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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 or other registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

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

This circular appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



KOALA Financial Group Limited

樹熊金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8226)

(I) PROPOSED SHARE CONSOLIDATION; (II) CHANGE IN BOARD LOT SIZE; AND (III) NOTICE OF EGM

Financial Adviser



Euto Capital Partners Limited

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

A notice convening the extraordinary general meeting (“EGM”) of KOALA Financial Group Limited (the “Company”) to be held at Units 01-02, 13th Floor, Everbright Centre, 108 Gloucester Road, Wan Chai, Hong Kong on Thursday, 18 March 2021 at 10:00 a.m. is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is enclosed in this circular. Such form of proxy is also published on the websites of GEM at www.hkgem.com and the Company at www.koala8226.com.hk.

Whether or not you are able to attend the EGM, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish. Delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed revoked.

This circular will remain on the “Latest Listed Company Information” page of the GEM website for seven days from the date of its publication.

PRECAUTIONARY MEASURES FOR THE EGM

Please see page EGM – 3 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the EGM, including:

- compulsory body temperature checks
- wearing of a surgical face mask for each attendee
- no distribution of corporate gift or refreshment

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company strongly recommends Shareholders that they may appoint the chairman of the EGM as their proxy to vote on the relevant resolution(s) at the EGM as an alternative to attending the EGM in person.

24 February 2021

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 of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this circular:

“Board”	the board of Directors
“Business Day(s)”	day(s) (excluding Saturdays, Sundays and public holidays) on which banks are open for business in Hong Kong
“CCASS”	the Central Clearing and Settlement System operated by the HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Change in Board Lot Size”	the proposed change in board lot size for trading on the Stock Exchange from 4,000 Existing Shares to 5,000 Consolidated Shares upon the Share Consolidation becoming effective
“Circular”	the circular of the Company to be despatched to the Shareholders to provide, among other things, (i) further details regarding the Share Consolidation and the Change in Board Lot Size, and (ii) a notice convening the EGM
“Company”	KOALA Financial Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the GEM (stock code: 8226)
“Consolidated Share(s)”	ordinary share(s) of par value of HK\$0.20 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, to approve the Share Consolidation
“Existing Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company prior to the Share Consolidation becoming effective
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM

DEFINITIONS

“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	22 February 2021, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Committee”	has the meaning ascribed thereto under the GEM Listing Rules
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited of Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Share(s)”	the Existing Share(s) and/or the Consolidated Share(s), as the case may be
“Share Consolidation”	the proposed share consolidation on the basis that every twenty (20) issued and unissued Existing Shares be consolidated into one (1) Consolidated Share
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

EXPECTED TIMETABLE

The expected timetable for implementation of the Share Consolidation and the Change in Board Lot Size is set out below:

Event(s)	Time and date
Latest date and time for lodging transfer documents in order to qualify for attendance and voting at the EGM	4:00 p.m. on Friday, 12 March 2021
Closure of register of members for determining the entitlement to attend and vote at the EGM	Monday, 15 March 2021 to Thursday, 18 March 2021 (both days inclusive)
Latest date and time for lodging forms of proxy for the EGM	10:00 a.m. on Tuesday, 16 March 2021
Expected date and time of the EGM	10:00 a.m. on Thursday, 18 March 2021
Announcement of poll results of the EGM for the Share Consolidation	Thursday, 18 March 2021

The following events are conditional on the fulfilment of the conditions for the implementation of the Share Consolidation as set out in the paragraph headed “Conditions of the Share Consolidation” of this circular:

Effective date of the Share Consolidation	Monday, 22 March 2021
First day for free exchange of existing share certificates for new share certificates of the Consolidated Shares	Monday, 22 March 2021
Dealings in the Consolidated Shares commence	9:00 a.m. on Monday, 22 March 2021
Original counter for trading in the Existing Shares in board lots of 4,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Monday, 22 March 2021
Temporary counter for trading in the Consolidated Shares in board lots of 200 Consolidated Shares (in the form of existing share certificates) opens	9:00 a.m. on Monday, 22 March 2021

EXPECTED TIMETABLE

Original counter for trading in the Consolidated Shares in new board
lots of 5,000 Consolidated Shares (in the form of new share
certificates for the Consolidated Shares) re-opens 9:00 a.m. on
Thursday, 8 April 2021

Parallel trading in the Consolidated Shares (in the form of new share
certificates for the Consolidated Shares and existing share
certificates) commences 9:00 a.m. on
Thursday, 8 April 2021

Designated broker starts to stand in the market to provide matching
services for the sale and purchase of odd lots of the Consolidated Shares 9:00 a.m. on
Thursday, 8 April 2021

Temporary counter for trading in the Consolidated Shares in board
lots of 200 Consolidated Shares (in the form of existing share
certificates) closes 4:10 p.m. on
Wednesday, 28 April 2021

Parallel trading in Consolidated Shares (in the form of new share
certificates for the Consolidated Shares and existing share
certificates) ends 4:10 p.m. on
Wednesday, 28 April 2021

Designated broker ceases to stand in the market to provide matching
services for the sale and purchase of odd lots of the Consolidated Shares 4:00 p.m. on
Wednesday, 28 April 2021

Last date and time for free exchange of existing share certificates
for the new share certificates of the Consolidated Shares 4:00 p.m. on
Friday, 30 April 2021

All times and dates in this circular refer to Hong Kong local times and dates. The expected timetable set out above is indicative only and may be subject to change. Further announcement(s) will be made as and when appropriate.

LETTER FROM THE BOARD



KOALA Financial Group Limited
樹熊金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8226)

Executive Directors:

Ms. Kwan Kar Ching (*Chairlady*)

Ms. Hsin Yi-Chin

Independent non-executive Directors:

Mr. Hung Cho Sing

Mr. Luk Kin Ting

Ms. Ng Yau Kuen, Carmen

Registered Office:

Cricket Square

Hutchins Drive,

P.O. Box 2681,

Grand Cayman, KY1-1111,

Cayman Islands

Principal place of business in

Hong Kong:

Units 01–02, 13th Floor,

Everbright Centre,

108 Gloucester Road,

Wanchai,

Hong Kong

24 February 2021

To the Shareholders

Dear Sir or Madam,

**(I) PROPOSED SHARE CONSOLIDATION;
(II) CHANGE IN BOARD LOT SIZE;
AND
(III) NOTICE OF EGM**

INTRODUCTION

Reference is made to the announcement of the Company dated 1 February 2021 in relation to the proposed Share Consolidation and the Change in Board Lot Size.

The purpose of this circular is to provide you with information relating to (i) the proposed Share Consolidation and (ii) the Change in Board Lot Size; and (iii) the notice of the EGM.

LETTER FROM THE BOARD

(I) PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every twenty (20) issued and unissued Existing Shares be consolidated into one (1) Consolidated Share.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$200,000,000 divided into 20,000,000,000 Existing Shares of par value of HK0.01 each, of which 2,783,359,958 Shares have been issued and are fully paid or credited as fully paid. Assuming that no further Existing Shares are issued or repurchased between the Latest Practicable Date and the date of the EGM, immediately upon the Share Consolidation becoming effective, the authorised share capital of the Company shall become HK\$200,000,000 divided into 1,000,000,000 Consolidated Shares of par value of HK\$0.20 each, of which 139,167,997 Consolidated Shares will be in issue and fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

As at the Latest Practicable Date, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares.

Other than the expenses to be incurred in relation to the Share Consolidation and the Change in Board Lot Size, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save for any fractional Consolidated Shares will not be allocated to the Shareholders who may otherwise be entitled.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

- (i) the passing of an ordinary resolution by the Shareholders by way of poll to approve the Share Consolidation at the EGM;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and
- (iii) the compliance with all relevant procedures and requirements under the applicable laws of the Cayman Islands and the GEM Listing Rules to effect the Share Consolidation.

Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation and the Change in Board Lot Size is expected to be on Monday, 22 March 2021, being the second Business Day after the EGM.

As at the Latest Practicable Date, none of the conditions above had been fulfilled.

LETTER FROM THE BOARD

Fractional entitlement to the Consolidated Shares

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

Application for listing of the Consolidated Shares

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

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

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

Odd lots arrangement and matching services

To facilitate the trading of odd lots of the Consolidated Shares, the Company has appointed KOALA Securities Limited as its designated broker to provide matching services, on a best effort basis regarding the sale and purchase of odd lots of Consolidated Shares from 9:00 a.m. on Thursday, 8 April 2021 to 4:00 p.m. on Wednesday, 28 April 2021 (both days inclusive). Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares should contact Bernice Seto/ Charmaine Chan of KOALA Securities Limited at Units 01-02, 13th Floor, Everbright Centre, 108 Gloucester Road, Wan Chai, Hong Kong (telephone number: 3700 7886/3700 7814) during the office hours of such period.

Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Any Shareholder, who is in any doubt about the odd lot arrangement, is recommended to consult his/her/its own professional advisers.

LETTER FROM THE BOARD

Shareholders or potential investors should note that (i) odd lots will be created after the Share Consolidation and the Change in Board Lot Size; (ii) odd lots arrangements do not guarantee successful matching of all odd lots at the relevant market price; and (iii) odd lots might be sold below the market price in the market.

Exchange of share certificates

Subject to the Share Consolidation having become effective, Shareholders may during the period from 9:00 a.m. on Monday, 22 March 2021 to 4:00 p.m. on Friday, 30 April 2021 (both days inclusive) submit share certificates for the Existing Shares to 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, in exchange, at the expense of the Company, for new share certificates for the Consolidated Shares.

Thereafter, share certificates for the Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may be allowed by the Stock Exchange from time to time) for each share certificate for the Existing Shares cancelled or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:10 p.m. on Wednesday, 28 April 2021, and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of title to the Consolidated Shares on the basis of twenty (20) Existing Shares for one (1) Consolidated Share. The new share certificates for the Consolidated Shares will be issued in red colour in order to distinguish them from the share certificates for the Existing Shares which are in green colour.

(II) THE CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in the board lot size of 4,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 4,000 Existing Shares to 5,000 Consolidated Shares conditional upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.025 per Existing Share (equivalent to the theoretical closing price of HK\$0.50 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, (i) the value of each existing board lot of Existing Shares is HK\$100; (ii) the value of each board lot of 4,000 Consolidated Shares would be HK\$2,000 assuming the Share Consolidation becoming effective; and (iii) the estimated value per board lot of 5,000 Consolidated Shares would be HK\$2,500 assuming that the Change in Board Lot Size had also been effective.

REASONS FOR AND BENEFITS OF THE SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE

Pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of the issuer approaches the extremities of HK\$0.01 or HK\$9,995, the Stock Exchange reserves the right to require the issuer either to change the trading method or to proceed with a consolidation or splitting of its

LETTER FROM THE BOARD

securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 1 October 2020 has further stated that (i) market price of the Shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

For the past 12 months, the share price of the Company has been trading at or below HK\$0.05, and the closing price of the Existing Shares as at the Latest Practicable Date was HK\$0.025 per Share. the value of each existing board lot has been less than HK\$2,000. Based on the closing price of HK\$0.025 per Existing Share as at the Latest Practicable Date and the existing board lot size of 4,000 Existing Shares, the Board resolved to propose the Share Consolidation and the Change in Board Lot Size, resulting in HK\$0.50 per Consolidated Share and HK\$2,500 per board lot of 5,000 Consolidated Shares with the view to complying with the trading requirements under the GEM Listing Rules.

The Board considers that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price per Consolidated Share on the Stock Exchange. Further, the Share Consolidation and the Change in Board Lot Size would reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities trade.

In view of the above reasons, the Board considers that the Share Consolidation and the Change in Board Lot Size is justifiable notwithstanding of the potential costs and impact arising from creation of odd lots to Shareholders. Accordingly, the Board is of the view that the Share Consolidation and Change in Board Lot Size is beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company does not have any concrete plan to conduct any fund raising activities in the next 12 months.

The Board believes that the Share Consolidation and the Change in Board Lot Size will not have any material adverse effect on the financial position of the Group nor result in change in the relative rights of the Shareholders.

EGM

The EGM will be held at Units 01-02, 13th Floor, Everbright Centre, 108 Gloucester Road, Wan Chai, Hong Kong at 10:00 a.m. on Thursday, 18 March 2021 for the Shareholders to consider and, if thought fit, pass the ordinary resolution for approving the Share Consolidation. The resolution approving the Share Consolidation will be conducted by way of poll at the EGM and an announcement on the results of the EGM will be made by the Company after the EGM.

LETTER FROM THE BOARD

To the best knowledge, information and belief of the Directors, no Shareholder has a material interest in the Share Consolidation and is required to abstain from voting on the resolution for approving the Share Consolidation at the EGM.

The notice of the EGM is set out on pages EGM-1 to EGM-2 of this circular.

For determining the entitlement of the Shareholders to attend and vote at the EGM, the register of members of the Company will be closed from Monday, 15 March 2021 to Thursday, 18 March 2021 (both dates inclusive) during which period no transfer of the Shares will be registered. In order to be qualified for the entitlement to attend and vote at the EGM, all properly completed transfer forms, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration no later than 4:00 p.m. on Friday, 12 March 2021.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you intend to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the 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. Delivery of an instrument appointing a proxy shall not preclude you from attending and voting in person at the EGM and in such event, the instrument appointing a proxy shall be deemed revoked.

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.

RECOMMENDATIONS

The Directors consider that the proposed resolution in relation to the Share Consolidation to be put forward at the EGM is in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the Share Consolidation.

On behalf of the Board
KOALA Financial Group Limited
Kwan Kar Ching
Chairlady

NOTICE OF EGM



KOALA Financial Group Limited

樹熊金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8226)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of KOALA Financial Group Limited (the “**Company**”) will be held at Units 01-02, 13th Floor, Everbright Centre, 108 Gloucester Road, Wan Chai, Hong Kong on Thursday, 18 March 2021 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolution of the Company as an ordinary resolution:

ORDINARY RESOLUTION

1. “**THAT** subject to and conditional upon (i) the granting of approval by the GEM Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) of the listing of, and permission to deal in, the Consolidated Shares (as defined below); and (ii) compliance with the relevant procedures and requirements under the applicable laws of Cayman Islands and the Rules Governing the Listing of Securities on GEM of the Stock Exchange to effect the Share Consolidation (as defined below):
 - (a) with effect from the second business day immediately following the date on which this resolution is passed or the above condition is fulfilled (whichever is later):
 - (i) every twenty (20) issued and unissued ordinary shares of par value of HK\$0.01 each in the share capital of the Company be consolidated into one (1) consolidated share (each a “**Consolidated Share**”) of par value of HK\$0.20 each (the “**Share Consolidation**”), such Consolidated Shares shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions as contained in the memorandum and articles of association of the Company;
 - (ii) the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation be and is hereby rounded down to a whole number by cancelling any fraction in the issued share capital of the Company arising from the Share Consolidation (if applicable);
 - (iii) immediately following the Share Consolidation, the authorised share capital of the Company be changed from HK\$200,000,000 divided into 20,000,000,000 ordinary shares of par value of HK\$0.01 each to HK\$200,000,000 divided into 1,000,000,000 ordinary shares of par value of HK\$0.20 each; and

NOTICE OF EGM

- (iv) any one or more of the directors of the Company be and is/are hereby authorised to do all such acts and things and execute all such documents, which are ancillary to the Share Consolidation and of administrative nature, on behalf of the Company, including under seal where applicable, as he/they consider necessary, desirable or expedient to give effect to the foregoing arrangements for the Share Consolidation.”

On behalf of the Board
KOALA Financial Group Limited
Kwan Kar Ching
Chairlady

Hong Kong, 24 February 2021

Registered Office:
Cricket Square
Hutchins Drive,
P.O. Box 2681,
Grand Cayman, KY1-1111,
Cayman Islands

Principal place of business in Hong Kong:
Units 01–02, 13th Floor,
Everbright Centre,
108 Gloucester Road,
Wanchai, Hong Kong

Notes:

1. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company.
2. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notorially certified copy of such power of attorney or authority, must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not less than 48 hours before the time appointed for holding the Meeting.
3. Completion and return of the form of proxy will not preclude a member of the Company from attending the Meeting and voting in person at the Meeting or any adjournment thereof if he/she/it so desires. If a member of the Company attends the Meeting after having deposited the form of proxy, his/her/its form of proxy will be deemed revoked.
4. Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he/she/it were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, then one of the said persons so present being the most, or as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holder stand on the register in respect of the relevant joint holding.
5. For determining the entitlement of the Shareholders to attend and vote at the Meeting, the register of members of the Company will be closed from Monday, 15 March 2021 to Thursday, 18 March 2021 (both dates inclusive) during which period no transfer of the Shares will be registered. In order to qualify for entitlement to attend and vote at the Meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Friday, 12 March 2021.
6. As at the date of this notice, the executive Directors are Ms. Kwan Kar Ching and Ms. Hsin Yi-Chin; and the independent non-executive Directors are Mr. Hung Cho Sing, Mr. Luk Kin Ting and Ms. Ng Yau Kuen, Carmen.

PRECAUTIONARY MEASURES FOR THE EGM

In light of the recent ongoing spread of Novel Coronavirus (COVID-19), the Company will implement the following precautionary measures at the EGM in order to protect the health and safety of all participants including the Shareholders, their proxies and other personnel (the “**Participants**”) in the EGM, including:

1. All the Participants will subject to compulsory body temperature checks;
2. All the Participants will be requested of wearing of surgical face masks throughout the EGM. Any person who does not comply with this requirement may be denied entry into the EGM venue and be asked to leave the EGM venue. A safe distance between seats are also recommended;
3. All Participants in the EGM shall use sanitiser to sanitise their hands at least once when they enter into the EGM venue, and when they leave after the EGM;
4. No beverage and refreshment will be served either during or after the EGM to avoid close contacts of the Participants during their attendance; and
5. Other safety measures as appropriate.

Shareholders are reminded that any person who is subject to any Hong Kong Government prescribed quarantine, with fever or respiratory symptoms, a body temperature over 37.5 degree Celsius or without wearing a surgical face mask will not be given access to the venue of the EGM, which also means that you will not be allowed to enter the venue and attend the EGM.

The Company strongly recommends Shareholders that they may appoint the chairman of the EGM as their proxy to vote on the relevant resolution(s) at the EGM as an alternative to attending the EGM in person. Shareholders who choose to do so should take action as soon as possible to ensure the proxy instructions reach the Company’s Hong Kong branch share registrar not less than forty-eight (48) hours before the time appointed for holding the EGM or any adjourned meeting thereof.

If Shareholders have any questions relating to the EGM, please contact Union Registrars Limited, the Company’s Hong Kong branch share registrar and transfer office as follows:

Address:

Suites 3301–04, 33/F., Two Chinachem Exchange Square,
338 King’s Road, North Point, Hong Kong
Telephone: (852) 2849 3399
Fax: (852) 2849 3319