights in respect of any Shares held under the Trust and the Trustee holding unvested Shares under the Scheme, whether directly or indirectly, shall abstain from voting on matters that require shareholders' approval under GEM Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

LETTER FROM THE BOARD

Dividends

Notwithstanding any other provisions in the Scheme Rules, no Selected Participant shall receive any cash income derived from the Award Shares (i.e., cash dividends declared and paid on the Award Shares, if any) in the event that the Company pays any dividend on the Award Shares until such Award Shares become fully vested (provided always that the Selected Participant shall not be entitled to receive any dividend declared and distributed with respect to the Award Share, prior to the vesting of the same), unless otherwise provided in the Award notice.

Vesting and forfeiture

Unless otherwise determined by the Board at its discretion, the Award Shares held by the Trustee upon the Trust and which are referable to a Selected Participant shall vest in that Selected Participant in accordance with the conditions set out in the Award Notice as the Board may determine at its absolute discretion or is deemed to have vested pursuant to the Scheme Rules, provided that the Selected Participant remains at all times after the Reference Date and on the relevant vesting dates (if applicable) an Eligible Person and the related vesting period shall not be less than 12 months. A Selected Participant shall have no right, benefit or interest in any Award Shares unless and until the Trustee has vested the legal and beneficial ownership of such Award Shares in him.

The Award granted to a Selected Participant shall automatically lapse and be cancelled forthwith and the Award Shares and Related Income of such Award shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the Scheme, in the event that:

- (a) the Selected Participant ceases to be an employee;
- (b) the Subsidiary by which a Selected Participant is employed ceases to be a subsidiary of the Company (or of a member of the Group);
- (c) any of the vesting conditions upon an Award to the relevant Selected Participant as determined by the Board on the Reference Date were not fulfilled;
- (d) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation and reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to the successor company);

LETTER FROM THE BOARD

- (e) the Selected Participant has been guilty of serious misconduct, or has been convicted of any criminal offence involving his integrity or honesty, or could no longer make any contribution to the growth and development of the Group for any reason whatsoever, as the Board may at its absolute discretion determine;
- (f) the Selected Participant is found to be an Excluded Participant; or
- (g) the Selected Participant fails to (i) return duly executed transfer documents prescribed by the Trustee for the relevant Award Shares and the Related Income; and/or (ii) pay the related Vesting Expenses, within the stipulated period,

(each of these, an event of “**Lapse**”).

The Trustee shall hold the Returned Shares exclusively for the benefit of all or one or more of the Selected Participants as the as the Board shall in its absolute discretion at any time determine and select in writing as the Selected Participant(s).

In respect of a Selected Participant who died or retired at his normal retirement date or earlier by agreement with the Company or any of the Subsidiaries at any time prior to the relevant Vesting Date, all the Award Shares and Related Income of that Selected Participant shall be deemed to be vested on the day immediately prior to his death or retirement at his normal retirement date or earlier by agreement with the Company or its subsidiary.

If there is an event of change in Control of the Company by way of a merger, a privatization of the Company by way of a scheme or by way of an offer, the vesting of any Award Shares may be accelerated and/or the vesting conditions or criteria of any Award may be amended or waived at the sole discretion of the Board or its delegate(s).

Ranking of the Award Shares

The Award Shares, when issued and fully paid, shall rank pari passu among themselves and with the other Shares in issue, with rights to receive all dividends and other distributions declared, made or paid on or after the date of proposed allotment and issue.

LETTER FROM THE BOARD

Performance Conditions

The Board may, in its absolute discretion, designate an Award made to any Selected Participant. If it does so, the Board shall determine the Performance Conditions attached to an Award made to the Selected Participant under the Scheme. The Performance Conditions shall be applied to the Selected Participants, including but not limited to directors and/or senior managers of the Company. The Performance Conditions shall, as soon as reasonably practicable, be notified to the Selected Participant and:

- (a) shall normally be tested over a performance period of at least three financial years of the Company (or such other period as the Board may from time to time determine in respect of the Award for any Selected Participant);
- (b) may relate to the performance of the Selected Participant, the Company, one or more of the Subsidiaries, the business or functional unit or department for which the Selected Participant works or the strategic or business initiatives or projects for which the Selected Participant is responsible or in relation to which he is actively involved in developing, implementing or completing, or any combination of the above;
- (c) may be relative to the performance of one or more comparators, benchmarks, indices or other measures;
- (d) may be different for different Selected Participants; and
- (e) may be different for different Awards in relation to the same Selected Participant.

The Performance Conditions may include other events or circumstances the occurrence of which shall constitute a Lapse.

The Board may amend any Performance Condition if any event occurs which causes it to consider that the amended Performance Condition would, at the absolute discretion of the Board, be a more accurate measure of performance.

Clawback mechanism

In certain circumstances, it may be regarded as inequitable for any Award Shares to be vested or retained, as applicable. Such Award Shares are therefore subject to Clawback, including but not limited to circumstances where there has been a material misstatement or omission in the financial statements of the Group made by a Selected Participant or if the relevant Selected Participant has engaged in serious negligence, fraud or misconduct, breached the Company's policies, rules or regulations or other circumstances. Notwithstanding anything else in the Scheme Rules, any Award Shares may be subject to Clawback pursuant to the Company's Clawback mechanism, as amended from time to time.

LETTER FROM THE BOARD

Transferability

Awards shall be personal to the Selected Participant to whom it is made and shall not be assignable or transferable and no Selected Participant shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award, or enter into any agreement to do so.

Alteration of the Scheme

No alteration shall be made to any of the Scheme Rules unless such alteration is approved by the Shareholders in general meeting.

Adjustment arising from the Relevant Event

Upon the occurrence of any Relevant Event (i.e. any variation in the share capital of the Company arising from any capitalisation issue, reduction, sub-division or consolidation of share capital of the Company, any rights issue of any share capital of the Company by way of capitalisation of profits or reserves or in connection with an open offer to the Shareholders, except where Shares are issued as consideration or part consideration in a transaction), the purchase price for Award Shares (if any) and/or the number of Award Shares may be adjusted in a manner as determined by the Board (having received a statement in writing from the independent financial adviser or the auditor of the Company that in their opinion the adjustments proposed satisfy the requirements set out in Rule 23.03 (13) of GEM Listing Rules), in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Scheme for such Selected Participant(s). The adjustment must give a Selected Participant the same proportion of the Award Shares, rounded to the nearest whole Share, as that to which he was previously entitled, but no such adjustment may be made to the extent that a Share would be issued at less than its nominal value (if any).

Termination

The Scheme shall terminate on the earlier of: (a) the 10th anniversary of the Adoption Date; (b) the date when an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of an amalgamation, reconstruction or a scheme of arrangement); and (c) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Participant under the Scheme.

Upon termination, no further Award shall be granted but in all other respects the provisions of the Scheme shall remain in full force and effect. The Award Shares granted and subsisting prior to the termination shall continue to be in full force and effect.

LETTER FROM THE BOARD

Listing Applications

Application will be made by the Company to the GEM Listing Committee for the listing of and the permission to deal in any Award Shares that may be allotted and issued under the Scheme.

Proposed Scheme Mandate

In relation to the Scheme, the Board proposes to seek the approval of the Shareholders for the grant of the Scheme Mandate, being a specific mandate to allot and issue Shares not exceeding 10% of the total number of Shares in issue as at the date of the EGM to satisfy Awards that may be granted under the Scheme (if approved by the Shareholders and adopted by the Company) and the Share Option Scheme. An ordinary resolution will be proposed at the EGM for the Shareholders to consider and, if thought fit, approve the grant of the Scheme Mandate. The Scheme Mandate, once granted, shall remain in effect during the period from the passing of the ordinary resolution granting the Scheme Mandate until its renewal, variation or revocation by an ordinary resolution of the Shareholders in a general meeting.

Reasons for the adoption of the Scheme and the Scheme Mandate

The Scheme will complement the existing equity incentive plans of the Company, namely the Share Option Scheme, and will allow the Company to continue to provide equity incentives to Eligible Persons so as to continue to serve its intended purposes of aligning the interests of Eligible Persons with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares and to encourage and enable Eligible Persons to make contributions to the long-term growth and profits of the Group and share in the success of the Group. The Scheme Mandate will provide flexibility to the Directors as to the manner of satisfaction of the Awards upon the vesting thereof. The Directors therefore consider that the adoption of the Scheme and the grant of the Scheme Mandate are in the interests of the Company and its shareholders as a whole.

As at the Latest Practicable Date, the Board has no present intention to grant any Award immediately upon adoption of the Scheme at the EGM as it has not identified any Selected Participants.

LETTER FROM THE BOARD

Implications of the GEM Listing Rules

The Scheme

The Scheme does not constitute a share option scheme under Chapter 23 of the GEM Listing Rules and no shareholders' approval is required for the adoption of the Scheme. The Stock Exchange issued the Consultation Paper in October 2021 on its proposal to extend Chapter 23 of the GEM Listing Rules to also govern share award schemes. In July 2022, the Stock Exchange published the Consultation Conclusions, with the Amended Rules to reflect the proposed changes to Chapter 23 of the GEM Listing Rules. The Consultation Conclusions state, among other things, that listed issuers may adopt the Amended Rules for their share schemes (including share option schemes and share award schemes) before the effective date of the Amended Rules of 1 January 2023. The Company has decided to adopt the Amended Rules for the Scheme. The amended Rule 23.02 (1)(a) of the GEM Listing Rules stipulates, among other things, that the scheme of a listed issuer must be approved by shareholders of the listed issuer in general meeting.

The Scheme Mandate

An ordinary resolution will be proposed at the EGM for the Shareholders to consider and, if thought fit, approve the grant of the Scheme Mandate.

GENERAL

All the resolution(s) proposed to be approved at the EGM will be taken by poll and an announcement will be made by the Company after the EGM on the results of the EGM. As no Shareholder has material interest in the Bonus Issue, adoption of the Scheme and the proposed grant of the Scheme Mandate, no Shareholder is required to abstain from voting in respect of the resolutions to be proposed at the EGM.

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Bonus Issue, adoption of the Scheme and the proposed grant of the Scheme Mandate. A notice convening the EGM is set out on pages 28 to 31 of this circular.

A form of proxy for use by Shareholders at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Share Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such event, the form of proxy shall be deemed to be revoked.

LETTER FROM THE BOARD

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.

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that each of the proposed resolutions for the Bonus Issue, the adoption of the Scheme, and the granting of the Scheme Mandate is in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the resolutions to be proposed at the EGM.

By order of the Board
Legendary Group Limited
Yuen Yu Sum
Chairman and executive Director

NOTICE OF EGM



LEGENDARY GROUP LIMITED

創天傳承集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8195)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Legendary Group Limited (the “**Company**”) will be held at 5/F, World Interests Building, 8 Tsun Yip Lane, Kwun Tong, Kowloon, Hong Kong on Friday, 25 November 2022 at 11:00 a.m. for the purpose of considering and, if thought fit, to pass with or without amendments, the following resolutions:

ORDINARY RESOLUTIONS

As special business, to consider and, if thought fit, passing with or without modification, the following resolutions as ordinary resolutions:

1. “**THAT:**

conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, the Bonus Shares (as hereinafter defined):

- (a) an amount standing to the credit of the share premium account of the Company as shall be required to be applied in paying up in full at par new shares of par value HK\$0.0005 each in the capital of the Company, such shares, credited as fully paid at par, to be allotted, issued and distributed among shareholders of the Company whose names appeared on the register of members of the Company on Wednesday, 7 December 2022 (the “**Record Date**”) on the basis of one (1) new share (the “**Bonus Share**”) for every ten (10) existing shares of the Company then held by a shareholder of the Company who is not a Non-Qualifying Shareholder (as hereinafter defined), be capitalised and applied in such manner and the Directors be and are hereby authorised to allot, issue and distribute such Bonus Shares;

NOTICE OF EGM

- (b) in the case where the address of any holder of shares in the Company as shown on the register of members of the Company on the Record Date is outside Hong Kong (the “**Overseas Shareholders**”) and upon making relevant enquiries, the Directors consider the exclusion of such Overseas Shareholders is necessary or expedient on account of local legal or regulatory reasons, the Bonus Shares shall not be issued to such Overseas Shareholders (the “**Non-Qualifying Shareholders**”) but shall be aggregated and sold in the market as soon as practicable after dealings in the Bonus Shares commence, on the basis that any net proceeds of sale, after deduction of the related expenses, will be distributed in Hong Kong dollars to the relevant Non-Qualifying Shareholders, if any, pro-rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100, in which case it will be retained for the benefit of the Company;
 - (c) the Bonus Shares to be allotted, issued and distributed pursuant to paragraph (a) of this resolution shall be subject to the articles of association of the Company (the “**Articles of Association**”) or any applicable law of the Cayman Islands and shall rank pari passu in all respects with the then existing shares in issue on the date on which the Bonus Shares are allotted and issued;
 - (d) no fractional Bonus Shares shall be allotted and issued to the shareholders of the Company and fractional entitlements will be aggregated and, if possible, sold and the proceeds shall be retained for the benefit of the Company in such manner and on such terms as the Directors may think fit; and
 - (e) the Directors be and are hereby authorised, at their absolute discretion, to do all such acts and things as may be necessary and expedient in connection with the allotment and issue of the Bonus Shares, including, but not limited to, determining the Non-Qualifying Shareholders, the amount to be capitalised out of the share premium account of the Company and the number of Bonus Shares to be issued, allotted and distributed in the manner referred to in paragraph (a) of this resolution.”
2. “**THAT** subject to and conditional upon the GEM Listing Committee of the Stock Exchange granting the listing of and permission to deal in the shares to be awarded under the share award scheme, the terms of which are set out in the document marked “A” now produced to the meeting and for the purpose of identification signed by the Chairman hereof (the “**Scheme**”), the Scheme be and is hereby approved and adopted as the share award scheme of the Company and that the board of directors of the Company be and is hereby authorized to grant Shares under the Scheme and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give effect to the Scheme.”

NOTICE OF EGM

3. “**THAT**, conditional upon the passing of resolution no. 2 as set out in this notice convening the Meeting of which this resolution forms part:
- (a) subject to paragraph (b) of this resolution, a specific mandate (“**Specific Mandate**”) be and is hereby given to the Directors to exercise all the powers of the Company to allot, issue and otherwise deal with (i) new ordinary shares of the Company (“**Shares**”) underlying any awards (“**Awards**”) granted under and pursuant to the rules of the Scheme upon fulfilment of the vesting conditions (if any) attached to such Awards and (ii) new Shares to be issued upon exercise of any options to be granted pursuant to the share option scheme of the Company adopted on 25 September 2014, be and is hereby approved; and
 - (b) the maximum number of new Shares which may be granted by the Directors under the Specific Mandate shall not exceed ten per cent. (10%) of the issued share capital of the Company as at the date of passing of this resolution.”

By order of the Board
Legendary Group Limited
Yuen Yu Sum
Chairman and executive Director

Hong Kong, 7 November 2022

Registered office:

Maples Corporate Services Limited
P.O. Box 309, Uglund House
Grand Cayman, KY1-1104
Cayman Islands

Headquarter and principal place of

business in Hong Kong:
5/F, World Interests Building
8 Tsun Yip Lane
Kwun Tong, Kowloon
Hong Kong

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxy to attend and, subject to the provisions of the Articles of Association, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In order to be valid, the form of proxy and the power of attorney (if any), under which it is signed or a notarially certified copy thereof, must be lodged, at the office of the Company’s branch share registrar and transfer office 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 the holding of the Meeting or any adjourned meeting.
3. Completion and return of a form of proxy will not preclude members of the Company from attending and voting in person at the Meeting or any adjournment thereof should they so wish and in such event, the form of proxy shall be deemed to be revoked.

NOTICE OF EGM

4. Where there are joint registered holders of any Shares, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such Shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the said person as present whose name stands first on the register in respect of such Share shall alone be entitled to vote in respect thereof.
5. For the purpose of determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Tuesday, 22 November 2022 to Friday, 25 November 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify to attend and vote at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Monday, 21 November 2022.
6. As at the date of this notice, the Board comprises Mr. Yuen Yu Sum (Chairman) and Mr. Chan Lap Jin Kevin as executive Directors, Mr. Law Wing Chung as non-executive Director and Mr. Chung Chin Kwan, Mr. Ng Chi Ho Dennis, Mr. Chan Kim Fai Eddie, Mr. Chung Kwok Pan and Mr. Leung Kai Cheong Kenneth as independent non-executive Directors.
7. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning or "external conditions after super typhoons" announced by the Government of Hong Kong is/are in effect any time after 7:00 a.m. on the date of the Meeting, the Meeting will be postponed. The Company will publish an announcement on the website of the Company at www.legendarygp.com and on the "Latest Company Announcements" page of the Stock Exchange's website at www.hkexnews.hk to notify shareholders of the Company of the date, time and place of the rescheduled meeting.
8. To safeguard the health and safety of the attendees who will attend the EGM and to prevent the spreading of the coronavirus (COVID-19) pandemic, the following measures will be implemented at the EGM:
 - mandatory body temperature check;
 - seating at the EGM venue will be arranged so as to allow for appropriate social distancing;
 - mandatory wearing of surgical face masks; and
 - no refreshments nor corporate gift for attendees

The Company reserves the right to deny entry into the EGM venue if such person: (i) refuses to comply with any of the above precautionary measures; (ii) is subject to any Hong Kong Government prescribed quarantine; (iii) is having a body temperature of over 37.4 degree Celsius; and/or (iv) has any flu-like symptoms.

For the health and safety of shareholders of the Company, the Company would like to encourage shareholders of the Company to appoint the chairman of the EGM as their proxy to vote on the proposed resolutions at the EGM, instead of attending the EGM in person.

Subject to the development of COVID-19, the Company may be required to change the EGM arrangements at short notice. Shareholders should check the Company's website for further announcements and updates on the EGM arrangements.