CORNERSTONE TECHNOLOGIES HOLDINGS LIMITED
基石科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8391)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting ("**EGM**") of Cornerstone Technologies Holdings Limited (the "**Company**") will be held virtually on Monday, 11 April 2022 at 3:00 p.m. for the following purposes:

ORDINARY RESOLUTION

To consider and, if thought fit, pass with or without amendments the following resolution as ordinary resolutions:

1. **"THAT**

(a) (i) the placing agreement dated 30 September 2021 entered into between the Company and VBG Capital Limited ("**Placing Agent**"); (ii) the supplemental placing agreement dated 9 November 2021 entered into between the Company and the Placing Agent; and (iii) the supplemental placing agreement dated 29 November 2021 entered into between the Company and the Placing Agent (collectively, the "**Placing Agreements"**) (a copy of the Placing Agreements have been produced to the meeting and marked "A" and initialed by the chairman of the meeting for identification purpose) in relation to the Placing of 87,000,000 new ordinary shares of HK$0.01 each in the share capital of the Company (the "**Placing Shares**") by the Placees at the Placing price of HK$0.62 per Placing Share in up to two or more tranches and the transaction contemplated thereunder be and are hereby approved, confirmed and ratified;

(b) conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") granting and not having withdrawn or revoked the approval for the listing of, and permission to deal in the Placing Shares prior to settlement of the Placing Shares, the directors of the Company (the "**Directors**") be and are hereby granted a specific mandate to allot and issue the Placing Shares in accordance with the terms of the Placing Agreements, provided that this specific mandate shall be in addition to, and shall not prejudice nor revoke any existing or such other general or specific mandates which may from time to time be granted to the Directors prior to the passing of this resolution; and

(c) any one of the Directors be and is hereby authorised to take any action and execute such other documents as he/she considers necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the Placing Agreements and the transaction contemplated thereunder, including, without limitation, the allotment and issue of the Placing Shares under the relevant specific mandate."

2. "THAT

(a) the service contract entered into between the Company and Mr. Yip Shiu Hong (the "**CEO Service Contract**") in relation to the appointment of Mr. Yip Shiu Hong as the chief executive officer of the Company (a copy of the CEO Service Contract has been produced to the meeting and marked "B" and initialed by the chairman of the meeting for identification purpose) upon which the Directors have agreed 5,997,905 Shares are to be allot and issued to Mr. Yip Shiu Hong as a signing bonus (the "**CEO Emolument Shares**"), and the transaction contemplated thereunder be and are hereby approved, confirmed and ratified;

(b) conditional upon the Listing Committee of the Stock Exchange granting and not having withdrawn or revoked the approval for the listing of, and permission to deal in the CEO Emolument Shares prior to settlement of the CEO Emolument Shares, the Directors be and are hereby granted a specific mandate to allot and issue the CEO Emolument Shares in accordance with the terms of the CEO Service Contract, provided that this specific mandate shall be in addition to, and shall not prejudice nor revoke any existing or such other general or specific mandates which may from time to time be granted to the Directors prior to the passing of this resolution; and

(c) any one of the Directors be and is hereby authorised to take any action and execute such other documents as he/she considers necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the CEO Service Contract and the transaction contemplated thereunder, including, without limitation, the allotment and issue of the CEO Emolument Shares under the relevant specific mandate."

3. **"THAT**

(a) the service contract entered into between the Company and Mr. Ng Sze Chun (the "**COO Service Contract**") in relation to the appointment of Mr. Ng Sze Chun as the chief operating officer of the Company (a copy of the COO Service Contract has been produced to the meeting and marked "C" and initialed by the chairman of the meeting for identification purpose) upon which the Directors have agreed 2,998,953 Shares are to be allot and issued to Mr. Ng Sze Chun as a signing bonus (the "**COO Emolument Shares**"), and the transaction contemplated thereunder be and are hereby approved, confirmed and ratified;

(b) conditional upon the Listing Committee of the Stock Exchange granting and not having withdrawn or revoked the approval for the listing of, and permission to deal in the COO Emolument Shares prior to settlement of the COO Emolument Shares, the Directors be and are hereby granted a specific mandate to allot and issue the COO Emolument Shares in accordance with the terms of the COO Service Contract, provided that this specific mandate shall be in addition to, and shall not prejudice nor revoke any existing or such other general or specific mandates which may from time to time be granted to the Directors prior to the passing of this resolution; and

(c) any one of the Directors be and is hereby authorised to take any action and execute such other documents as he/she considers necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the COO Service Contract and the transaction contemplated thereunder, including, without limitation, the allotment and issue of the COO Emolument Shares under the relevant specific mandate."

4. **"THAT**

(a) the deed of settlement of debt (the "**Deed**") dated 30 December 2021 entered into between the Company as issuer and (i) Mr. Wu Jianwei; (ii) Mr. Liang Zihao; (iii) Mr. Li Man Keung Edwin; and (iv) Mr. Pan Wenyuan, collectively, as subscribers (the "**Subscribers**") in relation to, the proposed subscription of 45,316,000 Shares (the "**Subscription Shares**") at the subscription price of HK$0.62 per Subscription Share to, among other things, capitalize the aggregate amount owed by the Group to the Subscribers of HK$28,100,000 as at the date of the Deed on and subject to the terms and conditions thereof (a copy of the Deed marked "D" and signed by the chairman of the EGM for identification purpose has been tabled at the EGM), and the transactions contemplated thereunder be and are hereby approved, ratified and confirmed;

(b) conditional upon the Listing Committee of the Stock Exchange granting and not having withdrawn or revoked the approval for the listing of, and permission to deal in the Subscription Shares prior to settlement of the Subscription Shares, the Directors be and are hereby granted a specific mandate to allot and issue the Subscription Shares in accordance with the terms of the Deed, provided that this specific mandate shall be in addition to, and shall not prejudice nor revoke any existing or such other general or specific mandates which may from time to time be granted to the Directors prior to the passing of this resolution; and

(c) any one of the Directors be and is hereby authorised to take any action and execute such other documents as he/she considers necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the Deed and the transaction contemplated thereunder, including, without limitation, the allotment and issue of the Subscription Shares under the relevant specific mandate."

5. "THAT

(a) subject to and conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the shares to be issued upon exercise of any options to be granted under the Refreshed Limit (as defined below) pursuant to the share option scheme ("**Share Option Scheme**") of the Company adopted by the resolution of the shareholders of the Company passed on 19 April 2018, the existing limit on the grant of options under the Share Option Scheme and any other schemes of the Company be refreshed so that the aggregate nominal amount of share capital of the Company to be allotted and issued upon exercise of any options to be granted under the Share Option Scheme and any other schemes of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme and any other schemes of the Company) shall not exceed 10% of the total number of the issued share capital of the Company in issue as at the date of the passing of this resolution ("**Refreshed Limit**") and that the Directors of the Company be and are hereby authorized to grant options up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company under the Refreshed Limit pursuant to the exercise of such options."

By Order of the Board
Cornerstone Technologies Holdings Limited
LIANG Zihao
Co-Chairman and Executive Director

Hong Kong, 21 March 2022

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

Head office and principal place of business in Hong Kong:
2402, China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

As at the date of this notice, the Directors are as follows:

Executive Directors:	Mr. LIANG Zihao *(Co-Chairman)* Mr. LI Man Keung Edwin *(Vice-Chairman)* Mr. SAM WENG WA Michael Mr. LAU Wai Yan Lawson Mr. PAN Wenyuan
Non-executive Director:	Mr. WU Jianwei *(Co-Chairman)*
Independent non-executive Directors:	Mr. TAM Ka Hei Raymond Mr. YUEN Chun Fai Ms. ZHU Xiaohui

Notes:

1. A member entitled to attend and vote at the EGM (or at any adjournment thereof) is entitled to appoint one or (if he holds two or more shares) more proxies to attend and vote in his stead. A proxy need not be a member of the Company.

2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing, or if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person duly authorised to sign the same.

3. Where there are joint registered holders of any shares, any one of such persons may vote at the EGM (or at any adjournment thereof), 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 EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

4. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority (such certification to be made by either a notary public or a solicitor qualified to practise in Hong Kong), must be deposited with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time fixed for holding the EGM (i.e. not later than 3:00 p.m. on Saturday, 9 April 2022) or any adjournment thereof.

5. For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Wednesday, 6 April 2022 to Monday, 11 April 2022 both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of shares shall ensure that 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, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 4 April 2022.

6. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the EGM or any adjourned meeting (as the case may be) should he so wish and in such event, the proxy form previously served will be deemed to be revoked.

7. In compliance with the GEM Listing Rules, the resolution to be proposed at the EGM will be voted by way of poll.

8. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

9. In light of the directions in relation to the Prevention and Control of Disease (Requirements and Directions) (business and Premises) Regulation (Chapter 599F, Laws of Hong Kong) issued by the Hong Kong Government on 9 February 2022 which has become effective on 10 February 2022, physical general meetings of companies are prohibited. The Company hereby announces that, in view of the current COVID-19 situation in Hong Kong:

   – If a member of the Company (whether individual or corporate) wishes to exercise his/her/its voting rights at the EGM, he/she/it must appoint the chairman of the EGM as his/her/its proxy to vote on his/her/its behalf at the EGM.

   – In appointing the chairman of the EGM as proxy, a member of the Company (whether individual or corporate) must give specific instructions as to voting in the proxy form, the duly completed and signed proxy form must be deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the office of the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 3:00 p.m. on Saturday, 9 April 2022 (being not less than forty-eight (48) hours before the EGM), failing which the appointment will be treated as invalid.

   – The EGM will be held by way of electronic means and a member of the Company will be able to observe the proceedings of the EGM through ZOOM Meeting or listen to the meeting proceedings. Shareholders can view and listen to the EGM through a live webcast of the EGM from 2:30 p.m. on Monday, 11 April 2022 on a computer, tablet or any browser enabled device. Shareholders will need to complete the following steps to be able to access the live webcast of the EGM:–

Accessing Proceedings of the EGM By Zoom

For Shareholders who would like to view and listen to the EGM live webcast, you will need to register by sending an email to is-enquiries@hk.tricorglobal.com no later than 5:00 p.m. on Friday, 1 April 2022 to provide a valid email address and a valid contact telephone number to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited ("**Tricor**"). A request form will be provided by Tricor, to such Shareholders via email, which shall be completed and returned to Tricor, by 5:00 p.m. on Wednesday, 7 April 2022, for the purpose of verifying the identity of the relevant Shareholder.

– Following authentication of his/her/its status as members of the Company, authenticated members of the Company will receive an email instruction on how to join the ZOOM Meeting to observe the proceedings of the EGM by Friday, 8 April 2022. Shareholders **MUST NOT** forward the link to other persons who are not the Shareholders and who are not entitled to attend the EGM.

– For non-registered Shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited, they can also view and listen to the EGM as well as speak and submit questions online. In this regard, they should consult directly with their banks, brokers or custodians (as the case may be) for the necessary arrangements.

– A member of the Company who wishes to express their views by asking questions may submit questions in relation to the business of the EGM in advance. Any shareholder who would like to submit questions in relation to the business of the EGM in advance can send questions by 3:00 p.m. on Saturday, 9 April 2022 by email to 8391gm-queries@elegancehk.com or telephone hotline at (852) 2283 2202 of the Company or submit questions during the EGM through the live webcast dialogue function. The Board will arrange for answering the questions raised to the extent possible at the EGM.

If you have any queries on the above, please contact the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong from 9:00 a.m. to 5:00 p.m. (Monday to Friday, excluding Hong Kong public holidays) by email to is-enquiries@hk.tricorglobal.com or telephone hotline at (852) 2980 1333.

The Company is closely monitoring the impact of COVID-19 in Hong Kong. Should any changes be made to the EGM arrangements, the Company will publish further announcement(s) to notify the Shareholders.

This announcement, 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 announcement 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 announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the GEM website at www.hkgem.com for at least seven days after the date of publication and on the Company's website at www.cstl.com.hk.