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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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INTERNATIONAL BUSINESS SETTLEMENT HOLDINGS LIMITED

國際商業結算控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00147)

- (1) PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES**
- (2) PROPOSED RE-ELECTION OF DIRECTORS**
- (3) CLOSURE OF REGISTER OF MEMBERS
AND**
- (4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (“AGM”) of International Business Settlement Holdings Limited (the “Company”) to be held at Room 2310, 23rd Floor, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong on Thursday, 12 September 2019 at 11:00 a.m.. (or in the event that a black rainstorm warning signal or a tropical cyclone warning signal no.8 or above is in force in Hong Kong at 8:00 a.m. on that day, at the same time and place on Friday, 13 September 2019) is set out on pages 18 to 22 in this circular. A form of proxy for use at the AGM is enclosed. Whether or not you are able to attend the AGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s principal place of business in Hong Kong at Room 2310, 23rd Floor, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong as soon as possible but in any event not later than 48 hours before the time appointed for the holding of the AGM. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the AGM should you so wish and in such event, the instrument appointing the proxy shall be deemed to be revoked.

13 August 2019

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DEFINITIONS

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

“2018/2019 Annual Report”	the audited consolidated financial statements and the reports of the Directors and of the auditor of the Company for the year ended 31 March 2019
“AGM”	the annual general meeting of the Company to be convened and held at Room 2310, 23rd Floor, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong on Thursday, 12 September 2019 at 11:00 a.m.
“Board”	the Company’s board of Directors
“Business Day”	a day on which banks in Hong Kong are open for general business other than a Saturday or Sunday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon
“Bye-law(s)”	the bye-law(s) of the Company in force from time to time
“Companies Act”	the Companies Act 1981 of Bermuda
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	International Business Settlement Holdings Limited, a company incorporated in Bermuda with limited liability, with its Shares listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Issue Mandate”	the proposed general mandate granted to the Directors to exercise all the powers of the Company to allot, issue and otherwise deal with new Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the resolution approving the said mandate

DEFINITIONS

“General Repurchase Mandate”	the proposed general and unconditional mandate granted to the Directors to repurchase shares in the capital of the Company up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution granting such mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	8 August 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder”	has the meaning as defined in the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD

INTERNATIONAL BUSINESS SETTLEMENT HOLDINGS LIMITED 國際商業結算控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00147)

Executive Directors:

Mr. Yuen Leong
Ms. Luan Li
Mr. Hu Jianjun

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Mr. Yap Yung
Mr. Zhang Guangsheng
Mr. Chan Siu Tat
Ms. Chen Lanran

*Head office and principal place
of business in Hong Kong:*

Room 2310, 23rd Floor
China Resources Building
26 Harbour Road
Wan Chai
Hong Kong

13 August 2019

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
(2) PROPOSED RE-ELECTION OF DIRECTORS
(3) CLOSURE OF REGISTER OF MEMBERS
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information in relation to the resolutions to be proposed at the AGM, which include, (i) the grant of the General Issue Mandate, the General Repurchase Mandate and the extension of the General Issue Mandate to include Shares repurchased pursuant to the General Repurchase Mandate and (ii) the re-election of Directors. These resolutions will be proposed at the AGM and are set out in the notice of AGM as contained in this circular. Your approval of the resolutions relating thereto is therefore sought.

LETTER FROM THE BOARD

GENERAL ISSUE MANDATE

At the annual general meeting of the Company held on 13 September 2018, a general mandate was given to the Directors to issue new Shares and such mandate will lapse at the conclusion of the forthcoming AGM. An ordinary resolution will be proposed at the AGM for the purpose of renewing the existing share issue mandate granted to Directors to allot, issue and otherwise deal with the Shares. The share issue mandate is subject to a limit equal to 20% of the aggregate nominal amount of the issued Shares of the Company at the date of passing such resolution. On the basis that no Shares are issued or repurchased prior to the AGM, the Company would be allowed to allot, issue and deal with a maximum of 4,063,814,464 further new Shares.

GENERAL REPURCHASE MANDATE

At the annual general meeting of the Company held on 13 September 2018, a general mandate was given to the Directors to exercise all the powers of the Company to repurchase its own Shares and such mandate will lapse at the conclusion of the forthcoming AGM. An ordinary resolution will be proposed at the AGM for the purpose of renewing the existing share repurchase mandate granted to the Directors to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the issued Shares of the Company as at the date of passing such resolution. An explanatory statement containing all relevant information relating to the proposed General Repurchase Mandate is set out in Appendix I to this circular.

EXTENSION OF GENERAL ISSUE MANDATE TO ISSUE SHARES REPURCHASED UNDER THE GENERAL REPURCHASE MANDATE

Subject to the passing at the AGM of the proposed resolutions regarding the General Issue Mandate and the General Repurchase Mandate, an ordinary resolution will be proposed at the AGM to approve the extension of the 20% share issue mandate by adding to the General Issue Mandate the number of shares that may be repurchased under the General Repurchase Mandate.

The General Issue Mandate and General Repurchase Mandate will come into force at the date of passing such resolutions proposed at the AGM and continue in force 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 to be held; and (iii) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in the above resolutions. With reference to the General Issue Mandate and the General Repurchase Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any Shares pursuant thereto.

LETTER FROM THE BOARD

For details of the proposed resolutions, Shareholders are referred to the notice of the AGM which is set out on pages 18 to 22 in this circular. With reference to these resolutions, the Board wishes to state that it has no immediate plan to repurchase any Shares or to issue any new Shares pursuant to the relevant mandates.

RE-ELECTION OF DIRECTORS

The Board currently consists of seven Directors, namely Mr. Yuen Leong, Ms. Luan Li and Mr. Hu Jianjun being the executive Directors, and Mr. Yap Yung, Mr. Zhang Guangsheng, Mr. Chan Siu Tat and Ms. Chen Lanran, being the independent non-executive Directors.

Pursuant to Bye-law 83(2) of the Bye-law of the Company, any director of the Company appointed by the Board either to fill causal vacancy or as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at the meeting. Thus Ms. Chen Lanran who was appointed as director of the Company pursuant to Bye-law 83(2) of the Company shall retire at the forthcoming annual general meeting of the Company. Ms. Chen Lanran, being eligible, will offer herself for re-election at the forthcoming AGM.

Pursuant to Bye-law 84(1) of the Bye-laws, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once in every three years. Pursuant to Bye-law 84(2) of the Company, any director of the Company appointed pursuant to Bye-law 83(2) shall not be taken into account in determining which particular directors of the Company or the number of the directors of the Company who are to retire by rotation. Accordingly, Mr. Yuen Leong and Mr. Chan Siu Tat will retire by rotation at the forthcoming AGM. Mr. Yuen Leong and Mr. Chan Siu Tat, being eligible, will offer themselves for re-election at the forthcoming AGM.

In addition, pursuant to the code provision A.4.3 of Appendix 14 of the Listing Rules, serving more than nine years could be relevant to the determination of an independent non-executive director's independence and if an independent non-executive director has served more than nine years, his/her further appointment should be subject to a separate resolution to be approved by Shareholders.

LETTER FROM THE BOARD

As at the Latest Practicable Date, both Mr. Yap Yung and Mr. Zhang Guangsheng have served as independent non-executive Directors for more than nine years since August 2009. Further appointment of them should be subject to a separate resolution to be approved by the Shareholders. Mr. Yap Yung has provided the Company with an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. (i) The Board has assessed and reviewed the annual confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules and affirmed that Mr. Yap Yung remain independent; (ii) the nomination committee of the Company has assessed the annual confirmation of independence and is satisfied of the independence of Mr. Yap Yung; and (iii) the Board considers that Mr. Yap Yung remain independent of management and free of any relationship which could materially interfere with the exercise of his independent judgment. In view of the aforesaid factors and the fact that the experience and knowledge of the relevant individual in the business sectors in which the Company operates, the Board would recommend Mr. Yap Yung for re-election at the forthcoming AGM. Mr. Zhang Guangsheng informed the Company on 22 July 2019 that as he needs to devote more time to his other business commitments, he will not offer himself for re-election at the forthcoming AGM. Mr. Zhang Guangsheng has confirmed that he has no disagreement with the Board and there is no matter in relation to his retirement that will need to be brought to the attention of the Shareholders and the Stock Exchange.

The nomination committee of the Company has assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 March 2019 based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that all of them, including Mr. Yap Yung, remain independent. The nomination committee has considered and nominated the above retiring Directors to the Board for it to propose to the Shareholders for re-election at the AGM.

Accordingly, with the recommendation of the nomination committee, the Board has proposed that all the above retiring Directors, namely Ms. Chen Lanran, Messrs. Yuen Leong, Chan Siu Tat and Yap Yung, stand for re-election as Directors at the AGM. As a good corporate governance practice, each of the above retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the AGM.

The biographical details and interests in the Shares of the Directors proposed for re-election are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

For the purpose of compliance with Rule 13.39(4) of the Listing Rules, the Company will procure the Chairman of the AGM to demand for a poll for the ordinary resolutions put to the vote of the AGM in accordance with the Bye-laws, and the results of the poll will be published on the websites of the Company and the Stock Exchange after the AGM. The AGM Notice is set out on pages 18 to 22 of this circular.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is also enclosed. Whether or not you are able to attend and vote at the AGM, you are requested to read the notice and to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's principal place of business in Hong Kong located at Room 2310, 23rd Floor, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong as soon as possible and in any event not less than forty eight (48) hours before the time appointed for holding the AGM or any adjourned meeting thereof. 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 form of proxy shall be deemed to be revoked.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 9 September 2019 to Thursday, 12 September 2019 (both days inclusive), during which period no transfer of Shares can be registered. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 6 September 2019.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the resolutions referred in this circular and the AGM Notice are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend Shareholders to vote in favour of all the resolutions set out in the AGM Notice.

Yours faithfully,

For and on behalf of the Board

International Business Settlement Holdings Limited

Yuen Leong

Executive Director

This is an explanatory statement given to all Shareholders relating to ordinary resolutions to be proposed at the AGM authorising the General Repurchase Mandate.

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued and fully paid up share capital of the Company comprised 20,319,072,320 Shares.

Should the General Repurchase Mandate be approved and granted, and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the approval of the General Repurchase Mandate, the Company would be allowed under the repurchase resolution to repurchase a maximum of 2,031,907,232 Shares during the period from the date on which such resolution is passed until the date of (i) conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any application laws to be held; or (iii) the revocation, variation or removal of the General Repurchase Mandate by an ordinary resolution of the Shareholders in general meeting, whichever occurs first, representing not more than 10% of the issued Shares of the Company as at the Latest Practicable Date.

2. REASONS FOR THE REPURCHASE

Although the Directors have no present intention of repurchasing any Shares, they believe that the flexibility afforded by the repurchase proposal would be beneficial to the Company and Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share of the Company and will only be made when the Directors believe that such a purchase will benefit the Company and its Shareholders.

3. FUNDING OF REPURCHASES

Repurchases must be funded out of funds which are legally available for the purpose in accordance with the Company's constitutional documents and the laws of the jurisdiction in which the Company is incorporated.

Repurchase of Shares will be funded from the Company's available cash flow or working capital facilities, and will, in any event, be made out of funds legally available for such purposes in accordance with the Bye-laws, the Listing Rules and the laws of Bermuda. The Company is empowered by its Bye-laws to purchase its Shares. The laws of Bermuda provide that the amount of capital repaid in connection with a share repurchase may only be paid out of the capital paid up on the relevant Shares, or from the profits that would otherwise be available for distribution by way of dividend, or from the proceeds of a new issue of shares made for the purpose. The amount of premium payable on redemption may only be paid out of either the profits that would otherwise be available for distribution by way of dividend or out of the Company's share premium account or contributed surplus account.

On the basis of the current financial position of the Group as disclosed in the 2018/2019 Annual Report and taking into account the current working capital position of the Group, the Directors consider that, if the General Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Group as compared with the position disclosed in the 2018/2019 Annual Report. However, the Directors do not propose to exercise the General Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or the gearing level which in the opinion of the Directors are from time to time appropriate for the Group.

4. SHARE PRICES

The highest and lowest prices at which the Shares had been traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
August	0.265	0.190
September	0.205	0.173
October	0.200	0.148
November	0.177	0.145
December	0.170	0.150
2019		
January	0.170	0.131
February	0.150	0.125
March	0.149	0.125
April	0.152	0.130
May	0.145	0.111
June	0.140	0.106
July	0.225	0.091
August (up to Latest Practicable Date)	0.188	0.161

5. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make purchases of the Shares pursuant to the General Repurchase Mandate only in accordance with the Listing Rules, the bye-laws of the Company and the applicable laws of Bermuda.

6. DIRECTORS' DEALINGS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) have any present intention, in the event that the General Repurchase Mandate is approved by the Shareholders, to sell any securities to the Company or its subsidiaries.

7. CORE CONNECTED PERSONS

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell securities to the Company nor has undertaken not to do so, in the event that the Company is authorised to make purchases of Shares upon General Repurchase Mandate is approved by the Shareholders.

8. TAKEOVERS CODE

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

As at the Latest Practicable Date, so far as is known to any Director of the Company, the following persons were interested in 5% or more of the issued ordinary share capital of the Company, according to the register of interests required to be kept under Section 336 of the SFO:

Name	Number of Shares interested	Approximate percentage to the issued ordinary share capital of the Company as at the Latest Practicable Date	Approximate percentage to the issued ordinary share capital of the Company if the General Repurchase Mandate is exercised in full
Long Grand Limited (<i>Note 1</i>)	10,347,283,880	50.92%	56.58%
Yam Yu (<i>Note 1</i>)	10,347,283,880	50.92%	56.58%
Power Trend Asset Holdings Ltd. (<i>Note 2</i>)	2,540,190,000	12.50%	13.89%
Luo Feng (<i>Note 2</i>)	2,540,190,000	12.50%	13.89%
China Cinda Asset Management Co., Ltd. (<i>Note 3</i>)	1,280,000,000	6.30%	7.00%
China Cinda (HK) Holdings Company Limited (<i>Note 3</i>)	1,280,000,000	6.30%	7.00%
China Cinda (HK) Asset Management Co., Limited (<i>Note 3</i>)	1,280,000,000	6.30%	7.00%

Notes:

- (1) Long Grand Limited is legally and beneficially owned as to 70% by Mr. Yam Yu and as to 30% by Mr. Yuen Leong. By virtue of Mr. Yam Yu's 70% direct interest in Long Grand Limited, Mr. Yam Yu is deemed or taken to be interested in the 10,347,283,880 shares held by Long Grand Limited for the purposes of the SFO.
- (2) Power Trend Asset Holdings Ltd. is legally and beneficially wholly owned by Mr. Luo Feng. By virtue of Mr. Luo Feng's 100% direct interest in Power Trend Asset Holdings Ltd., Mr. Luo Feng is deemed or taken to be interested in the 2,540,190,000 shares held by Power Trend Asset Holdings Ltd. for the purposes of the SFO.
- (3) China Cinda Asset Management Co., Ltd. has 100% control of China Cinda (HK) Holdings Company Limited, which has 100% control of China Cinda (HK) Asset Management Co., Limited.

In the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, and assuming that no further Shares are issued or repurchased prior to the AGM, the total interests of the above Shareholders would be increased to approximately the percentages shown in the last column of the above table and such increase of interest will not give rise to an obligation to make a mandatory general offer under Rules 26 of the Takeovers Code and would not reduce the number of Shares held by the public to less than 25% of the issued share capital of the Company. The Directors have no present intention to repurchase Shares if the proposed General Repurchase Mandate is approved at the AGM.

The Directors will exercise the powers conferred by the General Repurchase Mandate to repurchase Shares in circumstances, which they deem appropriate for the benefits of the Company and the Shareholders as a whole.

9. SHARE PURCHASE MADE BY THE COMPANY

No purchase has been made by the Company of its Shares (whether on the Stock Exchange or otherwise) in the six months prior to the Latest Practicable Date.

The particulars of the Directors proposed for re-election at the AGM are set out below:

MS. CHEN LANRAN (“MS. CHEN”)

Ms. Chen Lanran, aged 39, was appointed as an independent non-executive Director of the Company on 1 August 2019. Ms. Chen graduated with a bachelor’s degree in finance from Fuzhou University in July 2002, and graduated in marketing from School of Journalism and Communication, Peking University in July 2011. Ms. Chen has over 15 years of experience in the marketing industry. Upon graduation, Ms. Chen worked as a brand manager from 2002 to 2005 in Fujian Mobile Communications Co., Ltd.. From 2005 to 2017, Ms. Chen worked as a brand manager in China Mobile Communications Group Co., Ltd.. From February 2017 to present, Ms. Chen is the principal of Fujian Yuyue Education Training Centre, and is in charge of the overall planning, promotion and development of the campus, and its expansion.

Save as disclosed in this circular, Ms. Chen did not have any directorship in any other listed public companies in the last three years.

Ms. Chen does not have any relationship with any director, senior management or substantial or controlling shareholders of the Company and does not have any interest in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Ms. Chen has entered into a letter of appointment with the Company pursuant to which her term of appointment is for one year commencing from 1 August 2019 and renewable automatically for successive terms of one year thereafter unless terminated with one month’s notice in writing served by either party. In accordance with the Bye-laws, Ms. Chen will hold office until the next annual general meeting and will then be eligible for re-election; thereafter she will retire by rotation and will be eligible for re-election provided that she shall be subject to retirement at least once every three years. Ms. Chen receives a director’s fee of HK\$200,000 per annum which is determined by the Board with reference to his experience, duties and responsibilities, and to prevailing market conditions. Ms. Chen shall also be entitled to share options under the share option scheme of the Company as determined by the remuneration committee of the Company from time to time with reference to the remuneration policy of the Company.

Save as disclosed above, Ms. Chen has confirmed that there is no other matter that needs to be brought to the attention of the Shareholders in connection with her re-election and there is no other information that should be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

MR. YUEN LEONG (“MR. YUEN”)

Mr. Yuen Leong, aged 61, was appointed as an executive Director of the Company on 1 January 2008. Mr. Yuen holds a master degree in mechanical engineering from the Shanghai Jiao Tong University and was a senior research analyst of 福建省研究發展中心 (Fujian Provincial Research and Development Center*) from 1985 to 1991. Mr. Yuen has over ten years of experience in corporate management and operation.

Save as disclosed in this circular, Mr. Yuen did not have any directorship in any other listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Yuen hold 30% interest in Long Grand Limited which had interest in 10,347,283,880 Shares (representing 50.92% of the issued share capital of the Company). Save as disclosed in the foregoing, Mr. Yuen does not have any interest in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Yuen does not have any relationship with any director, senior management or substantial or controlling shareholders of the Company.

In accordance with the Bye-laws, Mr. Yuen will hold office until the next annual general meeting and will then be eligible for re-election; thereafter he will retire by rotation and will be eligible for re-election provided that he shall be subject to retirement at least once every three years. Mr. Yuen receives a director’s fee of HK\$960,000 per annum which is determined by the Board with reference to his experience, duties and responsibilities, and to prevailing market conditions. Mr. Yuen shall also be entitled to discretionary bonus, share options under the share option scheme of the Company and other incentives as determined by the remuneration committee of the Company from time to time with reference to the remuneration policy of the Company.

Save as disclosed above, Mr. Yuen has confirmed that there is no other matter that needs to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

* *The English translation is for identification purpose only*

MR. CHAN SIU TAT (“MR. CHAN”)

Mr. Chan Siu Tat, aged 48, was appointed as an independent non-executive Director of the Company on 23 September 2016. Mr. Chan is the partner of a private equity company, which is mainly engaged in private equity funds focusing on industries such as medical and financial internet platform services. Mr. Chan graduated from The Hong Kong University of Science and Technology in 1994 with a major in Accounting. He is a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants and a fellow member of The Association Chartered of Certified Accountants. Mr. Chan possesses over 20 years of experience in corporate restructuring, financial capital planning and corporate management. Mr. Chan was an assistant to the chairman from 2011 to 2015 and an executive director and chief financial officer from April 2002 to August 2006 of China Fire Safety Enterprise Group Limited (stock code: 445) and was mainly responsible for corporate strategy, restructuring and financial planning. Mr. Chan was a nonexecutive director of China Mining Resources Group Limited (stock code: 340) from November 2006 to May 2008. In 2007 to 2010, Mr. Chan was a partner and chief investment officer in an international private equity fund. In 1991 to 2002, Mr. Chan was a financial controller of a trading and manufacturing group, in which he was also a deputy of its manufacturing base in the People’s Republic of China. Prior to working in corporations, Mr. Chan had around five years of auditing experience with an international accountants firm.

Save as disclosed in this circular, Mr. Chan did not have any directorship in any other listed public companies in the last three years.

Mr. Chan does not have any relationship with any director, senior management or substantial or controlling shareholders of the Company and does not have any interest in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

In accordance with the Bye-laws, Mr. Chan will hold office until the next annual general meeting and will then be eligible for re-election; thereafter he will retire by rotation and will be eligible for re-election provided that he shall be subject to retirement at least once every three years. Mr. Chan receives a director’s fee of HK\$200,000 per annum which is determined by the Board with reference to his experience, duties and responsibilities, and to prevailing market conditions. Mr. Chan shall also be entitled to share options under the share option scheme of the Company as determined by the remuneration committee of the Company from time to time with reference to the remuneration policy of the Company.

Save as disclosed above, Mr. Chan has confirmed that there is no other matter that needs to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

MR. YAP YUNG (“MR. YAP”)

Mr. Yap Yung, aged 45, was appointed as an independent non-executive Director of the Company on 20 August 2009. Mr. Yap graduated from the University of Hong Kong in 1995 with a Bachelor’s degree in mechanical engineering. He became a member of the Hong Kong Institute of Certified Public Accountants since 1999. He has also completed an advanced management course held by the London Business School and the University of Cambridge in 2003. Mr. Yap has over 10 years of corporate finance and audit experience gained from his previous employment. Mr. Yap was employed by PricewaterhouseCoopers as an audit manager from 1995 to 2002.

Save as disclosed in this circular, Mr. Yap did not have any directorship in any other listed public companies in the last three years.

Mr. Yap has given his written annual confirmation independence to the Company and the nomination committee of the Company has assessed and reviewed it based on the independence criteria as set out in Rule 3.13 of the Listing Rules. He does not have any other relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. The Board is also not aware of any circumstance that might influence Mr. Yap in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director and he will be able to maintain an independent view of the Group’s affairs. The Board considers him to be independent. The Board is of the view that Mr. Yap is beneficial to the Board with diversity of his comprehensive experience and knowledge that contributes to invaluable expertise, continuity and stability to the Board, and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

Mr. Yap does not have any relationship with any director, senior management or substantial or controlling shareholders of the Company and does not have any interest in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO. In view of these circumstances, although Mr. Yap has served the Company as independent non-executive Director for over nine years, the Directors have determined that Mr. Yap has the independence to fulfil his role as the independent non-executive Director of the Company effectively and his long service would not affect his exercise of independent judgements.

In accordance with the Bye-laws, Mr. Yap will hold office until the next annual general meeting and will then be eligible for re-election; thereafter he will retire by rotation and will be eligible for re-election provided that he shall be subject to retirement at least once every three years. Mr. Yap receives a director's fee of HK\$200,000 per annum which is determined by the Board with reference to his experience, duties and responsibilities, and to prevailing market conditions. Mr. Yap shall also be entitled to share options under the share option scheme of the Company as determined by the remuneration committee of the Company from time to time with reference to the remuneration policy of the Company.

Save as disclosed above, Mr. Yap has confirmed that there is no other matter that needs to be brought to the attention of the Shareholders in connection with his re-election and there is no other information that should be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING

INTERNATIONAL BUSINESS SETTLEMENT HOLDINGS LIMITED 國際商業結算控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00147)

NOTICE IS HEREBY GIVEN that the annual general meeting of International Business Settlement Holdings Limited (the “Company”) will be held at Room 2310, 23rd Floor, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong on Thursday, 12 September 2019 at 11:00 a.m. (or in the event that a black rainstorm warning signal or a tropical cyclone warning signal no.8 or above is in force in Hong Kong at 8:00 a.m. on that day, at the same time and place on Friday, 13 September 2019) for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the audited consolidated financial statements and the reports of the directors and the independent auditors of the Company for the year ended 31 March 2019;
2.
 - (a) To re-elect Ms. Chen Lanran as an independent non-executive director of the Company;
 - (b) To re-elect Mr. Yuen Leong as an executive director of the Company;
 - (c) To re-elect Mr. Chan Siu Tat as an independent non-executive director of the Company;
 - (d) To re-elect Mr. Yap Yung (who has served more than nine years) as an independent non-executive director of the Company; and
 - (e) To authorize the board of directors of the Company to fix the directors’ remuneration;
3. To re-appoint BDO Limited as the independent auditors of the Company and to authorize the board of directors of the Company to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

4. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“THAT:

- (i) subject to sub-paragraph (iii) of this resolution, the exercise by the directors of the Company (the **“Directors”**) during the Relevant Period of all the powers of the Company to issue, allot and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in (i) above shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval contained in sub-paragraph (i) of this Resolution, otherwise than pursuant to (a) a Rights Issue (as defined below); (b) an issue of shares as scrip dividends pursuant to the bye-laws of the Company from time to time; or (c) an issue of shares under any share option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries, shall not exceed 20 per cent. of the nominal amount of the issued share capital of the Company on the date of this Resolution and this approval shall be limited accordingly; and
- (iv) for the purposes of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required, by the bye-laws of the Company or any applicable laws, to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of share open for a period fixed by the directors of the Company to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (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 recognized regulatory body or any stock exchange in any territory outside Hong Kong).”

- 5. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“THAT:

- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to repurchase issued shares in the capital of the Company subject to and in accordance with all applicable laws and the bye-laws of the Company, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of the share capital which the Company is authorized to repurchase pursuant to the approval in paragraph (i) above shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of this resolution and the said approval shall be limited accordingly; and
- (iii) for the purposes of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required, by the bye-laws of the Company or any applicable laws, to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the Resolutions numbered 4 and 5 as set out in this notice being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue or otherwise deal with the Shares pursuant to Resolution 4 above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the directors of the Company pursuant to such general mandate, of an amount representing the aggregate nominal amount of the share capital of the Company which are repurchased by the Company under the authority granted pursuant to Resolution numbered 5 above, provided that such amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution.”

By Order of the Board

International Business Settlement Holdings Limited

Yuen Leong

Executive Director

Hong Kong, 13 August 2019

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*

Room 2310, 23rd Floor
China Resources Building
26 Harbour Road
Wan Chai
Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (i) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy or, if he is a holder of more than one share, more than one proxy in respect of the whole or any part of his holding of shares to attend and vote in his stead. A proxy need not be a member of the Company.
- (ii) In order to be valid, the form of proxy, together with any power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or other authority, must be deposited at the principal place of business of the Company located at Room 2310, 23rd Floor, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong, not less than 48 hours before the time for holding of the meeting or adjourned meeting thereof.
- (iii) Where there are joint registered holders of any ordinary share of the Company, any one of such holders may vote at the meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such holders be present at the meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iv) The register of members of the Company will be closed from Monday, 9 September 2019 to Thursday, 12 September 2019, both days inclusive, during which period no transfer of shares will be effected. In order to ascertain the right to attend and vote at the meeting, all share transfers, accompanied by the relevant share certificates must be lodged with the Company's branch registrar, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than on 4:30 p.m. on Friday, 6 September 2019.
- (v) If tropical cyclone warning signal no. 8 or above is hoisted or a black rainstorm warning signal is in force at 8:00 a.m. on Thursday, 12 September 2019, the meeting will be postponed and the meeting will be held at 11:00 a.m. on Friday, 13 September 2019. You may call the Company at (852) 2549 9988 during business hours from 9:00 a.m. to 6:00 p.m. on Monday to Friday, excluding public holidays for details of alternative meeting arrangements. The meeting will be held as scheduled even when tropical cyclone warning signal no. 3 or below is hoisted, or an amber or red rainstorm warning signal is in force.

You should make your own decision as to whether you would attend the meeting under bad weather conditions bearing in mind your own situation and if you should choose to do so, you are advised to exercise care and caution.

As at the date hereof, the Board comprises Mr. Yuen Leong, Ms. Luan Li and Mr. Hu Jianjun as executive Directors; and Mr. Yap Yung, Mr. Zhang Guangsheng, Mr. Chan Siu Tat and Ms. Chen Lanran as independent non-executive Directors.