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If you have sold or transferred all your shares in Hongkong Chinese Limited, you should at once hand this document and the accompanying 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.

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HONGKONG CHINESE LIMITED

香港華人有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 655)

PROPOSED GRANT OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, PROPOSED RE-ELECTION OF RETIRING DIRECTORS, PROPOSED AMENDMENTS TO THE BYE-LAWS AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Hongkong Chinese Limited to be held at Harcourt Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 3 September 2019 at 10:15 a.m. or any adjourned meeting thereof to approve matters referred to in this document is set out on pages 12 to 17 of this document.

Whether or not you are able or intend to attend such meeting, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting, or any adjourned meeting thereof, to the principal place of business of Hongkong Chinese Limited at 40th Floor, Tower Two, Lippo Centre, 89 Queensway, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting thereof should you so wish and in such event, the instrument appointing the proxy shall be deemed to be revoked.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
Introduction	3
General mandates to issue and repurchase Shares	4
Explanatory statement	4
Re-election of retiring Directors	7
Proposed amendments to the Bye-laws	10
Annual General Meeting	10
Voting by poll at general meetings	11
Recommendation	11
Notice of Annual General Meeting	12

DEFINITIONS

In this document, the following terms and expressions shall have the following meanings unless the context otherwise requires:

“AGM”	annual general meeting of the Company to be held at Harcourt Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 3 September 2019 at 10:15 a.m., notice of which is set out on pages 12 to 17 of this document, or any adjourned meeting thereof;
“Board”	board of the Directors;
“Bye-law(s)”	bye-law(s) of the Company;
“close associates”	has the meaning ascribed to it in Rule 1.01 of the Listing Rules;
“Companies Act”	Companies Act 1981 of Bermuda;
“Company”	Hongkong Chinese Limited (香港華人有限公司*), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange;
“core connected persons”	has the meaning ascribed to it in Rule 1.01 of the Listing Rules;
“Director(s)”	director(s) of the Company;
“DNP”	the Directors’ Nomination Policy of the Company;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	24 July 2019, being the latest practicable date prior to the printing of this document for ascertaining certain information contained therein;
“LCR”	Lippo China Resources Limited, a fellow subsidiary of the Company listed on the Stock Exchange;
“Lippo”	Lippo Limited, an intermediate holding company of the Company listed on the Stock Exchange;

* For identification purpose only

DEFINITIONS

“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange;
“Mr Chan”	Mr Leon Nim Leung Chan;
“Mr Lee”	Mr John Luen Wai Lee;
“NC”	the Nomination Committee of the Board;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers; and
“%”	per cent.



HONGKONG CHINESE LIMITED

香港華人有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 655)

Executive Directors:

Dr Stephen Riady (*Chairman*)

Mr John Luen Wai Lee, BBS, JP (*Chief Executive Officer*)

Non-executive Director:

Mr Leon Nim Leung Chan

Independent non-executive Directors:

Mr Victor Ha Kuk Yung

Mr King Fai Tsui

Mr Edwin Neo

Registered Office:

Clarendon House

Church Street

Hamilton HM 11

Bermuda

Principal Place of Business:

40th Floor

Tower Two

Lippo Centre

89 Queensway

Hong Kong

30 July 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES,
PROPOSED RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED AMENDMENTS TO THE BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this document is to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolutions mentioned herein which will be dealt with at the AGM to be held at Harcourt Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 3 September 2019 at 10:15 a.m., and to convene the AGM, notice of which is set out on pages 12 to 17 of this document. This document contains information concerning the proposed general mandates to issue and repurchase Shares, proposed re-election of retiring Directors and proposed amendments to the Bye-laws which is required to be sent to Shareholders under the Listing Rules.

* For identification purpose only

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

As the previous general mandates to issue and repurchase Shares granted to the Directors at the annual general meeting of the Company held on 4 September 2018 will expire on conclusion of the AGM, ordinary resolutions relating to renewal of general mandates will be proposed at the AGM:

- (i) authorising the Directors to allot, issue and otherwise deal with additional Shares (and securities convertible into Shares) not exceeding 20% of the total number of issued Shares as at the date of passing of the resolution, as set out in Resolution No. 5A of the notice of AGM;
- (ii) authorising the Directors to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of passing of the resolution, as set out in Resolution No. 5B of the notice of AGM; and
- (iii) authorising the addition to the mandate to issue new Shares (referred to at (i) above) those Shares repurchased by the Company pursuant to the repurchase mandate (referred to at (ii) above), as set out in Resolution No. 5C of the notice of AGM.

In accordance with the Listing Rules, and in particular the rules regulating repurchase of securities on the Stock Exchange, the Company is required to send to Shareholders an explanatory statement containing all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its Shares. This explanatory statement is set out below.

EXPLANATORY STATEMENT

At the AGM, an ordinary resolution will be proposed which, if passed, will give the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase issued Shares subject to the criteria set out in this document. In particular, Shareholders should note that the maximum number of Shares that may be repurchased pursuant to the mandate must not exceed such number of Shares representing 10% of the total number of issued Shares as at the date of passing of the relevant resolution.

1. Share capital

As at the Latest Practicable Date, there were 1,998,280,097 Shares in issue. On the basis of this figure and assuming no further Shares of the Company are issued or repurchased prior to the AGM, not more than 399,656,019 Shares (representing approximately 20% of the total number of Shares in issue) may be issued by the Company, and not more than 199,828,009 Shares (representing approximately 10% of the total number of Shares in issue) may be repurchased on the Stock Exchange during the period from the passing of the resolutions at the AGM 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 any applicable law or the Bye-laws of the Company to be held; or (iii) the revocation or variation of the authority given under the resolutions by ordinary resolutions of the Shareholders in general meeting.

LETTER FROM THE BOARD

2. Reasons for repurchases

While it is not possible to anticipate in advance any specific circumstances in which the Directors might think it appropriate to repurchase Shares, the Directors believe that an ability to do so would give the Company additional flexibility that would be beneficial to the Company. The repurchases may, depending on market conditions and funding arrangements of the Company at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such repurchases in circumstances where they consider them to be in the interests and for the benefit of the Company.

3. Funding of repurchase

The Company is empowered by its Memorandum of Association and Bye-laws to repurchase its Shares. Repurchases of Shares must be funded out of funds legally available for the purpose in accordance with the Bye-laws and the laws of Bermuda. The Companies Act provides that the amount of capital paid in connection with a share repurchase may only be paid out of the capital paid up on the relevant shares, or the funds of the Company which would otherwise be available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company. The Companies Act further provides that such repurchase may only be made if on the effective date of the repurchase, there are no reasonable grounds for believing that the Company is, and after the repurchase would be, unable to pay its debts as they fall due.

On the basis of the consolidated financial position of the Company as at 31 March 2019 (being the date to which the latest published audited financial statements of the Company have been made up) and in particular the working capital position of the Company at that time and the number of Shares now in issue, the Directors consider that there might be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed repurchases were to be carried out in full at any time during the proposed repurchase period.

However, no repurchases would be made in circumstances that would have a material adverse impact on the working capital or gearing position of the Company (as compared with the financial position as at 31 March 2019) unless the Directors believe that such repurchases are in the interests and for the benefit of the Company.

LETTER FROM THE BOARD

4. Share prices

During each of the twelve months immediately preceding and up to and including the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
July	1.32	1.16
August	1.25	1.08
September	1.19	0.97
October	1.04	0.87
November	1.02	0.90
December	1.00	0.88
2019		
January	1.42	0.86
February	1.20	1.12
March	1.33	1.13
April	1.30	1.08
May	1.17	1.01
June	1.12	0.98
July (up to and including the Latest Practicable Date)	1.06	0.99

5. Disclosure of Interests

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda, the jurisdiction in which the Company was incorporated, and in accordance with the regulations set out in the Memorandum of Association and Bye-laws of the Company.

If, as a result of a share repurchase by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Company, Lippo was beneficially interested in 1,477,715,492 Shares, representing approximately 73.95% of the total number of issued Shares. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the relevant ordinary resolution at the AGM, the shareholding interest of Lippo in the Company would be increased to approximately 82.17%. Such increase would not give rise to

LETTER FROM THE BOARD

an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors are not aware of any consequence which would arise under the Takeovers Code as a result of any purchases by the Company of its Shares. The Directors have no intention to exercise the repurchase mandate to such extent as would cause the public float to fall below 25% or such other minimum percentage as prescribed by the Listing Rules from time to time.

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their respective close associates presently intend to sell any Shares to the Company or its subsidiaries in the event that the grant to the Directors of a repurchase mandate is approved by the Shareholders.

No core connected persons of the Company have notified the Company that they have any present intention to sell any Shares, or that they have undertaken not to sell any Shares held by them to the Company in the event that the Company is authorised to make purchases of Shares.

6. Share purchases made by the Company

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Bye-law 87 of the Bye-laws, Mr Lee and Mr Chan will retire from office by rotation at the AGM and, being eligible, offer themselves for re-election. The NC has made recommendations to the Board after evaluation of Mr Lee and Mr Chan in accordance with the DNP and in turn the Board recommends the Shareholders to approve the re-election of Mr Lee and Mr Chan at the AGM.

Particulars of Mr Lee and Mr Chan are as follows:

Mr John Luen Wai Lee, BBS, JP

Mr Lee, aged 70, was appointed a Director of the Company on 1 September 1992 and the Chief Executive Officer of the Company on 25 March 2011. He is the Managing Director and the Chief Executive Officer of Lippo and an executive director and the Chief Executive Officer of LCR as well as an independent non-executive director of New World Development Company Limited and UMP Healthcare Holdings Limited, both of which are listed on the Stock Exchange. He is an authorised representative of the Company, Lippo and LCR. He is a director of Prime Success Limited and Hennessy Holdings Limited which have discloseable interests in the Company under the provisions of the SFO. In addition, he holds directorships in certain subsidiaries of the Company, Lippo and LCR. He retired as a non-executive non-independent Chairman of Healthway Medical Corporation Limited (a company listed on the Catalist Board of Singapore Exchange Securities Trading Limited) on 26 April 2019. He was an independent non-executive director of New World China Land Limited, a company previously listed on the Stock Exchange and privatized on 4 August 2016. Save as disclosed herein, he has not held any directorship in other listed public companies for the last three years.

LETTER FROM THE BOARD

Mr Lee is a Fellow of The Institute of Chartered Accountants in England and Wales, the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He was a partner of Price Waterhouse (now known as PricewaterhouseCoopers) in Hong Kong and has extensive experience in corporate finance and capital markets. He is an Honorary Fellow of the City University of Hong Kong, a Justice of Peace in Hong Kong and an awardee of the Bronze Bauhinia Star by the Government of the Hong Kong Special Administrative Region. He is active in public service. Over the years, he has served as a member or chairman of different government boards and committees in Hong Kong, including a member of the Hong Kong Hospital Authority and the Chairman of the Hospital Governing Committee of the Queen Elizabeth Hospital. Currently, he serves as the Chairman of the Hospital Governing Committee of Hong Kong Children's Hospital, a member of the Public Service Commission and the Chairman of the Investment Committee of the Hospital Authority Provident Fund Scheme.

Save as disclosed herein, as at the Latest Practicable Date, Mr Lee did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr Lee and his spouse were interested in 2,000,270 Shares and 270 Shares respectively. Save as disclosed herein, as at the Latest Practicable Date, he was not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Mr Lee entered into a letter agreement with the Company for his appointment as a Director of the Company for a term of two years commencing from 1 January 2019, which is terminable by either party by giving three months' prior written notice or in accordance with the provisions of the Bye-laws. He is also subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the Bye-laws. Based on the above letter agreement, he was entitled to receive a director's fee of HK\$238,800 per annum. With effect from 1 April 2019, his director's fee was adjusted to HK\$246,000 per annum. In addition, he entered into an employment agreement for his employment as the Chief Executive Officer of the Company with effect from 1 January 2015, which is terminable by either party by giving three months' prior written notice.

Under the above employment agreement, Mr Lee is entitled to receive a monthly salary of HK\$48,375, discretionary bonus and other fringe benefits. For the year ended 31 March 2019, he received director's fee, salaries, fringe benefits and pension contribution in the total amount of approximately HK\$840,000 and a discretionary bonus of HK\$586,125 from the Company. The above discretionary bonus was not fixed in the employment agreement and was determined by the remuneration committee of the Board. In addition, he received director's fee of HK\$30,000 from a former subsidiary of the Company for the year ended 31 March 2019 which was not covered by the above letter agreement and employment agreement. His emoluments were determined by reference to his duties and responsibilities.

Furthermore, Mr Lee did not have any matter that was required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or that needed to be brought to the attention of the Shareholders as at the Latest Practicable Date.

LETTER FROM THE BOARD

Mr Leon Nim Leung Chan

Mr Chan, aged 63, was appointed an independent non-executive Director of the Company on 16 September 1992 and was re-designated as a non-executive Director of the Company on 30 September 2004. He is also a non-executive director of Lippo and LCR. He is a member of the audit committee, the remuneration committee and the nomination committee of each of the Company, Lippo and LCR. He was an independent non-executive director of Midland Holdings Limited, a company listed on the Stock Exchange. Save as disclosed herein, he has not held any directorship in other listed public companies for the last three years.

Mr Chan is a practising lawyer and presently the principal partner of Messrs Y.T. Chan & Co. He was admitted as a solicitor of the Supreme Court of Hong Kong in 1980 and was also admitted as a solicitor in England in 1984 and in Victoria, Australia in 1985. He was a member of the Solicitors Disciplinary Tribunal from May 1993 to April 2008.

Save as disclosed herein, as at the Latest Practicable Date, Mr Chan did not have any relationship with any Director, senior management, substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr Chan was not interested or deemed to be interested in any Shares or underlying Shares pursuant to Part XV of the SFO.

Mr Chan entered into a letter agreement with the Company for his appointment as a Director of the Company for a term of two years commencing from 1 January 2018, which is terminable by either party by giving three months' prior written notice or in accordance with the provisions of the Bye-laws. He is also subject to retirement by rotation and re-election at the Company's annual general meetings in accordance with the Bye-laws. With effect from 1 April 2019, he is entitled to receive a director's fee of HK\$246,000 per annum, which was determined by reference to the prevailing market rate for non-executive directors of listed companies in Hong Kong. He is also entitled to receive additional fees for serving as members of various board committees of the Company. For the year ended 31 March 2019, he received a director's fee of HK\$238,800 from the Company and additional fees of HK\$154,800 for serving as a member of the audit committee, the remuneration committee and the nomination committee of the Company. In addition, he received director's fee of HK\$30,000 from a former subsidiary of the Company for the year ended 31 March 2019 which was not covered by the above letter agreement.

Furthermore, Mr Chan did not have any matter that was required to be disclosed pursuant to paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules or that needed to be brought to the attention of the Shareholders as at the Latest Practicable Date.

LETTER FROM THE BOARD

PROPOSED AMENDMENTS TO THE BYE-LAWS

During the year, the Company adopted the DNP in accordance with the new requirements of the Listing Rules. The DNP stipulates that a retiring Director seeking for re-election at general meeting is subject to the evaluation of the NC, the NC's recommendation to the Board and in turn the Board's recommendation to the Shareholders.

Accordingly, as disclosed in the announcement of the Company dated 27 June 2019, the Board proposes to seek the approval of the Shareholders by way of a special resolution for the amendments of Bye-laws 87(2) and 88 of the Bye-laws to conform them with the DNP.

Details of the proposed amendments to Bye-laws 87(2) and 88 are set out below:

1. Bye-law 87(2)

The existing Bye-law 87(2) be amended by deleting the first sentence of the existing Bye-law 87(2), "A retiring Director shall be eligible for re-election."

2. Bye-law 88

The existing Bye-law 88 be amended by:

- (i) deleting the words, "No person other than a Director retiring at the meeting, shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting, unless" at the beginning and the words "in each case," in the fifth line of the existing Bye-law 88; and
- (ii) replacing the deleted words at the beginning with the following words:

"Save as expressly provided in these Bye-laws, a person shall only be eligible for election as a Director at any general meeting if:

- (1) he is recommended or nominated by the Directors for election; or
- (2) ”.

The proposed amendments to the Bye-laws are subject to the approval of the Shareholders by way of a special resolution at the AGM. The Board confirms that there is nothing unusual about the proposed amendments to the Bye-laws for a company listed in Hong Kong.

ANNUAL GENERAL MEETING

The notice convening the AGM is set out on pages 12 to 17 of this document. A form of proxy for use at the AGM is enclosed. Whether or not you are able or intend to attend the AGM in person, please complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's principal place of business at 40th Floor, Tower Two, Lippo Centre, 89 Queensway, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjourned meeting thereof.

LETTER FROM THE BOARD

Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof should you so wish and in such event, the instrument appointing the proxy shall be deemed to be revoked.

VOTING BY POLL AT GENERAL MEETINGS

Pursuant to the requirements under the Listing Rules, any votes of shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith and in compliance with the Listing Rules, decides to allow a resolution to be voted on by a show of hands. Therefore, the Chairman of the AGM will exercise his power under the Bye-laws to demand a poll for each resolution set out in the notice of AGM. The Company will appoint scrutineers to handle vote-taking procedures at the AGM. The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company at www.hkchinese.com.hk as soon as possible after the conclusion of the AGM.

RECOMMENDATION

The Directors consider that the proposed grant of general mandates to issue and repurchase Shares, the proposed re-election of retiring Directors and the proposed amendments to the Bye-laws are each in the best interests of the Company and the Shareholders, and accordingly recommend that the Shareholders vote in favour of the resolutions to be proposed at the AGM.

Yours faithfully,
By Order of the Board
HONGKONG CHINESE LIMITED
John Luen Wai Lee
Chief Executive Officer



HONGKONG CHINESE LIMITED

香港華人有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 655)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Hongkong Chinese Limited (the “Company”) will be held at Harcourt Room, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Tuesday, 3 September 2019 at 10:15 a.m. for the following purposes:

1. To receive and adopt the audited Consolidated Financial Statements of the Company and its subsidiaries, the Report of the Directors and the Independent Auditor’s Report for the year ended 31 March 2019.
2. To consider and declare a final dividend for the year ended 31 March 2019.
3.
 - A. To consider the re-election of Mr John Luen Wai Lee as a Director of the Company;
 - B. To consider the re-election of Mr Leon Nim Leung Chan as a Director of the Company; and
 - C. To authorise the Board of Directors of the Company to fix the Directors’ remuneration.
4. To consider the re-appointment of Ernst & Young as the Auditor of the Company and to authorise the Board of Directors of the Company to fix its remuneration.
5. As special business, to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:
 - A. **“THAT:**
 - (a) subject to paragraphs (c) and (d) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers 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 (including warrants, bonds, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company), which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds, debentures and other securities which carry rights to subscribe for or are convertible into shares of the Company), which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to paragraphs (a) and (b) above, otherwise than pursuant to: (i) a Rights Issue (as hereinafter defined); (ii) the exercise of any options granted under any share option scheme of the Company; (iii) an issue of shares upon exercise of subscription rights pursuant to warrants (if any) issued by the Company; or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company, shall not exceed 20% of the total number of shares of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (d) the Company may not issue securities convertible into shares for cash consideration unless the initial conversion price is not lower than the Benchmarked Price (as hereinafter defined) of the shares at the time of the relevant placing, and the Company may not issue warrants, options or similar rights to subscribe for (i) any new shares of the Company or (ii) any securities convertible into new shares of the Company, for cash consideration; and
- (e) for the purpose of this resolution:

“Benchmarked Price” means the higher of:

- (a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate in this resolution; and
- (b) the average closing price in the 5 trading days immediately prior to the earlier of:
 - (i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate in this resolution;
 - (ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate in this resolution; and
 - (iii) the date on which the placing or subscription price is fixed;

NOTICE OF ANNUAL GENERAL MEETING

“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 any applicable law or the Bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

“Rights Issue” means an offer by way of rights to holders of shares whose names appear on the Register of Members of the Company on a fixed record date which enables those holders to subscribe shares in proportion to their then shareholdings (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

B. “THAT:

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), or on any other stock exchange on which the shares of the Company are or may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of shares of the Company which may be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(c) for the purpose 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 any applicable law or the Bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

C. “**THAT** conditional on the passing of the resolutions set out in Resolutions No. 5A and 5B of the notice convening this meeting, the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the resolution set out in Resolution No. 5A of the notice convening this meeting be and is hereby extended by the addition to the aggregate number of shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate of the aggregate number of shares of the Company repurchased by the Company under the authority granted pursuant to the resolution set out in Resolution No. 5B of the notice convening this meeting, provided that such extended number of shares shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

6. As special business, to consider and, if thought fit, pass the following resolution as a Special Resolution:

“**THAT** the Bye-laws of the Company be amended as follows:

A. The existing Bye-law 87(2) be amended by deleting the first sentence of the existing Bye-law 87(2), “A retiring Director shall be eligible for re-election.”.

B. The existing Bye-law 88 be amended by:

(i) deleting the words, “No person other than a Director retiring at the meeting, shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting, unless” at the beginning and the words “in each case,” in the fifth line of the existing Bye-law 88; and

(ii) replacing the deleted words at the beginning with the following words:

“Save as expressly provided in these Bye-laws, a person shall only be eligible for election as a Director at any general meeting if:

(1) he is recommended or nominated by the Directors for election; or

(2) ”.”

By Order of the Board
HONGKONG CHINESE LIMITED
Kelsch Wong
Secretary

30 July 2019

Registered Office:

Clarendon House
Church Street
Hamilton HM 11
Bermuda

Principal Place of Business:

40th Floor
Tower Two
Lippo Centre
89 Queensway
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote in his stead in accordance with the Bye-laws of the Company. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in accordance with the Bye-laws of the Company. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, must be deposited at the principal place of business of the Company at 40th Floor, Tower Two, Lippo Centre, 89 Queensway, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting thereof. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting or any adjourned meeting thereof should he so wishes and in such event, the instrument appointing the proxy shall be deemed to be revoked.
3. The Register of Members of the Company will be closed during the following periods:
 - (i) from Thursday, 29 August 2019 to Tuesday, 3 September 2019 (both dates inclusive) during which period no transfer of shares will be registered, for the purpose of ascertaining shareholders' entitlement to attend and vote at the meeting. In order to be entitled to attend and vote at the meeting, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with Tricor Tengis Limited ("Tricor"), the Company's Branch Share Registrar in Hong Kong, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 28 August 2019; and
 - (ii) from Monday, 9 September 2019 to Wednesday, 11 September 2019 (both dates inclusive) during which period no transfer of shares will be registered, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to qualify for the proposed final dividend scheduled to be paid on Monday, 23 September 2019, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with Tricor at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 6 September 2019.
4. At the meeting, the Chairman of the meeting will exercise his power under Bye-law 66(a) of the Bye-laws of the Company to put each of the above resolutions to the vote by way of a poll as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
5. The Bye-laws of the Company are written in English. The Chinese version of Resolution No. 6 on amendments to Bye-laws 87(2) and 88 as set out above is a direct translation of the English version for reference only, and does not necessarily reflect the exact amendments to the published Chinese version of Bye-laws 87(2) and 88.
6. Should there be any discrepancies between the English and the Chinese versions of this document, the English version shall prevail.