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



**SUPPLEMENTAL CIRCULAR TO THE CIRCULAR
TO SHAREHOLDERS DATED 18 MAY 2021 IN RELATION TO
(1) PROPOSED CAPITAL REORGANISATION,
(2) PROPOSED CHANGE IN BOARD LOT SIZE,
AND
(3) SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING**

This supplemental circular should be read together with the circular of the Company, the notice convening the annual general meeting (“AGM”) of the Company, both dated 18 May 2021, and the announcement of the Company dated 31 May 2021. The supplemental notice of the AGM notifying the AGM to be held at Novotel Century Hong Kong, Lower Lobby, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 24 June 2021 at 10:00 a.m. is set out on pages 19 to 23 of this supplemental circular. A supplemental form of proxy for the AGM is enclosed herewith. Whether or not you are able to attend the AGM in person, you are requested to complete and return the accompanying supplemental form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the supplemental form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish. In such an event, the instrument appointing a proxy shall be deemed to be revoked.

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Accompanying: Supplemental Form of Proxy for the AGM

DEFINITIONS

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

“AGM”	an annual general meeting of the Company to be held at Novotel Century Hong Kong, Lower Lobby, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 24 June 2021 at 10:00 a.m. and any adjournment thereof, to consider and, if appropriate, to approve the resolutions contained in the notice of the annual general meeting which is set out on pages 14 to 19 of the Circular and the supplemental notice of the AGM which is set out on pages 19 to 23 of this supplemental circular
“AGM Notice”	the notice of AGM dated 18 May 2021 which is set out in the Circular
“Announcement”	the announcement of the Company dated 31 May 2021 for the proposed Capital Reorganisation and Change in Board Lot Size and the change of date of AGM and book closure period
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company, as amended, modified or otherwise supplemented from time to time
“Capital Reduction”	the proposed reduction (i) of any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation by way of cancellation; (ii) of the issued share capital of the Company by cancelling the paid up capital of the Company to the extent of HK\$0.59 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$0.60 to HK\$0.01; and (iii) of the authorised share capital of the Company by reducing the par value of all unissued Consolidated Shares from HK\$0.60 each to HK\$0.01 each

DEFINITIONS

“Capital Reorganisation”	the proposed capital reorganisation of the share capital of the Company involving (i) the Share Consolidation and, (ii) the Capital Reduction in any manner permitted by the Companies Act and the Bye-laws
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as amended from time to time
“Change in Board Lot Size”	the proposed change in board lot size for trading in the Shares on the Stock Exchange from 3,000 Existing Shares to 1,000 New Shares upon the Capital Reorganisation becoming effective
“Circular”	the circular issued by the Company dated 18 May 2021 for the AGM
“Companies Act”	the Companies Act 1981 of Bermuda (as amended) in effect from time to time
“Company”	G-Resources Group Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange
“Consolidated Share(s)”	ordinary share(s) of HK\$0.60 each in the share capital of the Company upon the Share Consolidation becoming effective, but before the Capital Reduction becomes effective
“Contributed Surplus”	the contributed surplus account of the Company
“Director(s)”	the director(s) of the Company

DEFINITIONS

“Existing Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company prior to the Share Consolidation becoming effective
“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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	general authority to the Directors to allot and issue Shares with total amount not exceeding 20% of the total number of issued Shares as at the date of passing of the relevant resolution as stated in the AGM Notice
“Latest Practicable Date”	26 May 2021, being the latest practicable date prior to the printing of this supplemental circular for ascertaining information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“New Share(s)”	the ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company immediately upon the Capital Reorganisation becoming effective
“Repurchase Mandate”	the authority to the Directors to exercise all the powers of the Company to repurchase Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing of the relevant resolution as stated in the AGM Notice

DEFINITIONS

“Share(s)”	the Existing Share(s) and/or the Consolidated Share(s), as the case may be
“Shareholder(s)”	holder(s) of the Share(s)
“Share Consolidation”	the proposed consolidation of: (i) every sixty (60) Existing Shares of HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share of HK\$0.60 each
“Share Option Scheme”	the share option scheme adopted on 18 June 2014 and as amended on 15 June 2018 by ordinary resolution of the Shareholders at the annual general meeting held on 15 June 2018
“Share Options”	rights to subscribe for Share(s) pursuant to the Share Option Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

EXPECTED TIMETABLE

The expected timetable for the proposed Capital Reorganisation is set out below. The expected timetable is subject to the satisfaction of all the conditions of the proposed Capital Reorganisation and is therefore for indicative purposes only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this supplemental circular refer to Hong Kong local times and dates.

Event	Date and time
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Latest date and time for lodging transfer documents in order to qualify for attending and voting at the AGM.	4:00 p.m. on Friday, 18 June 2021
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Closure of register of members for the entitlement to attend and vote at the AGM.	From Monday, 21 June 2021 to Thursday, 24 June 2021 (both days inclusive)
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Latest date and time for lodging the original forms of proxy and/or the supplemental forms of proxy for the AGM.	10:00 a.m. on Tuesday, 22 June 2021
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Date and time of the AGM	10:00 a.m. on Thursday, 24 June 2021 (or any adjournment thereof)
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Announcement of poll results of the AGM	Thursday, 24 June 2021
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The following events are conditional on the fulfilment of the conditions for the implementation of the Capital Reorganisation:

Event	Date and time
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Effective date of the Capital Reorganisation	Monday, 28 June 2021
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First day for free exchange of existing share certificates for new share certificates for the New Shares commences.	Monday, 28 June 2021
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Dealings in the New Shares commences.	9:00 a.m. on Monday, 28 June 2021
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Original counter for trading in the Existing Shares in board lots of 3,000 Existing Shares (in the form of existing share certificates) temporarily closes.	9:00 a.m. on Monday, 28 June 2021
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EXPECTED TIMETABLE

Temporary counter for trading in the New Shares
in board lots of 50 New Shares
(in the form of existing share certificates) opens. 9:00 a.m. on Monday, 28 June 2021

Original counter for trading in the New Shares
in board lots of 1,000 New Shares
(in the form of new share certificates) re-opens. 9:00 a.m. on Tuesday, 13 July 2021

Parallel trading in the New Shares
(in the form of new share certificates
and existing share certificates) commences 9:00 a.m. on Tuesday, 13 July 2021

Designated broker starts to stand in the market
to provide matching services for odd lots
of the New Shares. 9:00 a.m. on Tuesday, 13 July 2021

Designated broker ceases to stand in the market
to provide matching services for odd lots
of the New Shares 4:00 p.m. on Monday, 2 August 2021

Temporary counter for trading in the New Shares
in board lots of 50 New Shares
(in the form of existing share certificates) closes 4:10 p.m. on Monday, 2 August 2021

Parallel trading in the New Shares
(in form of new share certificates
and existing share certificates) ends 4:10 p.m. on Monday, 2 August 2021

Last day for free exchange of existing share certificates
for new share certificates for the New Shares 4:00 p.m. on Wednesday, 4 August 2021

LETTER FROM THE BOARD



G-Resources Group Limited

國際資源集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1051)

Non-executive Director:

Ms. Li Zhongye, Cindy (*Chairperson*)

Executive Directors:

Mr. Leung Oi Kin

Mr. Leung Wai Yiu, Malcolm

Independent non-executive Directors:

Mr. Lo Wa Kei, Roy

Mr. Chen Gong

Mr. Martin Que Meideng

Registered office:

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

Principal place of business in Hong Kong:

Room 1801, 18/F

Capital Centre

No. 151 Gloucester Road

Wanchai, Hong Kong

1 June 2021

To the Shareholders

Dear Sir or Madam,

**SUPPLEMENTAL CIRCULAR TO THE CIRCULAR
TO SHAREHOLDERS DATED 18 MAY 2021 IN RELATION TO
(1) PROPOSED CAPITAL REORGANISATION,
(2) PROPOSED CHANGE IN BOARD LOT SIZE,
AND
(3) SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

Reference is made to the Announcement in relation to the proposed Capital Reorganisation and Change in Board Lot Size; change of date of AGM and book closure period; and the AGM Notice, which set out, among other things, the date, time and venue of the AGM and contains the resolutions to be proposed at the AGM for Shareholders' consideration and approval. This supplemental circular should be read together with the Circular, the AGM Notice and the Announcement.

* For identification purpose only

LETTER FROM THE BOARD

The purpose of this supplemental circular is to provide you with information regarding, among other things, (a) the proposed Capital Reorganisation; (b) the proposed Change in Board Lot Size; and (c) the supplemental notice of AGM.

2. PROPOSED CAPITAL REORGANISATION

The Board proposes to implement the Capital Reorganisation which comprises the following:

(a) Share Consolidation

The proposed Share Consolidation is on the basis that every sixty (60) Existing Shares of HK\$0.01 each is consolidated into one (1) Consolidated Share of HK\$0.60 each.

Where applicable, the total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation will be rounded down to a whole number by cancelling any fraction in the issued share capital of the Company which may arise from the Share Consolidation. The total number of Consolidated Shares in the issued share capital of the Company immediately following the Share Consolidation will be 450,814,079 Consolidated Shares after cancelling any fraction in the issued share capital of the Company which may arise from the Share Consolidation.

(b) Capital Reduction

Immediately upon the Share Consolidation becoming effective, the share capital of the Company will be reduced whereby:

- (i) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled;
- (ii) the issued share capital of the Company of HK\$270,488,447.4 divided into 450,814,079 Consolidated Shares shall be reduced to HK\$4,508,140.79 divided into 450,814,079 New Shares by cancelling the paid-up capital of the Company to the extent of HK\$0.59 on each of the then issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$0.60 to HK\$0.01;
- (iii) the credit arising from the Capital Reduction in the amount of approximately HK\$265,980,306.61 will be credited to the Contributed Surplus up to the effective date of the Capital Reduction within the meaning of the Companies Act for use by the Directors in any manner permitted by the Companies Act and the Bye-laws; and

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- (iv) the authorised share capital of the Company of HK\$600,000,000 divided into 1,000,000,000 Consolidated Shares shall be reduced to HK\$10,000,000 divided into 1,000,000,000 New Shares by reducing the par value of all unissued Consolidated Shares from HK\$0.60 each to HK0.01 each.

(c) Effects of the Capital Reorganisation and status of the New Shares

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$600,000,000 divided into 60,000,000,000 shares of par value of HK\$0.01 each, of which 27,048,844,786 Existing Shares have been issued.

Upon the Capital Reorganisation becoming effective and assuming that no new Existing Shares are issued or repurchased from the Latest Practicable Date until the effective date of the Capital Reorganisation, the authorised share capital of the Company will be HK\$10,000,000 divided into 1,000,000,000 New Shares, of which 450,814,079 New Shares will be in issue.

The aggregate nominal value of issued share capital of the Company will be HK\$4,508,140.79 (assuming that there is no change in the issued share capital of the Company from the Latest Practicable Date up to the effective date of the Capital Reorganisation).

Shareholders and potential investors of the Company should note that the credits arising in the books from the Capital Reorganisation will be subject to change depending on the number of Existing Shares in issue immediately prior to the Capital Reorganisation becoming effective.

Upon the Capital Reorganisation becoming effective, the New Shares shall rank *pari passu* in all respects with each other. The Capital Reorganisation will not result in any change in the relative rights of the Shareholders. Other than the expenses to be incurred by the Company in relation to the Capital Reorganisation, the implementation thereof will not, by itself, affect the underlying assets, business operations, management or financial position of the group or the proportionate interests or rights of the Shareholders as a whole, save for any fractional New Share which may arise.

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Assuming there will be no change in the issued share capital of the Company from the Latest Practicable Date up to the date on which the Capital Reorganisation becomes effective, the share capital structure of the Company will be as follows:

	As at the Latest Practicable Date	Immediately after the Share Consolidation becoming effective	Immediately after the Share Consolidation and Capital Reduction becoming effective
Authorised share capital	HK\$600,000,000	HK\$600,000,000	HK\$10,000,000
Par value per Share	HK\$0.01 per Existing Shares	HK\$0.60 per Consolidated Shares	HK\$0.01 per New Share
Number of authorised Shares	60,000,000,000 Existing Shares	1,000,000,000 Consolidated Shares	1,000,000,000 New Shares
Amount of issued Shares	HK\$270,488,447.86	HK\$270,488,447.4	HK\$4,508,140.79
Number of issued Shares	27,048,844,786 Existing Shares	450,814,079 Consolidated Shares	450,814,079 New Shares

Subject to the passing of the ordinary resolutions to approve the Issue Mandate and the Repurchase Mandate at the AGM and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed to issue up to a maximum of 90,162,815 new Shares under the Issue Mandate and to repurchase up to a maximum of 45,081,407 Shares under the Repurchase Mandate.

(d) Conditions and Expected Effective Date of the Capital Reorganisation

The Capital Reorganisation is conditional upon the following conditions:

- (i) the passing of the necessary ordinary and special resolutions (as the case may be) by the Shareholders to approve the Capital Reorganisation at the AGM;
- (ii) compliance with section 46(2) of the Companies Act, including (i) the publication of a notice of the Capital Reduction in an appointed newspaper in Bermuda on a date not more than 30 days and not less than 15 days before the date on which the Capital

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Reduction is to take effect and (ii) that on the date on which the Capital Reduction is to be effected, there are no reasonable grounds for believing that the Company is, or after the Capital Reduction would be, unable to pay its liabilities as they become due;

- (iii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation and the New Shares which may fall to be allotted and issued upon the exercise of the Share Options to be granted under the Share Option Scheme; and
- (iv) the compliance with the relevant procedures and requirements under the Companies Act (where applicable) and the Listing Rules to effect the Capital Reorganisation.

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

Subject to the fulfilment of the above conditions, the Capital Reorganisation will become effective on Monday, 28 June 2021, which is one clear business day immediately after the date of AGM on which the Shares are traded on the Stock Exchange.

(e) Listing Application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the New Shares to be in issue upon the Capital Reorganisation becoming effective and any New Shares which may fall to be issued after the Capital Reorganisation becoming effective upon the exercise of the Share Options to be granted under the Share Option Scheme.

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

The New Shares will be identical in all respects and rank *pari passu* in all respects with each other in accordance with the Bye-laws as to all future dividends and distributions which are to be declared, made or paid.

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None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time of the Capital Reorganisation becoming effective, the New 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.

(f) Fractional Entitlement to Consolidated Shares

Fractional Consolidated Shares arising from the Share Consolidation will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained for the benefits of the Company.

Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of 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 New Shares.

3. PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares are traded on the Stock Exchange in board lot size of 3,000 Existing Shares. The Board proposes to change the board lot size for trading in Shares on the Stock Exchange from 3,000 Existing Shares to 1,000 New Shares conditional upon the Capital Reorganisation becoming effective.

Based on the closing price of HK\$0.047 per Existing Share (equivalent to theoretical closing price of HK\$2.82 per New Share) as at the Latest Practicable Date, the value of each original board lot of the Existing Shares is HK\$141 and the theoretical market value of each new board lot of the New Shares, assuming the Capital Reorganisation had become effective, would be HK\$2,820.

4. OTHER ARRANGEMENTS

(a) Arrangement on Odd Lot Trading

In order to facilitate the trading of odd lots (if any) of the New Shares arising from the Capital Reorganisation, the Company has appointed Enhanced Securities Limited to provide matching service, on a best efforts basis, to those Shareholders who wish to acquire odd lots of the New Shares to make up a full board lot of the New Shares, or to dispose of their holding of odd lots of the New Shares, during the period from 9:00 a.m. on Tuesday, 13 July 2021 to 4:00 p.m. on

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Monday, 2 August 2021 (both days inclusive). Shareholders who wish to take advantage of this facility should contact Mr. Cecil Chan of Enhanced Securities Limited at 37/F, Times Tower, 393 Jaffe Road, Wanchai, Hong Kong or at telephone number (852) 2836 2118 during office hours of such period.

Holders of odd lots of the New Shares should note that the successful matching of the sale and purchase of odd lots of the New Shares is not guaranteed. If any Shareholder is in doubt about the arrangements on odd lot trading, such Shareholder should consult his/her/its own professional advisers.

Please refer to the paragraph headed “Expected Timetable” on pages 5 to 6 of this supplemental circular for the period during which the Company will provide matching service for the sale and purchase of odd lots of the New Shares.

(b) Exchange of Share Certificates

Subject to the Capital Reorganisation becoming effective, the Shareholders may during the period from Monday, 28 June 2021 to Wednesday, 4 August 2021 (both days inclusive) submit existing share certificates in the colour of yellow for the Existing Shares to the Company’s branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, for exchange for new share certificates in the colour of purple for the New Shares at the expense of the Company.

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

After 4:10 p.m. on Monday, 2 August 2021, existing share certificates for the Existing Shares will only remain good evidence of legal title and may be exchanged for share certificates for New Shares at any time at the expense of the Shareholders but will not be accepted for delivery, trading and settlement purposes.

(c) Trading Arrangement for the New Shares

Subject to the Capital Reorganisation becoming effective, dealings in the New Shares are expected to commence on Monday, 28 June 2021. Parallel trading in the New Shares (in the form of existing share certificates and new share certificates) will be operated from Tuesday, 13 July

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2021 to Monday, 2 August 2021 (both days inclusive). Further details of the expected timetable and trading arrangement of the Shares are set out in the section headed “EXPECTED TIMETABLE” of this supplemental circular.

(d) Adjustments in relation to Other Securities of the Company

As at the Latest Practicable Date, the total number of shares of the Company issuable pursuant to the Share Option Scheme is 1,352,442,239 shares of the Company. There was no share option granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption.

Save as disclosed above, as at the Latest Practicable Date, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares, Consolidated Shares or New Shares, as the case may be.

5. REASONS FOR AND BENEFITS OF THE CAPITAL REORGANISATION AND CHANGE IN BOARD LOT SIZE

For the past six months, the average closing price of the Existing Shares of the Latest Practicable Date was HK\$0.047 (equivalent to the theoretical closing price of HK\$2.82 per New Share), the estimated market value per board lot of 1,000 New Shares would be HK\$2,820 assuming the Capital Reorganisation and the Change in Board Lot Size have been effective.

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 (i) market price of the shares at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000. In view of the recent trading price of the Existing Shares at a level under HK\$0.10 and the board lot value being less than HK\$2,000 each, the Directors consider that the proposed Share Consolidation will increase the board lot value of the Existing Shares so as to enable the Company to comply with the trading requirements under the Listing Rules.

The Existing Shares of the Company have been trading at a low price of HK\$0.047 each recently. Immediately after completion of the Share Consolidation but before implementation of the Capital Reduction, the par value of the Consolidated Shares will be HK\$0.60 per Consolidated Share. Under the Companies Act and pursuant to the Bye-laws, the Company shall not issue any shares at a price below par value. The Capital Reduction will keep the par value of the New Shares at a lower level of HK\$0.01 per New Share, which allows greater flexibility in the pricing for any issue of further new Shares in the future when necessary (including new Shares issuable

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under the Share Option Scheme). Also, the crediting to the Contributed Surplus could be used for the payment of dividends according to the dividend policy of the Company which is permitted by the Companies Act and the Bye-laws. Please refer to the annual report of the Company for the year ended 31 December 2020 for details of the dividend policy of the Company.

It is expected that the Capital Reorganisation and the Change in Board Lot Size would bring about a corresponding upward adjustment in the trading price per board lot of the Shares on the Stock Exchange. The Board noted that companies listed on the Stock Exchange with share price above HK\$1.00 result in a larger trading volume as compared to that of share price under HK\$1.00 and would improve the liquidity of the shares. Also, a majority of companies listed on the Stock Exchange recording a market capitalisation equal to or above HK\$1 billion also has a share price above HK\$1.00. Therefore, the Board believes that investors tend to concentrate on stocks that have a larger market capitalisation and share price of such companies are usually positively correlated. With a higher trading price of the New Shares and reduction in the transaction and handling costs as a proportion of the market value of each board lot, and maintaining a share price above HK\$1.00, the Board is of the view that it will enhance the corporate image of the Company and make investing in the shares more attractive to a broader range of investors, in particular to institutional investors, which ultimately will, broaden and optimise the shareholder base of the Company. In addition, the Change in Board Lot Size will result in New Shares being traded in a more reasonable board lot size and value, possibly attracting more investors and extending the shareholder base.

The Board has also considered to minimise the creation of odd lots arising from new board lot size of New Shares by selecting (i) the consolidation basis of 60 Existing Shares into one New Share which is an integral divisor of the original board lot size of 3,000; and (ii) the new board lot size of 1,000 which is also an integral divisor of the original board lot size of 3,000. It will also yield the benefit of reducing the number of odd lot shares created per new board lot compared to the other board lot size options while maintaining the goals of the Capital Reorganisation as mentioned above. In view of the above reasons, the Company considers the proposed Capital Reorganisation and the Change in Board Lot Size are justifiable notwithstanding the potential costs and impact arising from the creation of odd lots to Shareholders. Accordingly, the Board is of the view that the Capital Reorganisation and the Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

The Company has no plans for any fundraising activity in the coming 12 months. However, the Company cannot rule out the possibility of conducting debt and/or equity fundraising exercises when required by its operations and business development in the future, relief of liabilities and/or suitable fundraising opportunities arise. As at the Latest Practicable Date, the Directors further confirm that there is no intention to carry out other corporate action or arrangement in the next 12

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months which may have an effect of undermining or negating the intended purpose of the Capital Reorganisation and the Change in Board Lot Size. Further announcement(s) will be made by the Company if it proposes to issue any new Shares in the future in accordance with the Listing Rules.

6. WARNING

Shareholders and potential investors should be aware of and take note that the Capital Reorganisation is conditional upon the satisfaction of the conditions set out in the paragraph headed “Conditions and expected effective date of the Capital Reorganisation” above in this supplemental circular. Accordingly, the Capital Reorganisation may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

7. AGM

The supplemental notice of the AGM notifying the AGM to be held as scheduled below is set out on pages 19 to 23 of this supplemental circular. The Capital Reorganisation will be conditional upon, among other things, the passing by the Shareholders of the ordinary and special resolutions approving the same at the AGM.

The AGM will be held at Novotel Century Hong Kong, Lower Lobby, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 24 June 2021 at 10:00 a.m. (or any adjournment thereof). Please refer to the AGM Notice for details of other resolutions to be proposed at the AGM, eligibility for attending the AGM, registration procedures for attending the AGM, appointment of proxy, voting by way of poll and other relevant matters.

According to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, the Chairman will demand a poll for the resolutions put to the vote at the AGM pursuant to Bye-law 70 of the Bye-laws. After the AGM, the poll results will be published on the respective websites of the Stock Exchange and the Company.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting on the ordinary and special resolutions to be proposed at the AGM approving the Capital Reorganisation.

A supplemental form of proxy for use at the AGM is enclosed with this supplemental circular. Whether or not you are able to attend the AGM in person, you are requested to complete the enclosed supplemental form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong

LETTER FROM THE BOARD

Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the supplemental form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) should you so wish. In such an event, the instrument appointing a proxy shall be deemed to be revoked.

The supplemental form of proxy only serves as a supplement to the original form of proxy for the AGM and will not affect the validity of any form of proxy duly completed and delivered by you in respect of the resolutions set out in the AGM Notice.

If you have validly appointed a proxy to attend and act for you at the AGM but do not duly complete and deliver the supplemental form of proxy, your proxy will be entitled to vote at his/her discretion on the resolutions set out in the supplemental notice of the AGM dated 1 June 2021. If you do not duly complete and deliver the original form of proxy for the AGM but have duly completed and delivered the supplemental form of proxy and validly appointed a proxy to attend and act for you at the AGM, your proxy will be entitled to vote at his/her discretion on the resolutions set out in the AGM Notice. If the proxy being appointed to attend the AGM under the supplemental form of proxy is different from the proxy appointed under the original form of proxy and both proxies attended the AGM, the proxy validly appointed under the original form of proxy shall be designated to vote at the AGM.

8. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 21 June 2021 to Thursday, 24 June 2021 (both days inclusive), during which no transfer of Shares will be effected, to determine the eligibility of the Shareholders to participate in the AGM. For Shareholders not already on the register of the members of the Company, in order to qualify to attend and vote at the AGM, all transfer(s) of Share(s) (together with the relevant Share certificate(s)) must be lodged with Company's branch share registrar in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration by no later than 4:00 p.m. on Friday, 18 June 2021.

LETTER FROM THE BOARD

9. RESPONSIBILITY STATEMENT

This supplemental 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 supplemental 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 supplemental circular misleading.

10. RECOMMENDATION

The Directors are of the opinion that the proposed Capital Reorganisation is in the 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 AGM.

11. GENERAL

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

Your faithfully,
By Order of the Board
G-Resources Group Limited
Leung Oi Kin
Executive Director and Company Secretary



G-Resources Group Limited

國際資源集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1051)

Reference is made to the notice of the annual general meeting (the “**Original Notice**”) of G-Resources Group Limited (the “**Company**”) dated 18 May 2021 and the announcement of the Company dated 31 May 2021 (the “**Announcement**”), which sets out the resolutions to be considered by shareholders of the Company (the “**Shareholders**”) at the annual general meeting to be held at Novotel Century Hong Kong, Lower Lobby, 238 Jaffe Road, Wanchai, Hong Kong on Thursday, 24 June 2021 at 10:00 a.m. (the “**Meeting**”).

SUPPLEMENTAL NOTICE IS HEREBY GIVEN that the Meeting will be held at the above date, time and venue, for the purpose of considering and, if thought fit, passing, with or without modification, the following resolutions which will be proposed as ordinary and special resolutions of the Company:

ORDINARY RESOLUTION

7. “**THAT** subject to and conditional upon, among other things, the granting by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) of the listing of, and permission to deal in, the Consolidated Shares (as defined below) to be in issue upon the Share Consolidation (as defined below) becoming effective and any Consolidated Share which may fall to be issued after the Share Consolidation becoming effective:
 - (a) with effect from one (1) clear business day immediately after the date on which this resolution is passed, being a day on which shares of the Company are traded on the Stock Exchange: every sixty (60) issued and unissued shares of HK\$0.01 each in the capital of the Company be consolidated into one (1) share of HK\$0.60 each (the “**Consolidated Shares**” and each a “**Consolidated Share**”), 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 shares contained in the bye-laws of the Company (the “**Bye-laws**”) (the “**Share Consolidation**”);

* For identification purpose only

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

- (b) 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 and retained for the benefit of the Company in such manner and on such terms as the directors of the Company (the “**Directors**”) may think fit; and
- (c) any one of the Directors be and is hereby authorised 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 he/she may, in his/her absolute discretion, consider necessary, desirable or expedient to implement and give effect to any or all of the foregoing.”

SPECIAL RESOLUTION

- 8. “**THAT**, conditional upon: (i) the Listing Committee of the Stock Exchange granting the listing of, and the permission to deal in, the ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company immediately upon the proposed capital reorganisation of the share capital of the Company involving (i) the Share Consolidation and (ii) the Capital Reduction becoming effective (“**New Shares**”); and (ii) compliance with section 46(2) of the Companies Act 1981 of Bermuda (as amended) in effect from time to time (the “**Companies Act**”) to effect the Capital Reduction (as defined below), with effect from one (1) clear business day after the date on which this resolution is passed by the Shareholders:
 - (a) subject to and conditional upon the passing of ordinary resolution no. 7 set out in the supplemental notice notifying the Meeting to be held as specified and the Share Consolidation becoming effective, (i) any fractional Consolidated Share in the issued share capital of the Company arising from the Share Consolidation shall be cancelled; (ii) the par value of all the issued Consolidated Shares shall be reduced from HK\$0.60 each to HK\$0.01 each; and (iii) the authorised share capital of the Company shall be reduced from HK\$600,000,000 divided into 1,000,000,000 Consolidated Shares of HK\$0.60 each to HK\$10,000,000 divided into 1,000,000,000 New Shares of HK\$0.01 each (the “**Capital Reduction**”);
 - (b) the credit arising from the Capital Reduction be credited to the contributed surplus account of the Company up to the effective date of the Capital Reduction within the meaning of the Companies Act for use by the Directors in any manner permitted by the Companies Act and the Bye-laws and all such actions in relation thereto be approved, ratified and confirmed; and

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

- (c) any one of the Directors be and is hereby authorised 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 he/she may, in his/her absolute discretion, consider necessary, desirable and expedient to implement and give effect to any or all of the foregoing, including, without limitation, to aggregate, sell and retain for the benefit of the Company all fractional New Shares to which each Shareholder is otherwise entitled.”

By Order of the Board
G-Resources Group Limited
Leung Oi Kin

Executive Director and Company Secretary

Hong Kong, 1 June 2021

Registered office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

Principal place of business in Hong Kong:

Room 1801, 18/F
Capital Centre
No. 151 Gloucester Road
Wanchai, Hong Kong

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Please refer to the Original Notice and the Announcement for details of the other ordinary resolutions to be considered at the Meeting, closure of the register of members of the Company and eligibility for attending the Meeting and other relevant matters. Details of the resolutions mentioned above are set out in the supplemental circular of the Company dated 1 June 2021 (the “**Supplemental Circular**”). A supplemental form of proxy (the “**Supplemental Form of Proxy**”) for the Meeting containing the resolutions mentioned above is enclosed with the Supplemental Circular. Unless otherwise defined in this supplemental notice of the Meeting, capitalised terms used in this supplemental notice of the Meeting shall have the same meanings as those defined in the Supplemental Circular.
2. A Shareholder entitled to attend and vote at the above Meeting may appoint another person as his proxy to attend and to vote in his stead. A Shareholder who is the holder of two or more shares of the Company (the “**Shares**”) may appoint more than one proxy to attend on the same occasion. A proxy need not be a Shareholder.
3. Where there are joint registered holders of any Share, any one such person may vote at the Meeting, either personally or by proxy, in respect of such Share as if he were solely entitled thereto; but if more than one of such joint holders are present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of shareholders of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
4. In order to be valid, the Supplemental 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 or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong not less than 48 hours before the time appointed for the holding of the Meeting or any adjournment thereof. Completion and return of the Supplemental Form of Proxy will not preclude a member of the Company from attending and voting in person at the Meeting or any adjournment and, in such an event, the instrument appointing a proxy shall be deemed to be revoked.
5. The Supplemental Form of Proxy only serves as a supplement to the original form of proxy for the Meeting.
6. The Supplemental Form of Proxy will not affect the validity of any form of proxy duly completed and delivered by you in respect of the resolutions set out in the Original Notice. If you have validly appointed a proxy to attend and act for you at the Meeting but do not duly complete and deliver the Supplemental Form of Proxy, your proxy will be entitled to vote at his/her discretion on the resolutions set out in the supplemental notice of the Meeting dated 1 June 2021. If you do not duly complete and deliver the original form of proxy for the Meeting but have duly completed and delivered the Supplemental Form of Proxy and validly appointed a proxy to attend and act for you at the Meeting, your proxy will be entitled to vote at his/her discretion on the resolutions set out in the Original Notice.
7. If the proxy being appointed to attend the Meeting under the Supplemental Form of Proxy is different from the proxy appointed under the original form of proxy and both proxies attended the Meeting, the proxy validly appointed under the original form of proxy shall be designated to vote at the Meeting.
8. Unless otherwise announced by the Company, the Meeting will be held as scheduled even when Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force on the date of the Meeting.

Shareholders should decide on their own whether they would attend the Meeting under bad weather conditions bearing in mind their own situations and if they do so, they are advised to exercise care and caution.

SUPPLEMENTAL NOTICE OF ANNUAL GENERAL MEETING

As at the date of this supplemental notice, the Board comprises:

- (i) Ms. Li Zhongye, Cindy as non-executive Director;*
- (ii) Mr. Leung Oi Kin and Mr. Leung Wai Yiu, Malcolm as executive Directors; and*
- (iii) Mr. Lo Wa Kei, Roy, Mr. Chen Gong and Mr. Martin Que Meideng as independent non-executive Directors.*