

THIS DOCUMENT IS IMPORTANT. PLEASE READ IT IMMEDIATELY. If you are in any doubt about the action you should take, you are recommended to consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000.

If you have sold or otherwise transferred all of your shares in New Trend Lifestyle Group Plc, please send this Document together with the accompanying Form of Proxy at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the person who now holds the shares.

NEW TREND LIFESTYLE GROUP PLC
Notice of Additional Shareholder Resolution for
Annual General Meeting
to be held on
30 August 2017 at 4pm (local time Hong Kong)
at Unit B, 21/F CMA Building,
Connaught Road Central, Hong Kong

PART 1
NEW TREND LIFESTYLE GROUP PLC

(incorporated and registered in England and Wales with registered number 8000104)

Registered Office:

Finsgate
5-7 Cranwood Street
London EC1V 9EE
United Kingdom

Directors:

Gregory Collier	(Non-Executive Chairman)
Phang Song Hua	(Chief Executive Officer)
Ajay Kumar Rajpal	(Non-Executive Director)
Nancy Leung Bo Yee	(Non-Executive Director)
Leung Chi Chu	(Executive Director)

9 August 2017

To the Shareholders

Dear Shareholder

Annual General Meeting 30 August 2017

The Annual General Meeting (“AGM”) of the Company is to be held at 4pm (local time Hong Kong) on 30 August 2017 at Unit B, 21/F, CMA Building, 64-66 Connaught Road Central, Hong Kong.

The Company has received a shareholder resolution (“Resolution No. 6”) pursuant to section 338 of the Companies Act 2006 from ARGP Investments Limited (“ARGP”). The Resolution is in addition to those shown in the notice of AGM which was circulated to shareholders on 30 June 2017.

For the reasons explained below the Directors, other than Phang Song Hua (CEO), recommend that you vote against this Resolution No. 6.

Resolution 6 – Shareholder Resolution

The Company has received notice pursuant to the Companies Act 2006 of the intention to move the following resolution at the AGM. Resolution No. 6 has been requisitioned by ARGP and its statement in support of its proposed resolution is set out in Part 2 of this document:

Resolution No. 6 will be proposed as a special resolution which will be passed if at least 75 per cent of the votes cast are in favour of Resolution No. 6.

Resolution No. 6 is set out below:-

“As a special resolution

6. THAT the Company’s articles of association (“**Articles**”) be amended as follows:

- THAT the final sentence of Article 84 be deleted in its entirety;
- THAT Article 96.2 be deleted in its entirety and replaced with the following:

“A Director so appointed to any executive office shall be subject to retirement by rotation and shall be taken into account in determining the number of the Directors to retire by rotation.”

- THAT Article 106 be deleted in its entirety and replaced with the following:
 “At the Annual General Meeting in every year, every Director for the time being (including those retiring in accordance with Article 84) shall retire from office”.
- THAT Article 107 be deleted in its entirety and replaced with the following:
 “A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.”

Notes to Resolution No. 6

Resolution No. 6 is an additional resolution that has been requisitioned by ARGP who have also requested that the statement set out in Part 2 of this document is circulated to shareholders. The Company is required by statute to circulate the statement to you. The Directors wish to make clear that they do not endorse the statement and are not responsible for its content.

The Directors, other than Phang Song Hua consider that Resolution No. 6 is not in the best interests of the Company and its shareholders as a whole and the Directors, other than Phang Song Hua, recommend that you vote against Resolution No. 6 at the forthcoming AGM for the reasons set out below.

At present the directors who are required to offer themselves for re-election at each annual general meeting are selected on the basis that their retirement by rotation only applies to non-executive directors and that only a third of their number are subject to retirement and re-election at successive annual general meetings. Newly appointed directors are also required to offer themselves for re-election at the annual general meeting following their appointment. Those directors that hold executive office are not subject to retirement by rotation at annual general meetings.

The UK Corporate Governance Code (“the Code”) stipulates that only directors of FTSE 350 companies should be subject to re-election on an annual basis. Otherwise rotation should be based on intervals of no more than three years. The particular concerns about the changes to the Articles of Association relating to the rotation of directors that are proposed can be summarised as follows:

- ARGP’s statement asserts that annual rotation reflects ‘generally accepted principles of corporate governance’. This assertion is not supported by the Code or by the practices adopted by companies listed on the AIM Market.
- The executive officers, were they not re-elected as directors, might be able to treat their loss of office as grounds for termination of their employment for which compensation could become due. The disruption caused by the loss of executive officers without cause or justification as a result of a majority vote at an annual general meeting would harm the business of the Company.
- The removal of directors at the Annual General Meeting could cause substantial changes to the control of the Company. Those wishing to remove directors from office would not be required to give notice of their intention or objectives in doing so. The proposed changes to the Articles of Association would allow the prospect that all or substantially all directors could be removed from office at an annual general meeting. New directors would need to be appointed, either by remaining directors or by resolution of the shareholders. Under the Takeover Code there are circumstances in which ‘board control-seeking’ resolutions can provide grounds for a mandatory offer to be made by those considered to be acting in concert. Should Resolution No. 6 be passed it is likely that concerns of this nature will need to be addressed.

ACTION TO BE TAKEN

The Form of Proxy for use by Shareholders at the AGM that was sent to shareholders accompanying the notice of the AGM referred to the original five resolutions that were to be proposed at the AGM. In view of the addition of Resolution No. 6 a revision of the Form of Proxy, including reference to Resolution No. 6 is enclosed with this document. If you are unable to be present at the AGM, please complete and sign the Form of Proxy and return it to the Company’s registrars, Capita Registrars

Limited, 34 Beckenham Road, Beckenham, Kent BR3 4TU, United Kingdom, to be received as soon as possible, but in any event not later than 09.00 a.m. (London time) on 28 August 2017.

If you have already returned a proxy form for the AGM as previously circulated, these votes will be valid and therefore you will only need to return the enclosed proxy form if you wish to vote in relation to special resolution 6. In the event that two votes for any resolution are inadvertently returned by a shareholder, the last proxy card received before the deadline will take precedence to ensure only one vote per resolution per shareholder is counted.

Yours sincerely

Gregory Collier
Chairman

PART 2

Statement supporting the Resolution

ARGP Investments Limited

Palm Grove House, P.O. Box 438 Road Town,
Tortola, British Virgin Islands

To: the Shareholders of New Trend Lifestyle Group Plc

Dear Shareholder

We, ARGP Investments Limited, being the holder of 6.67% of the share capital of New Trend Lifestyle Group plc (the "**Company**") have required the Company to give you notice of the enclosed resolution to be included as special business of the upcoming Annual General Meeting to take place on 30 August 2017.

Our reason for proposing the resolution to amend the articles of association of the Company (the "**Articles**") is to allow the shareholders of the Company at least annually consider and vote on the composition of the board of directors of the Company, both executive directors and non-executive directors, in light of their individual performances and the performance of the Company during the preceding period. We believe this better reflects generally accepted principles of corporate governance.

We believe the amendment to the Articles will benefit the Company as a whole, and we hope that you will vote in favour of passing this resolution at the Annual General Meeting.

Yours faithfully

Christopher Neo, Director
For and on behalf of ARGP Investments Limited

PART 3
NEW TREND LIFESTYLE GROUP PLC
(the "Company")

(incorporated and registered in England and Wales with registered number 8000104)

NOTICE OF ADDITIONAL RESOLUTION TO BE PROPOSED AT
ANNUAL GENERAL MEETING

Notice is hereby given that at the Annual General Meeting of New Trend Lifestyle Group PLC to be held at Unit B, 21/F CMA Building, Connaught Road Central, Hong Kong on 30 August 2017, at 4pm (the "Meeting"), notice of which was sent to shareholders on 30 June 2017 shareholders will be required to consider and, if thought fit, pass the following additional resolution. The resolution will be proposed as a special resolution.

Additional special business to add to the resolutions in the main Notice of AGM circulated to shareholders on 30 June 2017.

As a special resolution

6. THAT the Company's articles of association ("**Articles**") be amended as follows:

- THAT the final sentence of Article 84 be deleted in its entirety;
- THAT Article 96.2 be deleted in its entirety and replaced with the following:
"A Director so appointed to any executive office shall be subject to retirement by rotation and shall be taken into account in determining the number of the Directors to retire by rotation."
- THAT Article 106 be deleted in its entirety and replaced with the following:
"At the Annual General Meeting in every year, every Director for the time being (including those retiring in accordance with Article 84) shall retire from office".
- THAT Article 107 be deleted in its entirety and replaced with the following:
"A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires."

Dated: 9 August 2017

By order of the Board
International Registrars Limited
Company Secretary

Registered office: Finsgate, 5-7 Cranwood Street, London EC1V 9EE, United Kingdom