
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Basetrophy Group Holdings Limited** (the “Company”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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.



BASETROPHY GROUP HOLDINGS LIMITED

基地錦標集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8460)

PROPOSED SHARE CONSOLIDATION AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Financial adviser to the Company



Capitalised terms used in this cover page shall have the same meanings as those defined in the section headed “Definitions” in this circular.

A notice convening the Extraordinary General Meeting of the Company to be held at 1/F., Connaught Harbourfront House, 35-36 Connaught Road West, Sheung Wan, Hong Kong on Thursday, 7 July 2022 at 11:00 a.m. is set out in this circular. A form of proxy for use at the Extraordinary General Meeting is enclosed with this circular. Such form of proxy is also published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and of the Company (www.wbgroupfw.com.hk).

Whether or not you are able to attend the Extraordinary General Meeting, please complete and sign the enclosed form of proxy for use at the Extraordinary General Meeting in accordance with the instructions printed thereon and return it to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting (i.e. not later than 11:00 a.m. on Tuesday, 5 July 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Extraordinary General Meeting if they so wish.

This circular together with the form of proxy will remain on the GEM website at www.hkgem.com on the “Latest Listed Company Information” page for at least 7 days from the date of publication and on the website of the Company at www.wbgroupfw.com.hk.

PRECAUTIONARY MEASURES FOR THE EGM

Special measures being taken to prevent and control the spread of the novel coronavirus at the EGM are set out below:

- compulsory body temperature check
- compulsory wearing of surgical face masks
- no provision of refreshments or drinks
- no handing out of corporate gifts

Any person who does not comply with the precautionary measures may be denied entry into the EGM venue. Shareholders are encouraged to consider appointing the chairman of the EGM as your proxy to vote on the relevant resolutions, instead of attending the EGM in person.

CHARACTERISTICS OF GEM

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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.

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PRECAUTIONARY MEASURES FOR THE EGM

In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Extraordinary General Meeting to protect the shareholders and other participants from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) Every attendee is required to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.

In addition, the Company reminds all shareholders of the Company that attendance in person at the meeting is not necessary for the purpose of exercising their voting rights. Shareholders may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document.

If any shareholder of the Company chooses not to attend the meeting in person but has any question about any proposed resolution stated in the Notice or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to the Company's head office and principal place of business in Hong Kong at Unit 18, 29/F, New Tech Plaza, 34 Tai Yau Street, San Po Kong, Hong Kong (for the attention of the board of directors). If any shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's branch share registrar in Hong Kong as follows:

Tricor Investor Services Limited
Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong
Email: is-enquiries@hk.tricorglobal.com
Tel: (852) 2980 1333
Fax: (852) 2810 8185

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation is set out below:

Event	Hong Kong Date and Time
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM	4:30 pm on Thursday, 30 June 2022
Closure of register of members for determining the entitlement to attend and vote at the EGM (both dates inclusive)	Monday, 4 July 2022 to Thursday, 7 July 2022 (both days inclusive)
Latest date and time for lodging the proxy form for the EGM	11:00 a.m. on Tuesday, 5 July 2022
Date and time of the EGM	11:00 a.m. on Thursday, 7 July 2022
Announcement of results of the EGM	Thursday, 7 July 2022
<p style="text-align: center;">The following events are conditional upon the results of the EGM and therefore the dates are tentative only.</p>	
Effective date of the Share Consolidation	Monday, 11 July 2022
First day of free exchange of existing share certificates into new share certificates for Consolidated Shares	Monday, 11 July 2022
Dealing in Consolidated Shares	9:00 a.m. on Monday, 11 July 2022
Original counter for trading in Shares in board lots of 10,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Monday, 11 July 2022
Temporary counter for trading in Consolidated Shares in temporary board lot of 1,000 Consolidated Shares (in the form of existing share certificates) opens.	9:00 a.m. on Monday, 11 July 2022
Original counter for trading in Consolidated Shares in board lot of 10,000 Consolidated Shares (in the form of new share certificates for Consolidated Shares) re-opens	9:00 a.m. on Monday, 25 July 2022

EXPECTED TIMETABLE

Event	Hong Kong Date and Time
Parallel trading in Consolidated Shares (in the form of existing share certificates and new share certificates) commences	9:00 a.m. on Monday, 25 July 2022
Designated broker starts to stand in the market to provide matching services for sale and purchase of odd lots of Consolidated Shares.	9:00 a.m. on Monday, 25 July 2022
Designated broker ceases to stand in the market to provide matching services for sale and purchase of odd lots of Consolidated Shares	4:00 p.m. on Friday, 12 August 2022
Temporary counter for trading in Consolidated Shares in temporary board lot of 1,000 Consolidated Shares (in the form of existing share certificates) closes	4:10 p.m. on Friday, 12 August 2022
Parallel trading in Consolidated Shares (in the form of new share certificates for Consolidated Shares and existing share certificates) ends	4:10 p.m. on Friday, 12 August 2022
Last day and time for free exchange of existing share certificates into new share certificates for Consolidated Shares	Tuesday, 16 August 2022

All times and dates in this circular refer to Hong Kong local times and dates. Shareholders should note that the dates and deadlines specified in this circular for events in the timetable for the Share Consolidation is subject to the satisfaction of all the conditions of the Share Consolidation, including without limitation, the approval of the Share Consolidation by Shareholders at the EGM, and is therefore for indicative purpose only.

In the event that any special circumstances arise, the Board may extend, or make adjustment to, the timetable if it considers appropriate. Any extension or adjustment to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

DEFINITIONS

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

“Announcement”	the announcement of the Company dated 31 May 2022 in relation to, among other things, the Share Consolidation, and the Subscription
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“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”	Central Clearing and Settlement System, a securities settlement system used within the Hong Kong Exchanges and Clearing Limited market system
“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
“Company”	Basetrophy Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the GEM (stock code: 8460)
“Completion”	Completion of the Subscription in accordance with the terms and conditions set out in the Subscription Agreements
“Completion Date”	within five Business Day following the date on which the conditions precedent of the Subscription Agreements are fulfilled
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Consolidated Share(s)”	the ordinary share(s) of par value of HK\$0.10 each in the share capital of the Company upon the Share Consolidation becoming effective
“Directors”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, to approve the Share Consolidation
“Existing Share(s)”	the 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

DEFINITIONS

“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“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
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	16 June 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules
“Independent Third Party(ies)”	a party who is not a connected person (as defined in the GEM Listing Rules) of the Company and is independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules)
“PRC”	the People’s Republic of China, which, for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Registrar”	Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong, Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Share Consolidation”	the proposed consolidation of every ten (10) Existing Shares of par value of HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share of par value of HK\$0.10 each
“Shareholder(s)”	holder(s) of the issued Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	Subscriber 1 and Subscriber 2
“Subscriber 1”	Mr. Zhao Changsheng

DEFINITIONS

“Subscriber 2”	Ms. Wu Siying
“Subscription”	the subscription for 5,000,000 Subscription Shares by the Subscriber 1 pursuant to the Subscription Agreement 1 and the subscription for 5,000,000 Subscription Shares by the Subscriber 2 pursuant to the Subscription Agreement 2
“Subscription Agreements”	Subscription Agreement 1 and Subscription Agreement 2
“Subscription Agreement 1”	the conditional agreement entered into between the Company and the Subscriber 1 dated 31 May 2022 in relation to the Subscription
“Subscription Agreement 2”	the conditional agreement entered into between the Company and the Subscriber 2 dated 31 May 2022 in relation to the Subscription
“Subscription Price”	HK\$0.40 per Subscription Share
“Subscription Shares”	10,000,000 new consolidated Shares to be subscribed by the Subscribers pursuant to the terms and conditions of the Subscription Agreements
“substantial shareholder(s)”	having the meaning ascribed thereto under the GEM Listing Rules
“%”	per cent.



BASETROPHY GROUP HOLDINGS LIMITED
基地錦標集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8460)

Executive Directors:

Mr. Lau Chung Ho (*Chief Executive Officer*)
Mr. Leung Yat Fai Frankie Keith (*Chairman*)
Ms. Fong Pui Yin Vivian
Ms. Du Wanfen
Mr. Li Aiming

Independent non-executive Directors:

Mr. Ng Ki Man
Mr. Lam Chee-yau Timothy
Mr. Ngok Ho Wai

Registered office:

Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

*Head office and principal place of
business in Hong Kong:*

Unit 18, 29/F
New Tech Plaza
34 Tai Yau Street
San Po Kong
Hong Kong

21 June 2022

To the Shareholders

Dear Sir/Madam,

**PROPOSED SHARE CONSOLIDATION
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement in relation to, among other things, the Share Consolidation.

The purpose of this circular is to provide the Shareholders, among other things, further information regarding (i) the proposed Share Consolidation; and (ii) the notice of the EGM.

LETTER FROM THE BOARD

PROPOSED SHARE CONSOLIDATION

The Board proposes that every ten (10) Existing Shares of par value of HK\$0.01 each in the share capital of the Company be consolidated into one (1) Consolidated Share of par value of HK\$0.10 each in the share capital of the Company.

Effect of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$30,000,000 divided into 3,000,000,000 Existing Shares of par value of HK\$0.01 each, of which 1,100,000,000 Existing Shares have been issued and are fully paid or credited as fully paid.

Immediately upon the Share Consolidation becoming effective and assuming no further Existing Shares will be issued or repurchased from the date of this circular up to and including the effective date of the Share Consolidation, the authorised share capital of the Company shall be HK\$30,000,000 divided into 300,000,000 Consolidated Shares of par value of HK\$0.10 each, of which 110,000,000 Consolidated Shares have been issued and are fully paid or credited as fully paid without taking into account of the Subscription.

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

The implementation of the Share Consolidation will not alter the underlying assets, business operation, management or financial position of the Company and the interests and rights of the Shareholders, save for any fractional Consolidated Shares which may arise.

Conditions of the Share Consolidation

The Share Consolidation is conditional upon the following conditions:

1. the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the EGM;
2. the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares upon the Share Consolidation becoming effective; and
3. the compliance with the relevant procedures and requirements under the Cayman Islands laws (if applicable) 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 is expected to be on Monday, 11 July 2022, being the second Business Day immediately after the date of the EGM.

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

LETTER FROM THE BOARD

After 4:10 p.m. on Friday, 12 August 2022, trading will only be in Consolidated Shares which share certificates will be issued in blue colour. Existing share certificates in yellow colour for the Existing Shares will cease to be valid for trading and settlement purpose, but will remain valid and effective as documents of title.

Fractional entitlement to Consolidated Shares

No fractional Consolidated Shares will be issued by the Company. Any fractional entitlements of Consolidated Shares will be aggregated and sold for the benefit 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 share certificates held by such holder.

Shareholders concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

Arrangement on odd lot trading

In order to alleviate the difficulties arising from the existence of odd lots of the Consolidated Shares arising from the Share Consolidation, the Company appointed Yuzhou Financial Holdings Limited to provide matching services, on a best efforts basis, to those 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. Such shareholders may, directly or through their brokers, contact Mr. Kenneth Au of Yuzhou Financial Holdings Limited at +852 2591 2308 with address at Room D, 21/F, Yardley Commercial Building, 3 Connaught Road West, Sheung Wan, Hong Kong.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Listing and dealings

An application has been made by the Company to the Stock Exchange for the granting of the listing of, and permission to deal in, the Consolidated Shares in issue upon the Share Consolidation becoming effective.

Subject to the granting of listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, 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

LETTER FROM THE BOARD

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 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 on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

No change in board lot size

As at the date of this circular, the Existing Shares are traded on the Stock Exchange in the board lot size of 10,000 Existing Shares. Upon the Share Consolidation becoming effective, the Consolidated Shares will continue to be traded in board lot size of 10,000 Consolidated Shares.

Closure of register of members

The register of members of the Company will be closed from Monday, 4 July 2022 to Thursday, 7 July 2022 (both dates inclusive) for determining the identity of the Shareholders entitled to attend and vote at the EGM. No transfer of Shares will be registered during the above book closure period.

All transfers of shares (together with the relevant share certificate(s)) must be lodged with the Registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. (Hong Kong time) on Thursday, 30 June 2022.

OPTIONS, WARRANTS AND CONVERSION RIGHTS

As at the date of this circular, the Company does not have any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares or Consolidated Shares.

REASONS FOR AND BENEFITS OF THE SHARE CONSOLIDATION

Pursuant to Rule 17.76 of GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the Stock Exchange reserves the right to require the issuer either to change the trading method or proceed with a consolidation or splitting of securities. The existing share price of the Company is considered to be close to the low end of the extremities and the management of the Company consider consolidation of securities is needed.

LETTER FROM THE BOARD

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 stated that market price of the Shares at a level less than HK\$0.1 will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules.

The Share Consolidation will increase the nominal value of the Shares and will reduce the total number of Shares currently in issue. As such, it is expected that the Share Consolidation will bring about a corresponding upward adjustment in the trading price of the Shares per board lot of the Consolidated Shares on the Stock Exchange, which will reduce the overall transaction and handling costs of dealings in the Shares. The Board believes that the Share Consolidation may attract more investors and extend the shareholders’ base of the Company. Taking into account (i) the closing price of HK\$0.037 per Existing Share and the theoretical closing price of HK\$0.37 per Consolidated Share on 31 May 2022 (being the date of the Announcement), the Share Consolidation would enable the Company to comply with the trading requirements under the Listing Rules. In addition, the Board also believes that with a higher trading price of the Consolidation Shares with theoretical trading price at a level over HK\$0.1 will show a more positive image of the Group and thus facilitate any proposed fund raising activities in the future.

By considering the closing price per share being under HK\$0.1 since 22 April 2020 and the board lot size of 10,000, the value per board lot were lower than HK\$2,000. Taking into account the basic transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000. The board lot value after the Share Consolidation will be HK\$3,700 based on theoretical closing price of HK\$0.37 per Consolidation Share on 31 May 2022, and it will comply with the requirement of a minimum board value of HK\$2,000. As such, the Share Consolidation would (i) enable the Company to comply with the trading requirements under the GEM Listing Rules and the Guideline; and (ii) reduce the overall transaction and handling costs of dealings in the Shares as a proportion of the market value of each board lot as the transaction fees are typically charged either per board lot or by trading amount subject to a minimum charge. Accordingly, the trading amount for each board lot would maintain at a reasonable level in order to attract more investors and to extend the shareholder base of the Company, and thus increasing the liquidity in trading of the Shares.

The Company has considered other alternative ratio for the Share Consolidation. When the consolidation ratio is too low, the value per lot would be lower than HK\$2,000 taking into account the market volatility. When the consolidation ratio is too high, that may not attract enough investors and extend the shareholder base of the Company enough. Thus the Company considers that every ten (10) Existing Shares be consolidated into one (1) Consolidated Share is appropriate. In view of the foregoing, the Company considers the Share Consolidation to be justifiable notwithstanding the potential costs and impact arising from creation of odd lots (if any) to Shareholders. The Board is of the view that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

The Board also believes that the Share Consolidation 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.

Upon the Share Consolidation becoming effective and assuming that no Existing Shares are issued or bought back until the effective date of the Share Consolidation, not more than 110,000,000 Consolidated Shares will be in issue. Assuming that the Company has a total of 110,000,000 issued Consolidated Shares upon the Share Consolidation becoming effective, the 10,000,000 Subscription Shares represent approximately 9.09% of the issued Consolidated Shares upon the Share Consolidation becoming effective, and approximately 8.33% of the issued Consolidated Shares upon the Share Consolidation becoming effective and as enlarged by the issue of the Subscription Shares immediately upon Completion (assuming no other changes to the issued share capital of the Company between the date of this circular and completion of the Subscription, save for the Share Consolidation and the issue and allotment of the Subscription Shares). The gross and net proceeds from the Subscription are expected to be approximately HK\$4,000,000 and HK\$3,600,000, respectively. It is intended that the net proceeds from the Subscription will be used for general working capital of the Group.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate action or arrangement in the next 12 months which would have a contradictory effect to the Share Consolidation, and, except for the Subscription, had no concrete plan to conduct any other potential fund raising activity in the next 12 months. However, the Board does not rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.

Given the above reasons, the Board considers that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

Shareholders and potential investors of the Company should note that the Share Consolidation is conditional upon the satisfaction of the conditions as set out in the paragraph headed “Conditions of the Share Consolidation” in this circular. Accordingly, the Share Consolidation may or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Existing Shares and/or the Consolidated Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

EGM

The EGM will be convened and held for the Shareholders at 1/F., Connaught Harbourfront House, 35-36 Connaught Road West, Sheung Wan, Hong Kong at 11:00 a.m. on Thursday, 7 July 2022, to consider, if thought fit, approve, among other things, the

LETTER FROM THE BOARD

Share Consolidation. A notice convening the EGM is set out on pages 11–14 of this circular. All resolutions to be proposed at the EGM will be voted on by poll. Only the Shareholders are entitled to attend and vote at the EGM.

A proxy form for the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, please complete and sign the enclosed form of proxy for use at the EGM in accordance with the instructions printed thereon and return it to the Company's Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, 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 (i.e. not later than 11:00 a.m. on Tuesday, 5 July 2022) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the EGM if they so wish.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as none of the Shareholders or their associates would have any interest in the Share Consolidation, no Shareholder would be required to abstain from voting in favour of the resolution(s) relating to the Share Consolidation at the EGM.

COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, the Controlling Shareholders nor any of their respective close associates (as defined in the GEM Listing Rules) has any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group or any other conflict of interest which any such person has or may have with the Group which would be required to be disclosed pursuant to the GEM Listing Rules.

RECOMMENDATION

The Board considers that the Share Consolidation is in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends that all Shareholders should vote in favour of the relevant resolution to be proposed at the EGM.

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.

Yours faithfully,
For and on behalf of the Board
Basetrophy Group Holdings Limited
Lau Chung Ho
Executive Director



BASETROPHY GROUP HOLDINGS LIMITED
基地錦標集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8460)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting of Basetrophy Group Holdings Limited (the “**Company**”) will be held at 1/F., Connaught Harbourfront House, 35-36 Connaught Road West, Sheung Wan, Hong Kong on Thursday, 7 July 2022 at 11:00 a.m. to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

1. “**THAT:** subject to and conditional upon, among other things, the granting of the approval by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the listing of, and permission to deal in, the Consolidated Shares (as defined below) in issue, with effect from the second business day immediately following the date on which this resolution is passed:
 - (a) every ten (10) issued and unissued existing ordinary share(s) of HK\$0.01 each in the share capital of the Company be consolidated into one (1) ordinary share of HK\$0.1 each (“**Consolidated Share(s)**”), so that the authorised share capital of the Company of HK\$30,000,000 divided into 3,000,000,000 ordinary shares of HK\$0.01 each becomes HK\$30,000,000 divided into 300,000,000 ordinary shares of HK\$0.1 each (the “**Share Consolidation**”);
 - (b) 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 in respect of ordinary shares contained in the articles of association of the Company;
 - (c) all fractional Consolidated Shares resulting from the Share Consolidation will be disregarded and will not be issued to holders of the same but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefit of the Company in such manner and on such terms as the directors of the Company (the “**Director(s)**”) may think fit; and

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- (d) any one of the Directors and such person or persons authorised by the Directors be and are hereby authorised generally to do all such acts, deeds and things and to sign and execute all such documents, including under seal where applicable, on behalf of the Company, as they shall, in their absolute discretion, deem appropriate to effect and implement the Share Consolidation.”

By Order of the Board
Basetrophy Group Holdings Limited
Lau Chung Ho
Executive Director

Hong Kong, 21 June 2022

Notes:

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Company’s articles of association. The results of the poll will be published on the website of Hong Kong Exchanges and Clearing Limited and of the Company in accordance with the GEM Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy (who must be an individual) to attend and vote instead of him. A proxy need not be a shareholder of the Company. 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.
3. 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, must be deposited at the Company’s Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the Extraordinary General Meeting (i.e. not later than 11:00 a.m. on Tuesday, 5 July 2022) or any adjournment thereof. Completion and return of the form of proxy shall not preclude a shareholder of the Company 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. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Monday, 4 July 2022 to Thursday, 7 July 2022, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the extraordinary general meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar, 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 Thursday, 30 June 2022.

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PRECAUTIONARY MEASURES FOR THE EXTRAORDINARY GENERAL MEETING

In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Extraordinary General Meeting to protect the shareholders and other participants from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) Every attendee is required to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.

In addition, the Company reminds all shareholders of the Company that attendance in person at the meeting is not necessary for the purpose of exercising their voting rights. Shareholders may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document.

If any shareholder of the Company chooses not to attend the meeting in person but has any question about any proposed resolution stated in the Notice or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to the Company's head office and principal place of business in Hong Kong at Unit 18, 29/F, New Tech Plaza, 34 Tai Yau Street, San Po Kong, Hong Kong (for the attention of the board of directors). If any shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's branch share registrar in Hong Kong as follows:

Tricor Investor Services Limited
Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong
Email: is-enquiries@hk.tricorglobal.com
Tel: (852) 2980 1333
Fax: (852) 2810 8185

As at the date of this notice, the Board comprises Mr. Lau Chung Ho, Mr. Leung Yat Fai Frankie Keith, Ms. Fong Pui Yin Vivian, Ms. Du Wanfen and Mr. Li Aiming as executive Directors; and Mr. Ng Ki Man, Mr. Lam Chee-yau Timothy and Mr. Ngok Ho Wai as independent non-executive Directors.

This notice, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that

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to the best of their knowledge and belief, the information contained in this notice 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 notice misleading.

This notice will remain on the “Latest Listed Company Information” page of the website of GEM (www.hkgem.com) for at least seven days from its date of publication. This notice will also be published on the website of the Company at www.wbgroupfw.com.hk.