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

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

CL GROUP (HOLDINGS) LIMITED (昌 利 (控 股) 有 限 公 司)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8098)

GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE ITS OWN SHARES RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company ("AGM") to be held at Room 1106, 11/F, MassMutual Tower, 38 Gloucester Road, Wanchai, Hong Kong on 4 August 2011 at 2:30 p.m., is set out on pages 13 to 16 of this circular. A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM in person, you are advised to complete the form of proxy attached to the notice of the AGM in accordance with the instructions printed thereon and return the same to Hong Kong branch share register and transfer office of the Company, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding of such AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting if you so wish.

30 June 2011

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate companies to which a high 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, 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.

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DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“2011 Annual Report”	the annual report of the Company for the year ended 31 March 2011;
“AGM”	an annual general meeting of the Company to be held at Room 1106, 11/F, MassMutual Tower, 38 Gloucester Road, Wanchai, Hong Kong, on 4 August 2011 at 2:30 p.m.;
“Articles of Association”	the articles of association of the Company;
“Board”	the board of Directors;
“Company”	CL Group (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM;
“Directors”	the director(s) of the Company;
“GEM”	The Growth Enterprise Market of the Stock Exchange;
“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”	28 June 2011, being the latest practicable date for ascertain certain information prior to the printing of this circular;
“New Issue Mandate”	the general and unconditional mandate to allot and issue Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution approving the New Issue Mandate;

DEFINITIONS

“Repurchase Mandate”	the general mandate to exercise the power of the Company 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 the resolution approving the Repurchase Mandate;
“Share(s)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company;
“Shareholders”	registered holders of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong as amended from time to time;
“%”	per cent.

LETTER FROM THE BOARD

CL GROUP (HOLDINGS) LIMITED

(昌利 (控股) 有 限 公 司)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8098)

Executive Directors:

Lau Ka Lung Ali (*Chairman*)

Kwok Kin Chung (*Chief Executive Officer*)

Yu Linda

Lau Kin Hon

Registered Office:

Cricket Square

Hutchins Drive

P. O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-Executive Directors:

Au-Yeung Tai Hong Rorce

Choy Wing Man

Chee Kwok Wing Waymond

Principal Place of Business:

Room 1106, 11/F

MassMutual Tower

38 Gloucester Road

Wanchai, Hong Kong

30 June 2011

To the Shareholders,

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE ITS OWN SHARES
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding (i) the proposed new general mandates to issue and allot Shares, (ii) the proposed new general mandate to repurchase Shares, and (iii) re-election of Directors.

This circular contains the explanatory statement in compliance with the Listing Rules and to give all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolutions.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84(1) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation. Accordingly, Mr. Lau Ka Lung Ali, Mr. Kwok Kin Chung and Mr. Lau Kin Hon shall retire at the AGM and being eligible, offer themselves for re-election.

A brief biographical details of the retiring Directors are set out in Appendix I to this circular.

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

An ordinary resolution will be proposed at the AGM to grant to the Directors the New Issue Mandate. The Shares which may be allotted and issued pursuant to the New Issue Mandate is limited 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 the resolution approving the New Issue Mandate. In addition, another ordinary resolution will be proposed that the New Issue Mandate be extended so that the Directors are given a general mandate to issue further Shares in the Company of an aggregate nominal amount equal to the aggregate nominal amount of the share capital of the Company repurchased under the Repurchase Mandate.

Details of the aforesaid ordinary resolutions are set out in ordinary resolutions numbers 5 and 7 in the notice of the AGM.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

An ordinary resolution will be proposed at the AGM to grant to the Directors the Repurchase Mandate. The Shares which may be repurchased pursuant to the Repurchase Mandate is limited 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 the resolution approving the Repurchase Mandate.

Details of the aforesaid ordinary resolution are set out in ordinary resolution number 6 in the notice of the AGM.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were in issue an aggregate of 1,000,000,000 Shares. Subject to the passing of the proposed resolutions for the grant of the New Issue Mandate and the Repurchase Mandate, and on the basis that no further Shares will be issued or repurchased prior to the date of the AGM, exercise in full of the Repurchase Mandate will result in up to 100,000,000 Shares being repurchased by the Company, and the Directors will be authorised to allot and issue under the New Issue Mandate up to 200,000,000 Shares, and to the extent the Repurchase Mandate is exercised, plus the amount of Shares representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the Repurchase Mandate.

The New Issue Mandate and the Repurchase Mandate shall continue in force during the period from the date of passing the relevant resolution ending on the earliest of (a) the date of the next annual general meeting; or (b) the date by which the next annual general meeting of the Company is required to be held by law or by its articles of association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

EXPLANATORY STATEMENT

An explanatory statement containing information relating to the Repurchase Mandate, as required by Rule 13.08 of the GEM Listing Rules, is set out in the Appendix II to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

THE AGM

A notice convening the AGM is set out on pages 13 to 16 of this circular.

The resolutions for the Repurchase Mandate, the New Issue Mandate and re-election of Directors will be proposed at the AGM for your consideration and approval. All resolutions proposed at the AGM will be voted on by poll. A form of proxy for the AGM is enclosed with this circular. Whether or not you intend to be present at the AGM, you are advised to complete the form of proxy and return it to the Company's branch share registrar, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the AGM. The completion and delivery of a form of proxy will not preclude you from attending and voting at the meeting in person.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that New Issue Mandate, the Repurchase Mandate and the re-election of Directors referred to in this circular are in the interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the relevant resolutions proposed at the AGM.

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.

MISCELLANEOUS

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

Yours faithfully,
On behalf of the Board
CL Group (Holdings) Limited
Lau Ka Lung Ali
Chairman

The following is the explanatory statement required to be sent to shareholders pursuant to Rule 13.08 of the GEM Listing Rules in connection with the proposed Repurchase Mandate which, if approved, would authorize the Directors to repurchase the Shares.

1. SHARE CAPITAL

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

Subject to the passing of the ordinary resolution number 5 set out in the notice of the AGM and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 100,000,000 Shares during the course of the period from the date of passing the relevant resolution up to (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; or (iii) the revocation, variation or renewal of the Repurchase Mandate by ordinary resolution of the Shareholders general meeting, whichever occurs first.

2. REASONS FOR REPURCHASE

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

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the GEM Listing Rules and the applicable laws of the Cayman Islands. The Company may not repurchase its own shares on the GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

4. EFFECT OF EXERCISING THE REPURCHASE MANDATE

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 2011 Annual Report) in the event that the Repurchase Mandate is exercised in full. However, 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 requirements of the Company or on the gearing levels which, in the opinion of the Directors, are from time to time appropriate of the Company.

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate pursuant to the proposed resolution in accordance with the GEM Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge, having made all reasonable enquires, any of their respective associates (as defined in the GEM Listing Rules) has notified the Company of any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company or its subsidiaries.

6. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the GEM during each of the calendar months since 8 March 2011, being the date of first listing of the Shares on the Stock Exchange, were as follows:

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2011		
March	0.70	0.51
April	0.58	0.51
May	0.53	0.495
June (up to the Latest Practicable Date)	0.55	0.495

7. SHARES PURCHASE MADE BY THE COMPANY

No purchases of Shares have been made by the Company (whether on the GEM or otherwise) since the listing of the shares on the GEM and up to the Latest Practicable Date.

8. THE 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 the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interests, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Ms. Au Suet Ming Clarea ("Ms. Au") is deemed to be interested in 750,000,000 Shares through Zillion Profit Limited, being the substantial shareholder of the Company, representing 75% of the total issued share capital of the Company. If the Repurchase Mandate is exercised in full, the shareholding of Ms. Au would be increased to approximately 83.33%. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. However it would result in the amount of Shares held by the public being reduced to less than 25%.

Currently, the Directors have no intention to exercise the powers of the Company to make any repurchases of the Shares of the Company. In any event, the Directors do not intend to exercise the Repurchase Mandate to an extent which will trigger off the mandatory offer requirement pursuant to the rules of the Takeovers Code or which will result in the amount of Shares held by the public being reduced to less than 25%, the minimum prescribed percentage for the Shares to be held by the public after listing of the Shares on the GEM.

9. CONNECTED PERSON

No connected person (as defined in the GEM Listing Rules) has notified the Company that it has a present intention to sell Shares to the Company or its subsidiaries, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

APPENDIX II BIOGRAPHICAL DETAILS OF THE RETIRING DIRECTORS

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

Mr. LAU Ka Lung Ali, aged 44, chairman and executive director of the Company. He joined the Group in September 2007. Mr. Lau is responsible for managing daily operations and supervising dealing staff and for formulating corporate strategies and overall management of the Group. He also oversees and supervises risk control of the Group such as monitoring trades and funding. Mr. Lau completed a diploma in China Finance from the Adult Education College of Shenzhen University of the PRC. Mr. Lau has over 10 years of experience in securities and commodities dealing. In the three years preceding the Latest Practicable Date, Mr. Lau did not hold any directorship in any other listed company.

According to a service agreement between Mr. Lau and the Company, Mr. Lau is entitled to an emolument of HK\$650,000 per annum. In addition, Mr. Lau is entitled to a discretionary bonus to be determined by the Company at its absolute discretion. Mr. Lau's appointment is for a fixed term of three years commencing from 25 February 2011 and is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. He is a director of various subsidiaries of the Company. As at the Latest Practicable Date, Mr. Lau is interested in 1,500,000 share options under the Company's Pre-IPO share option scheme adopted on 22 February 2011. Save as aforesaid, Mr. Lau does not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholder of the Company, nor any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr. Lau pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there is no other information in relation to the re-election of Directors that need to be brought to the attention of the shareholders.

Mr. KWOK Kin Chung, aged 36, executive director and chief executive officer of the Company. He joined the Group in July 2010. Mr. Kwok is responsible for managing daily operations and supervising dealing staff. He obtained a Master's degree in Finance from Curtin University of Technology of Australia and a professional diploma in Corporate Finance from The Hong Kong Management Association. Mr. Kwok has over 10 years of experience in securities and derivatives dealing. In the three years preceding the Latest Practicable Date, Mr. Kwok did not hold any directorship in any other listed company.

According to a service agreement between Mr. Kwok and the Company, Mr. Kwok is entitled to an emolument of HK\$546,000 per annum. In addition, Mr. Kwok is entitled to a discretionary bonus to be determined by the Company at its absolute discretion. Mr. Kwok's appointment is for a fixed term of three years commencing from 25 February 2011 and is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. He is a director of various subsidiaries of the Company. As at the Latest Practicable Date, Mr. Kwok is interested in 500,000 share options under the Company's Pre-IPO share option scheme adopted on 22 February 2011. Save as aforesaid, Mr. Kwok does not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholder of the Company, nor any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. There is no information to be disclosed by Mr. Kwok pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there is no other information in relation to the re-election of Directors that need to be brought to the attention of the shareholders.

Mr. LAU Kin Hon ("Mr. KH Lau"), age 43, executive director of the Company. He joined the Group on 8 January 2008. Mr. KH Lau is responsible for managing the compliance function of the Group and the provision of advice to the Group on legal and regulatory compliance matters. Mr. KH Lau is a practicing solicitor in Hong Kong. Mr. KH Lau received his bachelor of laws degree from University College, London, U.K. Mr. KH Lau has over 15 years experience in legal and compliance. He is currently a partner of a law firm. Mr. KH Lau is currently a non-executive director of Lisi Group (Holdings) Limited, a company listed on the Stock Exchange. Save as aforesaid, Mr. KH Lau did not hold any directorship in any other listed company in the three years preceding the Latest Practicable Date.

Mr. KH Lau was the independent non-executive director of Fujian Group Limited ("FGL") during the period from 11 June 1996 to 11 December 2003, Seapower Resources International Limited ("SRI") during the period from 15 August 2000 to 5 December 2003 and I-China Holdings Limited ("ICL") during the period from 1 April 2001 to 23 April 2004. Each of FGL, SRI and ICL was a company listed on the Stock Exchange during Mr. KH Lau's directorship. FGL was incorporated in Hong Kong whose principal business was property investment. FGL was subject to a winding up petition at the High Court of Hong Kong and provisional liquidators were appointed in 2003. Successful debt restructuring of FGL was completed on 11 December 2003 and the said winding up petition and provisional liquidators were discharged on the same date. SRI was incorporated in the Cayman Islands whose principal businesses were property investment and cold storage. SRI was subject to a winding up petition at the High Court of Hong Kong and provisional

liquidators were appointed in 2001. Successful restructuring of SRI was completed on 5 December 2003 and the said winding up petition and provisional liquidators were discharged accordingly. ICL was incorporated in Bermuda whose principal business was investment holding. ICL was subject to a winding up petition at the High Court of Hong Kong and provisional liquidators were appointed in 2002. Successful restructuring of ICL was completed on 23 April 2004 and the said winding up petition and provisional liquidators were discharged accordingly. Mr. KH Lau has confirmed that there was no wrongful act on his part leading to the winding up petitions in respect of FGL, SRI and ICL.

According to a service agreement between Mr. KH Lau and the Company, Mr. KH Lau is entitled to an emolument of HK\$195,000 per annum. In addition, Mr. KH Lau is entitled to a discretionary bonus to be determined by the Company at its absolute discretion. Mr. KH Lau's appointment is for a fixed term of three years commencing from 25 February 2011 and is subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association. He is a director of various subsidiaries of the Company. As at the Latest Practicable Date, Mr. KH Lau is interested in 1,000,000 share options under the Company's Pre-IPO share option scheme adopted on 22 February 2011. Save as aforesaid, Mr. KH Lau does not have any relationship with any directors, senior management, management shareholders or substantial or controlling shareholder of the Company, nor any interests in the securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as aforesaid, there is no information to be disclosed by Mr. KH Lau pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules and there is no other information in relation to the re-election of Directors that need to be brought to the attention of the shareholders.

NOTICE OF AGM

CL GROUP (HOLDINGS) LIMITED

(昌 利 (控 股) 有 限 公 司)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8098)

NOTICE IS HEREBY GIVEN THAT an annual general meeting of CL Group (Holdings) Limited (the “Company”) will be held at Room 1106, 11/F, MassMutual Tower, 38 Gloucester Road, Wanchai, Hong Kong on 4 August 2011 at 2:30 p.m. to consider and, if thought fit, to pass with or without amendments, the following resolutions:

ORDINARY RESOLUTIONS

1. to receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company (the “Directors”) and the auditors of the Company for the year ended 31 March 2011;
2. To declare a final dividend;
3. (A) (i) To re-elect Mr. Lau Ka Lung Ali as executive Director;
(ii) To re-elect Mr. Kwok Kin Chung as executive Director;
(iii) To re-elect Mr. Lau Kin Hon as executive Director;
(B) to authorise the board of directors to fix the Directors’ remuneration.
4. to re-appoint HLM & Co. as auditors of the Company and to authorise the Board to fix their remuneration;
5. “**THAT:**
(a) subject to paragraph (c) of this resolution, and pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 (the “Share”) each in the share capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

NOTICE OF AGM

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of warrants to subscribe for shares of the Company or the exercise of options granted under any ordinary share option scheme adopted by the Company, or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “Articles of Association”) in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed 20% of the aggregate nominal amount of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution and this 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 earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held; and
- (3) the date on which the authority given under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

NOTICE OF AGM

“Rights Issue” means an offer of shares open for a period fixed by the Company or the Directors to holders of shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognized regulatory body or any stock exchange in any territory outside Hong Kong)”;

6. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to repurchase its shares on GEM or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, subject to and in connection with the Companies Law of Cayman Islands and all applicable laws and/or the requirements of the Securities and Futures Commission, the Rules Governing the Listing of Securities on GEM or of any other stock exchange as amended from time to time, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the date of the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association, or any other applicable law of Cayman Islands, to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution”;

NOTICE OF AGM

7. “**THAT** conditional upon resolutions Nos. 5 and 6 set out in the notice convening this meeting being duly passed, the general mandate granted to the Directors to exercise the powers of the Company to allot and issue shares pursuant to resolution No. 5 set out in the notice convening this meeting be and is hereby extended by the addition to the aggregate nominal amount of the share capital which may be allotted or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to resolution No. 6 set out in the notice convening this meeting, provided that such an amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of this resolution.”

By order of the Board of
CL GROUP (HOLDINGS) LIMITED
Lau Ka Lung Ali
Chairman

Hong Kong, 30 June 2011

Notes:

1. A shareholder entitled to attend and vote at the meeting is entitled to appoint a person or persons as his proxy or proxies to attend and, on a poll, vote instead of him. A proxy need not be a shareholder of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of such power of attorney or authority, must be deposited at the offices of Hong Kong branch Share register and transfer office of the Company, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting, and in default thereof the form of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of 12 months from the date of its execution.
3. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the meeting, and in such event the instrument appointing a proxy shall be deemed to be revoked.
4. In relation to proposed Resolutions No. 5 and No. 7 above, approval is being sought from the shareholders for the grant to the Directors of a general mandate to authorise the allotment and issue of shares of the Company under the GEM Listing Rules. The Directors have no immediate plans to issue any new shares of the Company other than Shares which may fall to be issued under the existing share option schemes of the Company.
5. In relation to proposed Resolution No. 6 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances where they deem appropriate for the benefit of the shareholders of the Company. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the GEM Listing Rules is set out in Appendix I to the circular.

As at the date of this notice, the directors of the Company are Mr. Lau Ka Lung Ali (Chairman), Mr. Kwok Kin Chung, Ms. Yu Linda and Mr. Lau Kin Hon being executive directors; Mr. Au-Yeung Tai Hong Rorce, Mr. Chee Kwok Wing Waymond and Ms. Choy Wing Man being independent non-executive directors.