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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 stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Clifford Modern Living Holdings Limited** 祈福生活服務控股有限公司, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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祈福生活服務
CLIFFORD MODERN LIVING

CLIFFORD MODERN LIVING HOLDINGS LIMITED

祈福生活服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3686)

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
PROPOSED DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of Clifford Modern Living Holdings Limited 祈福生活服務控股有限公司 (the “**Company**”) to be held at Rooms 1501–02, 15/F Hong Kong Club Building, 3A Charter Road, Central, Hong Kong on Friday, 28 June 2019 at 11:30 a.m. is set out on pages 16 to 20 of this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy 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 22, 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 Annual General Meeting (i.e. no later than 11:30 a.m. (Hong Kong time) on Wednesday, 26 June 2019) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting or any adjourned meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.cliffordmodernliving.com).

18 April 2019

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This circular is prepared in both English and Chinese.

In the event of inconsistency, the English text of this circular will prevail.

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Rooms 1501–02, 15/F Hong Kong Club Building, 3A Charter Road, Central, Hong Kong on Friday, 28 June 2019 at 11:30 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 16 to 20 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors of the Company
“Companies Law”	the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“Company” or “our Company”	Clifford Modern Living Holdings Limited (祈福生活服務控股有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 3686)
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting as set out on pages 17 to 18 of this circular

DEFINITIONS

“Latest Practicable Date”	10 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum”	the memorandum of association of the Company currently in force
“Ms. Man Lai Hung’s Spouse”	Mr. Pang Lun Kee Clifford (彭磷基先生), the spouse of Ms. Man Lai Hung
“Option(s)”	option(s) granted under the Pre-IPO Share Option Scheme
“PRC”	the People’s Republic of China
“Pre-IPO Share Option Scheme”	the pre-initial public offering share option scheme formally adopted by the Company on 21 October 2016, the principal terms of which are summarised in paragraph 4.1 of “Appendix IV — Statutory and General Information” in the prospectus of the Company dated 27 October 2016
“Private Group”	such companies which are under the control of (or 30% or more of the issued share capital of which are owned by) Ms. Man Lai Hung’s Spouse
“Remuneration Committee”	the remuneration committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)

DEFINITIONS

“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting as set out on page 17 of this circular
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



祈福生活服務
CLIFFORD MODERN LIVING

CLIFFORD MODERN LIVING HOLDINGS LIMITED

祈福生活服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3686)

Executive Directors:

Ms. MAN Lai Hung

(Chairman and Chief Executive Officer)

Ms. HO Suk Mee

Ms. LIANG Yuhua *(Chief Operating Officer)*

Registered office:

Cricket Square

Hutchins Drive, P. O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Non-executive Director:

Mr. LIU Xing

*Head office and principal place of
business in the PRC Mainland:*

8 Shiguang Road

Panyu, Guangzhou

Guangdong, PRC Mainland

Independent non-executive Directors:

Ms. LAW Elizabeth

Mr. HO Cham

Mr. MAK Ping Leung (alias Mr. MAK Wah Cheung)

*Principal place of business and headquarters
in Hong Kong:*

7th Floor

Chai Wan Industrial City, Phase II

70 Wing Tai Road, Chai Wan

Hong Kong

18 April 2019

To the Shareholders

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS
AND
PROPOSED GRANTING OF GENERAL MANDATES TO
REPURCHASE SHARES AND TO ISSUE SHARES
AND
PROPOSED DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on Friday, 28 June 2019 for (a) the re-election of the retiring Directors and the granting of the authority to the Board to fix the Directors' remuneration; and (b) the granting to the Directors of the Share Repurchase Mandate, the Issuance Mandate and extension of the Issuance Mandate; and (c) the proposed declaration of final dividend.

2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board comprised of (i) Ms. Man Lai Hung, Ms. Ho Suk Mee and Ms. Liang Yuhua as executive Directors; (ii) Mr. Liu Xing as non-executive Director; and (iii) Ms. Law Elizabeth, Mr. Ho Cham and Mr. Mak Ping Leung as independent non-executive Directors.

Pursuant to Articles 107(A) and (B) of the Articles of Association, Ms. Law Elizabeth, Mr. Ho Cham and Mr. Mak Ping Leung shall retire at the Annual General Meeting.

The Nomination Committee has reviewed the structure, size and composition of the Board, and has considered a range of diversity perspectives including but not limited to skills, professional experience, educational background, knowledge, expertise, culture, independence, age, gender and other qualities, with reference to the nomination principles and criteria set out in the Company's board diversity policy and director nomination policy. The Board noted that the retiring Directors are eligible for nomination and re-election under the Articles of Association and the Company's board diversity policy and director nomination policy and resolved to make recommendations on the re-election of the above retiring Directors by the Shareholders at the Annual General Meeting.

The Nomination Committee had assessed and reviewed the written confirmation of independence of each of the independent non-executive Directors who have offered themselves for re-election at the Annual General Meeting (namely, Ms. Law Elizabeth, Mr. Ho Cham and Mr. Mak Ping Leung) based on the independence criteria as set out in Rule 3.13 of the Listing Rules and are satisfied that all of them are independent in accordance with Rule 3.13 of the Listing Rules.

The Nomination Committee had evaluated the performance of the retiring Directors and is of the view that they have provided valuable contributions to the Company and have demonstrated their abilities to provide independent, balanced and objective view to the Company's affairs.

In addition, the Nomination Committee considered that in view of their diverse and different educational backgrounds and professional knowledge and experience as set out in Appendix I to this circular, Ms. Law Elizabeth, Mr. Ho Cham and Mr. Mak Ping Leung as independent non-executive Directors will bring valuable perspectives, knowledge, skills and

LETTER FROM THE BOARD

experiences to the Board for its efficient and effective functioning and their appointments will contribute to the diversity of the Board appropriate to the requirements of the Company's business.

Therefore, the Board, with the recommendation of the Nomination Committee, has nominated each of Ms. Law Elizabeth, Mr. Ho Cham and Mr. Mak Ping Leung for re-election as independent non-executive Directors at the Annual General Meeting.

All of the above retiring Directors are eligible and will offer themselves for re-election at the Annual General Meeting.

Biographical information of the above retiring Directors offering themselves for re-election at the Annual General Meeting is set out in Appendix I to this circular.

3. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 22 June 2018, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Repurchase Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 8 of the notice of the Annual General Meeting as set out on page 17 of this circular (i.e. a total of 101,520,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). The Share Repurchase Mandate, if granted, will be effective until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting is required to be held by the Articles of Association, the Companies Law or any applicable laws of the Cayman Islands; and (iii) the passing of an ordinary resolution by the Shareholders in a general meeting of the Company revoking or varying the authority given to the Directors.

An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Repurchase Mandate is set out in Appendix II to this circular.

The Directors wish to state that they have no immediate plan to repurchase any Shares pursuant to the Share Repurchase Mandate.

4. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 22 June 2018, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and

LETTER FROM THE BOARD

when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 9 of the notice of the Annual General Meeting as set out on pages 17 to 18 of this circular (i.e. a total of 203,040,000 Shares on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting). The Issuance Mandate, if granted, will be effective until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting is required to be held by the Articles of Association, the Companies Law or any applicable laws of the Cayman Islands; and (iii) the passing of an ordinary resolution by the Shareholders in a general meeting of the Company revoking or varying the authority given to the Directors. An ordinary resolution to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Repurchase Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any Shares pursuant to the Issuance Mandate other than the Shares which may fall to be issued under any of the share option schemes of the Company.

5. DECLARATION OF FINAL DIVIDEND

On 22 March 2019, the Company made an announcement in relation to its audited consolidated financial results for the year ended 31 December 2018 whereby the Board has recommended a final cash dividend of HK\$2.20 cents per Share for the year ended 31 December 2018. Subject to the passing of the resolution approving the payment of such final dividend at the Annual General Meeting, such final dividend will be paid on 31 July 2019.

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Friday, 5 July 2019 to Monday, 8 July 2019, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the entitlement to the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 4 July 2019.

6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 16 to 20 of this circular.

Pursuant to the Listing Rules and the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

LETTER FROM THE BOARD

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.cliffordmodernliving.com). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, 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 Annual General Meeting (i.e. no later than 11:30 a.m. (Hong Kong time) on Wednesday, 26 June 2019) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting if you so wish.

7. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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.

8. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors and the proposed grant of the Share Repurchase Mandate, the Issuance Mandate and extension of the Issuance Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

9. GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
CLIFFORD MODERN LIVING HOLDINGS LIMITED
MAN Lai Hung
Chairman

The following are details of the retiring Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

- (1) **Ms. LAW Elizabeth (羅君美)**, *MH JP*, aged 64, is an independent non-executive Director of the Company. Ms. Law graduated from McGill University in Canada with a degree of Bachelor of Commerce (majoring in Accounting) in May 1976. Ms. Law became a chartered accountant in Canada in June 1979, a member of HKICPA in May 1982, a member of the Institute Chartered Accountant in England and Wales in February 2006 and a fellow member of CPA Australia in November 2009. She is a fellow member of HKICPA since December 1991, a fellow member of The Taxation Institute of Hong Kong since April 2003 and a chartered professional accountant of Canada since November 2012.

Ms. Law served as the president of The Society of Chinese Accountants and Auditors in 1993. She was the founding president of the Association for Women Accountants (Hong Kong) Ltd. and has been appointed as the honorary founding president since 2008. Ms. Law was appointed as Justice of the Peace in Hong Kong in 2009.

Currently, Ms. Law is the managing director of Law & Partners CPA Ltd. and the proprietor of Stephen Law & Company.

Ms. Law is currently an independent non-executive director of Sunwah Kingsway Capital Holdings Limited (新華匯富金融控股有限公司) (listed on the Stock Exchange with stock code: 188), The Wharf (Holdings) Limited (九龍倉集團有限公司) (listed on the Stock Exchange with stock code: 4) and Sunwah International Limited (listed on Toronto Stock Exchange with stock code: SWH). Ms. Law was an independent non-executive director of China Vanke Co., Ltd. (萬科企業股份有限公司) (listed on the Stock Exchange with stock code: 2202 for H shares and listed on Shenzhen Stock Exchange with stock code: 000002 for A shares) until 30 June 2017.

As at the Latest Practicable Date, Ms. Law did not have any interest in Shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Law does not at present, nor did she in the past three years, hold any directorship in other public companies, the securities of which are listed in Hong Kong or overseas. Ms. Law does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company.

Ms. Law has entered into a letter of appointment with the Company for a term of three years commencing from 1 November 2016 and the letter of appointment shall continue unless and until terminated by not less than three months' notice in writing served by either party to another. Ms. Law is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. Pursuant to her letter of appointment with the Company, Ms.

Law is entitled to receive annual director's fee of HK\$216,000. The emoluments of Ms. Law are determined by the Board with reference to her duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition.

Save as disclosed above, there is no other information of Ms. Law that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (2) **Mr. HO Cham (何湛)**, aged 61, is an independent non-executive Director of the Company. Mr. Ho was awarded a degree of Bachelor of Laws and the Postgraduate Certificate in Laws by the University of Hong Kong in November 1980 and July 1981 respectively. Mr. Ho was admitted as a solicitor of the Supreme Court of Hong Kong (currently known as the High Court of Hong Kong) in March 1983 and as a solicitor of the Supreme Court of England in January 1990. Mr. Ho is currently a practising solicitor in Hong Kong.

From July 1981 to February 1983, Mr. Ho worked as an article clerk at Johnson Stokes and Master. In March 1983, Mr. Ho joined Ho and Wong as assistant solicitor and became a partner of Ho and Wong in 1987. Currently Mr. Ho is the senior and managing partner of Ho and Wong.

As at the Latest Practicable Date, 0.05% of the Shares is legally and beneficially owned by Ms. Yau Sui Wong Catherine ("Ms. Yau"), the spouse of Mr. Ho. By virtue of the SFO, Mr. Ho is therefore deemed to be interested in all the Shares that Ms. Yau is interested in.

Save as disclosed above, Mr. Ho did not have any other interest in the Shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ho does not at present, nor did he in the past three years, hold any directorship in other public companies, the securities of which are listed in Hong Kong or overseas. Mr. Ho does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company.

Mr. Ho has entered into a letter of appointment with the Company for a term of three years commencing from 1 November 2016 and the letter of appointment shall continue unless and until terminated by not less than three months' notice in writing served by either party to another. Mr. Ho is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. Pursuant to his letter of appointment with the Company, Mr. Ho is entitled to receive annual director's fee of HK\$216,000. The emoluments of Mr. Ho are determined by the Board with reference to his duties and responsibilities with the Company

and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition.

Save as disclosed above, there is no other information of Mr. Ho that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

- (3) **Mr. MAK Ping Leung (alias Mr. MAK Wah Cheung) (麥炳良，又名麥華章)**, aged 69, is an independent non-executive Director of the Company. Mr. Mak obtained a degree in Bachelor of Arts from the University of Hong Kong in November 1973.

Currently, Mr. Mak is the managing director of the Hong Kong Economic Times Holdings Limited (香港經濟日報集團有限公司) ("HKET") and publisher of Hong Kong Economic Times and Sky Post. He is also a founder of HKET. Mr. Mak is responsible for formulating the business strategies and the overall management of publishing, recruitment advertising and printing production of HKET. He has over 30 years of extensive experience in the media and publishing industry. Prior to the founding of HKET in 1987, he was the bureau chief of the European Bureau of Wen Wei Po in London, and was later promoted to the office of deputy general manager of Wen Wei Po. Mr. Mak is currently an honorary advisor of Hong Kong Institute of Marketing. In 1988, Mr. Mak was elected as one of the Ten Outstanding Young Persons of Hong Kong organised by Junior Chamber International Hong Kong (formerly known as Hong Kong Junior Chamber). In 2012, Mr. Mak won the Outstanding Entrepreneurship Award of the Asia Pacific Entrepreneurship Awards 2012 organised by Enterprise Asia.

As at the Latest Practicable Date and in the three years preceding that date, Mr. Mak is an executive director of HKET (stock code: 423), a listed company in Hong Kong.

As at the Latest Practicable Date, Mr. Mak did not have any interest in Shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Mak does not at present, nor did he in the past three years, hold any directorship in other public companies, the securities of which are listed in Hong Kong or overseas. Mr. Mak does not have any relationship with other Directors, senior management, or substantial or controlling shareholders of the Company.

Mr. Mak has entered into a letter of appointment with the Company for a term of three years commencing from 1 November 2016 and the letter of appointment shall continue unless and until terminated by not less than three months' notice in writing served by either party to another. Mr. Mak is also subject to retirement by rotation at least once every three years at the annual general meeting of the Company in accordance with the provisions of the Articles of Association. Pursuant to his letter of appointment with the Company, Mr.

Mak is entitled to receive annual director's fee of HK\$216,000. The emoluments of Mr. Mak are determined by the Board with reference to his duties and responsibilities with the Company and are subject to review by the Remuneration Committee from time to time with reference to the Company's performance and profitability, as well as remuneration benchmark in the industry and prevailing market condition.

Save as disclosed above, there is no other information of Mr. Mak that is discloseable pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,015,200,000 Shares.

Subject to the passing of the ordinary resolution set out in item 8 of the notice of the Annual General Meeting in respect of the granting of the Share Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, the Directors would be authorized under the Share Repurchase Mandate to repurchase, during the period in which the Share Repurchase Mandate remains in force, a total of 101,520,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors believe that the granting of the Share Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

4. IMPACT OF SHARE REPURCHASE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2018) in the event that the Share Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

Month and Year	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2018	0.79	0.67
May 2018	0.77	0.67
June 2018	1.04	0.63
July 2018	0.93	0.53
August 2018	0.79	0.63
September 2018	0.64	0.57
October 2018	0.61	0.51
November 2018	0.60	0.54
December 2018	0.64	0.55
January 2019	0.62	0.55
February 2019	0.67	0.58
March 2019	0.73	0.61
April 2019 (<i>up to the Latest Practicable Date</i>)	0.64	0.60

6. GENERAL

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

7. TAKEOVERS CODE

If as a result of a repurchase of Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge and belief of the Directors, as at the Latest Practicable Date, Elland Holdings Limited and Ms. Man Lai Hung, the controlling shareholder of the Company, together held 740,840,000 Shares representing approximately 72.97% of the total issued share capital of the Company.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted to the Share Repurchase Mandate, the shareholding of Elland Holdings Limited and Ms. Man Lai Hung would be increased to approximately 81.08% of the issued share capital of the Company. The Directors consider that such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code but would reduce the percentage of Shares held by the public to below the prescribed minimum percentage of 25% required by the Stock Exchange.

The Directors have no intention to exercise the Share Repurchase Mandate to such an extent as may result in the number of Shares held by the public shareholders falling below the prescribed minimum percentage of 25% required by the Stock Exchange.

8. REPURCHASE OF SHARES BY THE COMPANY

During the 6 months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



祈福生活服務
CLIFFORD MODERN LIVING

CLIFFORD MODERN LIVING HOLDINGS LIMITED

祈福生活服務控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3686)

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of Clifford Modern Living Holdings Limited 祈福生活服務控股有限公司 (the “**Company**”) will be held at Rooms 1501-02, 15/F Hong Kong Club Building, 3A Charter Road, Central, Hong Kong on Friday, 28 June 2019 at 11:30 a.m. for the following purposes:

As ordinary business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and independent auditors for the year ended 31 December 2018.
2. To declare a final dividend of HK\$2.20 cents per ordinary share for the year ended 31 December 2018.
3. To re-elect Ms. LAW Elizabeth as an independent non-executive director.
4. To re-elect Mr. HO Cham as an independent non-executive director.
5. To re-elect Mr. MAK Ping Leung as an independent non-executive director.
6. To authorize the board of directors of the Company (the “**Board**”) to fix the remuneration of the directors of the Company.
7. To re-appoint PricewaterhouseCoopers as independent auditors and to authorize the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

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

“THAT:

- (a) subject to paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:

- (i) a Rights Issue (as defined below);
- (ii) the exercise of options under a share option scheme of the Company; and
- (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

(c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

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

NOTICE OF ANNUAL GENERAL MEETING

10. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 8 and 9 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 9 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 8 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution).”

By Order of the Board
CLIFFORD MODERN LIVING HOLDINGS LIMITED
MAN Lai Hung
Chairman

Hong Kong, 18 April 2019

As at the date of this announcement, the board of directors of the Company comprises Ms. MAN Lai Hung, Ms. HO Suk Mee and Ms. LIANG Yuhua as executive Directors; Mr. LIU Xing as non-executive Director; and Ms. LAW Elizabeth, Mr. HO Cham and Mr. MAK Ping Leung (alias Mr. MAK Wah Cheung) as independent non-executive Directors.

Notes:

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Company’s articles of association and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the above meeting. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy.
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 certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. no later than 11:30 a.m. (Hong Kong time) on Wednesday, 26 June 2019) or the adjourned meeting (as the case may be). Delivery 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.

NOTICE OF ANNUAL GENERAL MEETING

4. Closure of Register of Members

(i) *For the purpose of determining the entitlement to attend and vote at the Annual General Meeting*

The Register of Members of the Company will be closed from Friday, 21 June 2019 to Friday, 28 June 2019, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual 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 branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 20 June 2019.

In the event that the Annual General Meeting is adjourned to a date later than 28 June 2019 because of bad weather or other reasons, the book closure period and record date for determination of entitlement to attend and vote at the above meeting will remain the same as stated above.

(ii) *For the purpose of determining the entitlement to the proposed final dividend*

Subject to the approval of the proposed final dividend by the shareholders at the Annual General Meeting, the Register of Members of the Company will be closed from Friday, 5 July 2019 to Monday, 8 July 2019, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, 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 branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 4 July 2019.

5. In relation to the proposed Resolution no. 7 above, the Board concurs with the views of the audit committee of the Board and has recommended that PricewaterhouseCoopers be re-appointed as independent auditors of the Company.

6. A circular containing further details concerning Resolution nos. 2 to 6 and Resolution nos. 8 to 10 set out in this notice will be despatched to the shareholders of the Company together with the 2018 Annual Report.

7. **Bad Weather Arrangements**

If a tropical cyclone warning signal number 8 or above is hoisted or is expected to be hoisted or a black rainstorm warning signal is in force or expected to be in force in Hong Kong at any time between 8:30 a.m. to 11:30 a.m. on the date of the Annual General Meeting, the meeting will be automatically postponed to a later date. The Company will post an announcement on the websites of Hong Kong Exchanges and Clearing Limited and the Company to notify shareholders of the date, time and location of the rescheduled meeting.

The Annual General Meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal is in force in Hong Kong. Shareholders should in any event exercise due care and caution when deciding to attend the meeting in adverse weather conditions.

8. References to time and dates in this notice are to Hong Kong time and dates.