



PROPOSED CHANGE IN CORE BUSINESS, INVOLVING:

- **DISPOSAL OF THE COMPANY'S NEW MEDIA PLATFORM BUSINESS; AND**
- **FOCUS ON THE CORPORATE SERVICES BUSINESS**

REQUEST FOR VOLUNTARY SUSPENSION PENDING CONCLUSION OF THE EXTRAORDINARY GENERAL MEETING TO BE CONVENED TO SEEK SHAREHOLDERS' APPROVAL FOR THE PROPOSED CHANGE IN CORE BUSINESS

As reported in the Company's 2017 annual report dated 31 July 2017:

- (a) The company's two principal activities are:
- (i) designing, developing and producing touch screen business PCs and related software products (*i.e.*, the **"New Media Platform Business"**); and
 - (ii) providing financial consulting and corporate services, and developing a one-stop service platform for the provision of these services (*i.e.*, the **"Corporate Services Business"**); and
- (b) The New Media Platform Business has not developed as well as directors had hoped and that directors plan to conduct a strategic review of this line of business towards the end of this financial year (that is to say, the financial year ending 31 March 2018) and take any remedial actions as may be considered necessary.

Having carried out this strategic review, the directors have concluded that the Company should focus on and make the Corporate Services Business its core business. As part of this business re-focus, the Company proposes to dispose of its New Media Platform Business which is now carried on by Shanghai Kunlun Cultural Media Co., Limited, its controlled child entity.

This change of core business represents a change in scope and scale of the Company's operations. Therefore, the Company will convene an extraordinary general meeting to seek shareholders' approvals for this change. A notice of extraordinary general meeting with its accompanying explanatory notes will be dispatched to shareholders in due course.

To facilitate an informed trading of the Company's securities, the Company requests a voluntary suspension of trading of its securities on the National Stock Exchange of

Australia effective immediately until after the results of the aforesaid extraordinary general meeting of the Company is announced to the market.

For and on behalf of
SHKL GROUP LIMITED

ZHOU Xinghang
Executive Director
6 March 2018

A handwritten signature in black ink, appearing to be 'ZHOU Xinghang', written over a horizontal line.