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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 your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Rosedale Hotel Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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Rosedale Hotel Holdings Limited

珀麗酒店控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1189)

- (1) MAJOR TRANSACTION IN RELATION TO
THE DISPOSAL OF 60% EQUITY INTEREST IN
THE TARGET COMPANY;
(2) RE-ELECTION OF THE DIRECTORS;
(3) PROPOSED REDUCTION OF SHARE PREMIUM;
AND
(4) NOTICE OF SPECIAL GENERAL MEETING**

Financial adviser to the Company



INCUCO Corporate Finance Limited

Capitalised terms used in this cover page shall have the same meanings as those defined in this circular unless otherwise stated.

A letter from the Board is set out on pages 5 to 15 of this circular. A notice convening the SGM to be held at Forum Room I, Basement 2, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong, on Tuesday, 10 December 2019 at 10:00 a.m. is set out on pages SGM-1 to SGM-3 of this circular. A form of proxy for use at the SGM is enclosed.

Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deliver it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time for holding the SGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the SGM and/or at any adjournment thereof should you so wish.

4 November 2019

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DEFINITIONS

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

“Board”	the board of Directors
“Business Day(s)”	any day(s) (other than a Saturday, Sunday and public holiday) on which authorised banks in the PRC are open for general banking business
“Bye-Laws”	the bye-laws of the Company
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Company”	Rosedale Hotel Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange (stock code: 1189)
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Disposal Agreement
“Consideration”	the consideration of RMB61 million (equivalent to approximately HK\$68.5 million) payable by the Purchaser for the Disposal in accordance with the terms and conditions of the Disposal Agreement
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Equity pursuant to the terms and conditions of the Disposal Agreement
“Disposal Agreement”	the sale and purchase agreement dated 23 November 2018 (as amended and supplemented by the Supplemental Agreement and the Second Supplemental Agreement) entered into between the Vendor and the Purchaser for the sale and purchase of the Sale Equity
“Escrow Account”	an escrow bank account opened by the Purchaser and the Vendor (or nominee designated by the Vendor) with the Escrow Agent pursuant to the Escrow Agreement
“Escrow Agent”	China Construction Bank Guangzhou branch
“Escrow Agreement”	an escrow agreement to be entered into by the Purchaser, the Vendor (or nominee designated by the Vendor) and the Escrow Agent

DEFINITIONS

“FY2017”	the financial year ended 31 December 2017
“FY2018”	the financial year ended 31 December 2018
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons of the Company in accordance with the Listing Rules
“Latest Practicable Date”	31 October 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
“Long Stop Date”	4:00 p.m. on the day following thirteen months from the date of the Disposal Agreement
“Luoyang Hotel”	Luoyang Golden Gulf Hotel (洛陽金水灣大酒店), a hotel owned and operated by the Target Company
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	洛陽鼎和電力建設有限公司 (Luoyang Dinghe Electric Construction Company Limited [#]), a limited liability company established in the PRC and an Independent Third Party
“Reduction Effective Date”	the date on which the Reduction of Share Premium shall become effective, being (subject to the compliance with Section 46(2) of the Companies Act) the business day immediately following the date of passing of the special resolution to approve the Reduction of Share Premium at the SGM

DEFINITIONS

“Reduction of Share Premium”	the proposed reduction of the entire amount standing to the credit of the Share Premium Account as at the Reduction Effective Date to nil and the transfer of the credit arising therefrom to the contributed surplus account of the Company to be considered and, if thought fit, approved by the Shareholders at the SGM by way of a special resolution
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Equity”	60% equity interest of the Target Company, including the Vendor’s rights under the agreement pursuant to which the Vendor initially purchased the 60% equity interest of the Target Company from its previous holder, the Vendor’s rights under the joint venture agreement relating to the Target Company, and any other rights against the other shareholder of the Target Company
“Second Supplemental Agreement”	the second supplemental agreement to the Disposal Agreement dated 22 September 2019 entered into between the Vendor and the Purchaser in relation to the further extension of the Long Stop Date
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held at Forum Room I, Basement 2, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Tuesday, 10 December 2019 at 10:00 a.m. and/or any adjournment thereof for the purpose of considering and, if thought fit, approving, among other things, (i) the Disposal Agreement and the transactions contemplated thereunder; (ii) the re-election of the Directors and (iii) the Reduction of Share Premium
“Share(s)”	share(s) of the Company
“Share Premium Account”	the share premium account of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement”	the supplemental agreement to the Disposal Agreement dated 22 May 2019 entered into between the Vendor and the Purchaser in relation to the extension of the Long Stop Date

DEFINITIONS

“Target Company”	Luoyang Golden Gulf Hotel Company Limited (洛陽金水灣大酒店有限公司), a limited liability company established in the PRC and owned as to 60% by the Vendor
“Target Group”	together, the Target Company and Target Subsidiary
“Target Subsidiary”	Luoyang Electric Travel Agency Company Limited [#] (洛陽電力旅行社有限公司), a limited liability company established in the PRC and owned as to 66.67% by the Target Company
“Vendor”	Shropshire Property Limited 索普物業有限公司, a limited liability company incorporated under the laws of the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“%”	per cent.

[#] *The English name of the entity/person is the transliteration of the Chinese name and shall not constitute the formal name of the relevant entity/person.*

For the purpose of this circular, unless the context otherwise requires or expressly specified, conversion of Renminbi into Hong Kong dollar is based on the approximate exchange rate of HK\$1.00 to RMB0.89. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in Hong Kong dollar or Renminbi has been, could have been or may be converted at such or any other rate or at all.

LETTER FROM THE BOARD



Rosedale Hotel Holdings Limited

珀麗酒店控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1189)

Executive Directors:

Dr. Yap, Allan (*Chairman*)
Mr. Lai Tsz Wah (*Managing Director*)
Mr. Dong Bo, Frederic
Mr. Wong Kui Shing, Danny

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-executive Directors:

Mr. Kwok Ka Lap, Alva
Mr. Poon Kwok Hing, Albert
Mr. Sin Chi Fai

Head office and principal place of business:

Room 3401, 34th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

4 November 2019

To Shareholders and, for information only, holders of options of the Company

Dear Sir or Madam,

**(1) MAJOR TRANSACTION IN RELATION TO
THE DISPOSAL OF 60% EQUITY INTEREST IN
THE TARGET COMPANY;
(2) RE-ELECTION OF THE DIRECTORS;
(3) PROPOSED REDUCTION OF SHARE PREMIUM;
AND
(4) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to (i) the announcement of the Company dated 26 November 2018 (the “**Announcement**”) in relation to the Disposal and (ii) the announcements of the Company dated 23 May 2019 and 25 September 2019 in relation to the extension of the Long Stop Date and the further extension of the Long Stop Date respectively.

As set out in the Announcement, on 23 November 2018 (after trading hours of the Stock Exchange), the Purchaser and the Vendor (an indirect wholly-owned subsidiary of the Company) entered into the Disposal Agreement, pursuant to which the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase, the Sale Equity at the Consideration of RMB61 million (equivalent to approximately HK\$68.5 million).

LETTER FROM THE BOARD

The Company further announced on 23 May 2019 that on 22 May 2019 (after trading hours of the Stock Exchange), the Purchaser and the Vendor entered into the Supplemental Agreement to extend the Long Stop Date to 4:00 p.m. from the day following ten months from the date of the Disposal Agreement.

Subsequently, the Company further announced on 25 September 2019 that on 22 September 2019, the Purchaser and the Vendor entered into the Second Supplemental Agreement to further extend the Long Stop Date to 4:00 p.m. from the day following thirteen months from the date of the Disposal Agreement.

Further, the Board intends to put forward resolution(s) to the Shareholders at the SGM to re-elect Mr. Lai Tsz Wah and Mr. Dong Bo. Frederic as Directors and to reduce the entire amount standing to the credit of the Share Premium Account as at the Reduction Effective Date to nil and to transfer the credit arising therefrom to the contributed surplus account of the Company.

The purpose of this circular is to provide you with, among other things, (i) further details of the Disposal and other information as required to be disclosed under the Listing Rules; (ii) information about the re-election of the Directors; (iii) information on the Reduction of Share Premium; and (iv) a notice of the SGM.

THE DISPOSAL AGREEMENT

The major terms of the Disposal Agreement are set out as follows:

Date: 23 November 2018 (after trading hours of the Stock Exchange) (as amended and supplemented by the Supplemental Agreement and the Second Supplemental Agreement)

Parties:

- (1) Purchaser: 洛陽鼎和電力建設有限公司 (Luoyang Dinghe Electric Construction Company Limited[#])
- (2) Vendor: Shropshire Property Limited 索普物業有限公司, an indirect wholly-owned subsidiary of the Company

The Purchaser is a company established in the PRC with limited liability which is principally engaged in civil engineering construction. To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are Independent Third Parties. To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are independent third parties to the other existing shareholder of the Target Company. The shareholders and beneficial owners of the Purchaser are 國網河南省電力公司洛陽供電公司工會委員會 (State Grid Henan Power Company Luoyang Power Supply Company Trade Union Committee[#]), 國網河南偃師市供電公司工會委員會 (State Grid Henan Yanshi City Power Supply Company Trade Union Committee[#]), 國網河南樂川縣供電公司工會委員會 (State Grid Henan Luanchuan County Power Supply Company Trade Union Committee[#]), 國網河南伊川縣供電公司工會委員會 (State Grid Henan Yichuan County Power Supply Company Trade Union Committee[#]), 國網河南孟津縣供電公司工會委員會 (State Grid Henan Mengjin

LETTER FROM THE BOARD

County Power Supply Company Trade Union Committee[#]), 國網河南宜陽縣供電公司工會委員會 (State Grid Henan Yiyang County Power Supply Company Trade Union Committee[#]), 國網河南洛寧縣供電公司工會委員會 (State Grid Henan Luoliang County Power Supply Company Trade Union Committee[#]), 國網河南汝陽縣供電公司工會委員會 (State Grid Henan Ruyang County Power Supply Company Trade Union Committee[#]), 國網河南嵩縣供電公司工會委員會 (State Grid Henan Song County Power Supply Company Trade Union Committee[#]), and 國網河南新安縣供電公司工會委員會 (State Grid Henan Xin'an County Power Supply Company Trade Union Committee[#]).

As advised by the PRC legal advisers to the Company, there is no shareholding relationship between the Purchaser and the other existing shareholder of the Target Company, which are independent entities to each other. To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, prior to entering into of the Disposal Agreement, there was no other relationship between the Purchaser (and its connected persons) and the Group (and its connected persons). In addition, to the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, the Group and its connected persons did not enter into any agreement, arrangement, negotiation, undertaking or understanding, verbal or written, with the Purchaser and its connected persons in relation to the Disposal other than the Disposal Agreement.

The Vendor, a company incorporated in the British Virgin Islands with limited liability, is an indirect wholly-owned subsidiary of the Company. The Vendor is an investment holding company.

Assets to be disposed of

Pursuant to the Disposal Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Sale Equity, representing among other matters, 60% equity interest of the Target Company.

Consideration and payment terms

The Consideration is RMB61 million (equivalent to approximately HK\$68.5 million), which shall be settled in cash in the following manners:

1. the Purchaser shall pay RMB21 million (equivalent to approximately HK\$23.6 million) (the “**Deposit**”) to the Vendor (or nominee in the PRC designated by the Vendor) within two Business Days upon signing of the Disposal Agreement; and
2. the Purchaser shall deposit the remaining balance of RMB40 million (equivalent to approximately HK\$44.9 million) (the “**Balance**”) into the Escrow Account within three Business Days upon opening of such account. The Purchaser and the Vendor shall enter into the Escrow Agreement and open the Escrow Account within three Business Days after the Shareholders at the SGM have approved the Disposal Agreement and the transactions contemplated thereunder. The Purchaser shall authorise the Escrow Agent to release the Balance from the Escrow Account and pay to the Vendor (or nominee in the PRC designated by the Vendor) within two Business Days upon completion of the registration of the transfer of the Sale Equity by the Administration for Industry and Commerce of the PRC.

LETTER FROM THE BOARD

As at the date of the Disposal Agreement, the Target Company had leased out certain spaces to tenants. Pursuant to the Disposal Agreement, the Vendor has undertaken not to request such tenants for advanced payment of next year's rent. In the event the Target Company has received any such advanced rental payment, the amount of Consideration payable by the Purchaser to the Vendor shall be reduced accordingly.

As at the Latest Practicable Date, the Deposit had been paid by the Purchaser to the Vendor.

Basis of Consideration

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to, among other things, (i) 60% of the market value of the hotel property of Luoyang Hotel (the "**Property**") amounted to approximately HK\$90.3 million assuming the land use rights of the Property have been vested and all relevant land premium have been fully paid, which valuation report is disclosed in Appendix II to this circular; (ii) 60% of the assets value of the Target Group other than the Property amounted to approximately HK\$1.7 million as at 30 September 2018; (iii) 60% of total liabilities of the Target Group amounted to approximately HK\$21.8 million as at 30 September 2018; (iv) the historical financial performance of the Target Group; (v) the future prospect of the Target Group; and (vi) other reasons for the Disposal as discussed in the paragraph headed "REASONS FOR AND BENEFITS OF THE DISPOSAL AND USE OF PROCEEDS" in this letter.

The Property is classified as hotel building held for use in the production or supply of services included in the property, plant and equipment of the consolidated financial statements of the Group. Due to the unsatisfactory occupancy rate of the Luoyang Hotel, the financial performance of the Target Group does not meet the expectation of the Company and net loss has been recorded over the past years. The Company has used its best endeavour to improve operation and performance of the Target Group, but its results did not show sign of improvement. As a result, the Board is not optimistic about the future prospect of the Target Group. In view of the above factors, the Directors consider that it is in the interests of the Group and the Shareholders not to continue such loss making operation given the investment could be realised at a price higher than the carrying amount as at 30 September 2018 (i.e. 60% of the net asset value of the unaudited consolidated management accounts of the Target Group) amounted to approximately HK\$8.9 million.

Further, the Target Group currently does not hold the land use rights of the Property. The Company has pursued legal proceedings as well as other administrative means to try obtaining the land use rights of the Property but such efforts failed in the end. As such, the Company explored commercial ways to recoup its interest and to reduce further legal costs. Eventually the Company and the Purchaser entered into the Disposal Agreement in November 2018. Before entering into the Disposal Agreement, the Purchaser was fully aware that the Target Company did not hold the land use rights of the Property. The Disposal is a private sale of equity interest in the Target Company but not sale of the land use rights of the Property. As advised by the PRC legal advisers to the Company, (i) the Vendor legally holds the 60% equity interest in the Target Company, which is legally transferable to third parties in accordance with Article 71 of the Company Law of the People's Republic of China and Article 4 of Law of the People's Republic of China on Sino-Foreign Equity Joint Ventures; and (ii) the Disposal Agreement is legally enforceable under the PRC laws and there is no PRC laws prohibiting the sale of equity interest in a company due to absence of land use rights of the property used by that company. As such, the Company considers the absence of land use rights of the Property does not have impact on the Disposal.

LETTER FROM THE BOARD

Despite the fact that the Target Company does not hold the land use rights of the Property and the Property carried no commercial value, the Company has endeavoured to negotiate for a Consideration comparable to the value as if land use rights had been obtained.

The Directors consider that the Consideration, which was arrived at after arm's length negotiations, is fair and reasonable on normal commercial terms and is in the interests of the Company and the Shareholders as a whole.

Condition precedent

The obligation to proceed with registration of the transfer of Sale Equity with the Administration for Industry and Commerce of the PRC is conditional upon the passing of the necessary resolution(s) by the Shareholders at the SGM approving the Disposal Agreement and the transactions contemplated thereunder. Such condition precedent cannot be waived.

In the event the above condition is not fulfilled on or before the Long Stop Date (or such other date as may be agreed between the Purchaser and the Vendor in writing), the Disposal Agreement shall cease and determine and subject to the refund of the Deposit (including interest calculated at 5% per annum) to the Purchaser by the Vendor within 10 Business Days. Thereafter, neither party shall have any obligations and liabilities thereunder save for any antecedent breaches of the provisions thereof.

Registration of transfer

The Vendor and the Purchaser shall submit all documents for registration of transfer of the Sale Equity with the Administration of Industry and Commerce of the PRC within 10 Business Days after the Balance has been deposited in the Escrow Account.

Operation and management

Pursuant to the Disposal Agreement, on 29 November 2018, the Vendor had entrusted the Target Group's operation management rights (the "**Management Rights**") to the other existing shareholder of the Target Company, 國網河南省電力公司洛陽供電公司 (State Grid Henan Power Company Luoyang Power Supply Company[#]). The Management Rights shall be officially transferred to the Purchaser upon Completion; whereas the Vendor shall retrieve the Management Rights in case of termination of the Disposal Agreement.

Default

In the event:

- (i) the Sale Equity cannot be transferred due to the fault of the Vendor or the Purchaser;
- (ii) the Vendor's title to the Sale Equity has undisclosed defects; or
- (iii) the registration procedure regarding the transfer of the Sale Equity with the Administration of Industry and Commerce of the PRC cannot be completed due to the fault of the Vendor or the Purchaser,

LETTER FROM THE BOARD

the non-defaulting party shall be entitled to terminate the Disposal Agreement. If the defaulting party is the Vendor, the Vendor shall refund the Deposit in full to the Purchaser together with an amount equals to the Deposit. If the defaulting party is the Purchaser, the Vendor shall be entitled to forfeit the Deposit. In addition, the non-defaulting party shall be entitled to claim against the defaulting party for an amount equals to 10% of the Consideration as compensation.

Termination

The Disposal Agreement shall be terminated upon:

- (i) mutual agreement by the Vendor and the Purchaser; or
- (ii) the failure to obtain any approval from the relevant authority regarding the Disposal due to the occurrence of force majeure events or policy reasons.

Upon termination of the Disposal Agreement, the Vendor shall within 30 days refund the Deposit to the Purchaser.

INFORMATION OF THE TARGET GROUP

The Target Company

The Target Company, owned as to 60% by the Vendor, is a limited liability company established in the PRC which is principally engaged in the ownership and operation of Luoyang Hotel.

The Target Subsidiary

The Target Subsidiary is a limited liability company established in the PRC, which is an inactive company. As at the Latest Practicable Date, approximately 66.67% equity interest in the Target Subsidiary was owned by the Target Company.

Financial information of the Target Group

Based on the unaudited financial information of the Target Group, set out below is the financial information of the Target Group for the two financial years ended 31 December 2018:

	FY2017 <i>HK\$'000</i> (unaudited)	FY2018 <i>HK\$'000</i> (unaudited)
Revenue	5,589	5,726
Loss before taxation	4,677	4,832
Loss after taxation	3,478	3,604

LETTER FROM THE BOARD

	As at 31 December	
	2017	2018
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Total assets	59,805	50,438
Total liabilities	38,187	36,618
Net assets	21,618	13,820

The unaudited financial information of the Target Group presented above is different from the Announcement, since the total assets, total liabilities and net assets included in the unaudited financial information of the Target Group presented on the Announcement was based on the unaudited PRC local management accounts while the unaudited financial information of the Target Group presented above is in the group level. The unaudited PRC local management accounts are different from the unaudited financial information of the Target Group in the group level as the unaudited PRC local management accounts (i) have not reflected certain impairment losses made in the group level in respect of the hotel properties held by the Target Company; (ii) have not accelerated and reflected the depreciation charges in respect of the hotel properties in the unaudited PRC local management accounts; and (iii) have not made and reflected certain provisions in respect of the hotel properties in the PRC local management accounts (the “**Main Accounting Differences**”). The Main Accounting Differences are considered as not tax-deductible in the PRC and hence not reflected in the unaudited PRC local management accounts, while all Main Accounting Differences have been taken into account in the above unaudited financial information of the Target Group in the group level.

Based on the unaudited financial information of the Target Group, the unaudited net asset value of the Target Group as at 31 December 2018 was approximately HK\$13.8 million, of which the amount of approximately HK\$5.5 million representing 40% equity interest in the Target Group was attributable to the non-controlling interests.

Property Valuation

The Company has engaged an independent valuer (the “**Valuer**”) to perform valuation on the Property, which valuation report is disclosed in Appendix II to this circular. In 2002, valuation had been performed on the Property using income approach. As extracted from the circular dated 5 October 2002 (“**2002 Circular**”), the then Directors believed that the hotel and other leisure-related businesses in Hong Kong and the PRC had a considerable potential with the PRC’s accession to World Trade Organisation and Beijing’s hosting of the 2008 Olympic Games. The Board noted the disclosure in the 2002 Circular showed a positive expectation on the Target Group at that point in time.

However, in the current valuation of the Property, the Valuer considered that income approach is inapplicable since (i) no operating profits were generated during the previous three financial years; and (ii) there is no foreseeable improvement provided in the performance of the existing operation or financial status. As such, given that income approach is not applicable, after discussion with the Valuer, depreciated replacement cost approach is the appropriate approach to be adopted accordingly. For details of the property valuation, please refer to the property valuation report set out in Appendix II to this circular.

LETTER FROM THE BOARD

FINANCIAL EFFECT OF THE DISPOSAL

Upon Completion, each of the members of the Target Group will cease to be a subsidiary of the Company, and the Company will cease to have any interest in the Target Group. The financial results of the Target Group will no longer be consolidated into the consolidated financial statements of the Group following Completion.

Earnings

It is estimated that the Group will record a gain of approximately HK\$75.7 million from the Disposal, which is calculated by (i) using the Consideration of RMB61 million (equivalent to approximately HK\$68.5 million); (ii) deducting therefrom the unaudited net assets value of the Target Group of approximately HK\$13.8 million based on the unaudited financial information of the Target Group as at 31 December 2018; (iii) then adding de-recognition of the amount of approximately HK\$5.5 million representing 40% equity interest in the Target Group attributable to the non-controlling interests; (iv) thereafter deducting therefrom the related transaction costs directly attributable to the Disposal of approximately HK\$1.5 million; and (v) adding the cumulative translation reserve of approximately HK\$17.0 million in relation to the net assets of the Target Group. Shareholders should note that the actual amount of the gain or loss on the Disposal to be recognised in the consolidated financial statements of the Company depends on the net asset/net liability value of the Target Group as at the date of Completion and therefore may be different from the amount mentioned above, which will be subject to final audit by the auditors of the Company.

Assets and liabilities

Having taken into account the net proceeds from the Disposal and the unaudited net asset value of the Target Group as at 31 December 2018, it is estimated that upon Completion, the total assets of the Group will be increased by approximately HK\$16.6 million. The total liabilities of the Group will be decreased by approximately HK\$36.6 million. It is estimated that the net assets of the Group will have an increase of approximately HK\$53.2 million.

REASONS FOR AND BENEFITS OF THE DISPOSAL AND USE OF PROCEEDS

The Company is an investment holding company. Its principal subsidiaries are engaged in the business of hotel operation and trading of securities.

Due to the unsatisfactory occupancy rate of the Luoyang Hotel, the financial performance of the Target Group does not meet the expectation of the Company and net loss has been recorded over the past years. The Company has used its best endeavour to improve operation and performance of the Target Group, but its results did not show sign of improvement. In view of the unsatisfactory financial results and uncertain prospects of the Target Group, the Directors intend to realise the Group's investment in the Target Group rather than allocating further resources to the Target Group. The Directors consider that the Disposal allows more resources to be deployed to operate the three existing hotels in Hong Kong, Guangzhou and Shenyang.

In this connection, the Group expects to use net proceeds from the Disposal of approximately HK\$67.0 million, net of transaction related expenses of approximately HK\$1.5 million, as general working capital of the Group (including administrative expenses and staff costs) and/or to meet such investment opportunities as may be identified from time to time.

LETTER FROM THE BOARD

The Directors consider that the terms of the Disposal Agreement are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as defined under the Listing Rules) in relation to the Disposal exceeds 25% but is less than 75%, the Disposal constitutes a major transaction for the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder had any material interest in the transactions contemplated under the Disposal Agreement. As such, no Shareholder is required to abstain from voting under the Listing Rules at the SGM on the resolution(s) approving the Disposal Agreement and the transactions contemplated thereunder.

RE-ELECTION OF THE DIRECTORS

Pursuant to Bye-Law 102(B) of the Bye-Laws, Mr. Lai Tsz Wah and Mr. Dong Bo, Frederic, who were appointed as Directors with effect from 31 May 2019 and 12 August 2019 respectively, shall hold office until the next following general meeting of the Company, which is the SGM. Each of Mr. Lai Tsz Wah and Mr. Dong Bo, Frederic, being eligible, has offered himself for re-election at the SGM.

Details of Mr. Lai Tsz Wah and Mr. Dong Bo, Frederic as required to be disclosed under the Listing Rules are set out in Appendix IV to this circular.

PROPOSED REDUCTION OF SHARE PREMIUM

The Board intends to put forward a proposal to the Shareholders at the SGM for the Reduction of Share Premium in accordance with applicable laws of Bermuda and the Bye-Laws. As at the Latest Practicable Date, the total amount standing to the credit of the Share Premium Account was approximately HK\$1,360.8 million.

It is proposed that (i) the entire amount standing to the credit of the Share Premium Account as at the Reduction Effective Date be reduced to nil; (ii) the credit arising therefrom be transferred to the contributed surplus account of the Company; and (iii) the Board be authorised to apply any credit balance in the contributed surplus account of the Company in the future in accordance with the laws of Bermuda and the Bye-Laws (including the application of any credit balance to set off against accumulated losses of the Company), as and when the Board may consider appropriate. The total accumulated losses of the Company were approximately HK\$474.3 million as shown in the audited financial statements of the Company for the year ended 31 December 2018.

Reasons for the Reduction of Share Premium

The Board considers that the Reduction of Share Premium will give the Company more flexibility in relation to its dividend policy and distributions, if considered appropriate, in the future. The contributed surplus account is a distributable reserve which may be applied by the Company in a more general manner as the Board may think fit, including but not limited to, the payment of dividends to

LETTER FROM THE BOARD

Shareholders. The latest audited financial statements of the Company for the year ended 31 December 2018 showed that the Company had accumulated losses of approximately HK\$474.3 million. With such accumulated losses, the Company would not be able to pay dividends to the Shareholders until such accumulated losses are eliminated. The Board believes that the Reduction of Share Premium will allow the Company to eliminate the accumulated losses by transferring the credit amount of the Share Premium Account to the contributed surplus account of the Company and therefore, is in the interests of the Company and the Shareholders as a whole.

Effect of the Reduction of Share Premium

The Reduction of Share Premium does not involve any reduction in the authorised or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements concerning the Shares.

For illustrative purpose, assuming that no further Shares will be allotted and issued or repurchased prior to the Reduction Effective Date, the share capital structure of the Company will be as follows:

	As at the Latest Practicable Date	Immediately upon the Reduction of Share Premium becoming effective
Amount of authorised share capital	HK\$1,500,000,000	HK\$1,500,000,000
Amount of issued share capital	HK\$7,892,110.46	HK\$7,892,110.46
Number of issued Shares	789,211,046	789,211,046

Implementation of the Reduction of Share Premium will not, of itself, affect the underlying assets, liabilities, business operations, management or financial position of the Company or the interests of the Shareholders as a whole or the share capital of the Company other than related expenses incurred.

Conditions of the Reduction of Share Premium

The Reduction of Share Premium is conditional upon, *inter alia*, the following being fulfilled:

- (i) the passing of a special resolution by the Shareholders to approve the Reduction of Share Premium at the SGM; and
- (ii) compliance with section 46(2) of the Companies Act, including (a) the publication of a notice in relation to the Reduction of Share Premium in an appointed newspaper in Bermuda on a date not more than 30 days and not less than 15 days before the Reduction Effective Date; and (b) the Board being satisfied that on the Reduction Effective Date, there are no reasonable grounds for believing that the Company is, or after the Reduction of Share Premium would be, unable to pay its liabilities as they become due.

Subject to the fulfilment of the above conditions, it is expected that the Reduction of Share Premium shall become effective on the Reduction Effective Date.

LETTER FROM THE BOARD

SGM

The SGM will be convened and held at Forum Room I, Basement 2, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Tuesday, 10 December 2019 at 10:00 a.m. for the Shareholders to consider and, if thought fit, approve (i) the Disposal Agreement and the transactions contemplated thereunder; (ii) the re-election of the Directors; and (iii) the Reduction of Share Premium. A notice convening the SGM is set out on pages SGM-1 to SGM-3 of this circular. A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and deliver it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time for holding the SGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting in person at the SGM and/or at any adjournment thereof should you so wish.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, there was (i) no voting trust or other agreement or arrangement or understanding entered into by or binding upon any Shareholder; and (ii) no obligation or entitlement of any Shareholder whereby it had or might have temporarily or permanently passed control over the exercise of the voting right in respect of its Shares to a third party, either generally or on a case-by-case basis.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Accordingly, the voting of the resolutions as set out in the notice of SGM shall be taken by way of poll at the SGM. The result of the vote will be announced after the SGM.

RECOMMENDATION

The Board considers that (i) the terms of the Disposal Agreement and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and the Shareholders as a whole; (ii) the re-election of the Directors; and (iii) the Reduction of Share Premium is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the relevant resolutions set out in the notice of the SGM contained in this circular.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular. The English text shall prevail over the Chinese text in this circular.

Yours faithfully,
For and on behalf of the Board
Rosedale Hotel Holdings Limited
Yap, Allan
Chairman

I. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for each of the three financial years ended 31 December 2016, 2017 and 2018 are disclosed in the following documents which have been published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.rhh.com.hk/eng/>):

- annual report of the Company for the financial year ended 31 December 2018 (pages 58 to 192) <http://www3.hkexnews.hk/listedco/listconews/SEHK/2019/0429/LTN20190429235.pdf>
- annual report of the Company for the financial year ended 31 December 2017 (pages 54 to 176) <http://www3.hkexnews.hk/listedco/listconews/SEHK/2018/0427/LTN201804271995.pdf>
- annual report of the Company for the financial year ended 31 December 2016 (pages 51 to 168) <http://www3.hkexnews.hk/listedco/listconews/SEHK/2017/0427/LTN201704272191.pdf>

The management discussion and analysis of the Company for each of the three financial years ended 31 December 2016, 2017 and 2018 are disclosed in the annual reports of the Company for the financial years ended 31 December 2016, 2017 and 2018.

II. INDEBTEDNESS

At the close of business on 30 September 2019, being the latest practicable date for the purpose of ascertaining the indebtedness of the Group prior to the printing of this circular, apart from intra-group liabilities, the Group did not have any loans, debt securities outstanding or agreed to be issued, bank overdrafts or other similar indebtedness, liabilities under acceptances (other than normal trade bills), acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantee or other material contingent liabilities.

Save as aforesaid, the Directors are not aware of any material changes in the indebtedness, contingent liabilities and commitments of the Group since 30 September 2019.

III. WORKING CAPITAL

The Directors, after due and careful consideration, are of the opinion that, after taking into account the internal resources presently available to the Group and the estimated net proceeds from the Disposal, in the absence of unforeseeable circumstances, the Group will have sufficient working capital to satisfy its present requirements for at least the next 12 months following the date of this circular.

IV. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Upon Completion, the Company will continue to be an investment holding company and its principal subsidiaries will continue to be engaged in the hotel operations and trading of securities.

As mentioned under the paragraph headed “REASONS FOR AND BENEFITS OF THE DISPOSAL AND USE OF PROCEEDS” in the letter from the Board in this circular, the Directors consider that the Disposal can strengthen its capital base for general working capital use and/or investment opportunities as may be identified from time to time. In addition, the Directors are of the view that the Disposal allows more resources to be deployed to operate the three existing hotels in Hong Kong, Guangzhou and Shenyang.

After Completion, the Target Group will no longer be consolidated into the Group’s financial statements. Given that the Target Group has been consistently making loss over the past years, the financial and trading prospects of the Group is expected to improve in terms of profits. The Group will continue to explore potential investment opportunities relating to hotel business in Hong Kong and/or the PRC.

The following is the text of a letter and valuation report prepared for the purpose of incorporation in this circular received from Norton Appraisals Limited, an independent valuer, in connection with its valuation as at 30 September 2019 of the property interest to be disposed of by the Group.



Unit F, 18/F., Seabright Plaza
9-23 Shell Street
North Point, Hong Kong
Tel : (852) 2810 7337 Fax : (852) 2810 6337

4 November 2019

The Directors
Rosedale Hotel Holdings Limited
Room 3401, 34th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

Dear Sirs,

Re: Luoyang Golden Gulf Hotel, No. 319 Zhongzhou Zhong Road, Xigong District, Luoyang City, Henan Province, the People's Republic of China

In accordance with the instructions from Rosedale Hotel Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) for us to value the captioned property interest located in the People's Republic of China (the “**PRC**”) (the “**Property**”), we confirm that we have carried out inspection, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of value of the Property in its existing state as at 30 September 2019 (the “**Date of Valuation**”) for incorporation into the circular of the Company dated 4 November 2019.

Basis of Valuation

Our valuation is our opinion of value of the property on the basis of “**Market Value**” which we would define as intended to mean “the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion”.

Valuation Standards

Our valuation has been carried out in accordance with all the requirements set out in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, and The HKIS Valuation Standards 2017 published by The Hong Kong Institute of Surveyors.

Valuation Methodology

Due to no readily identifiable market sales comparable available in the locality, nor any foreseeable improvement provided in the performance of the existing operation or financial status, we have valued the interest of the property on the basis of depreciated replacement cost. The depreciated replacement cost method sums our opinion of the land value of the property in its existing use and the cost to reproduce or replace in new condition the building and structures of the property valued in accordance with current construction costs for similar buildings and structures in the locality, with allowance for accrued depreciated as evidence by observed condition or obsolescence present, whether arising from physical, functional or economic causes. The depreciated replacement cost approach generally furnishes the most reliable indication of value for the property in the absence of a known market based on comparable sales.

Valuation Assumption

Our valuation has been made on the assumption that the owner sells the property interest on the open market without the benefit of a deferred terms contract, leaseback, joint venture, or any similar arrangement which would serve to affect the value of the Property. No account has been taken of any option or right of pre-emption concerning or affecting the sale of the property interest and no forced sale situation in any manner is assumed in our valuation.

No allowance has been made in our valuation for any charges, mortgages or amount owing on the Property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions, and outgoings of an onerous nature which could affect its value.

Title Documents and Encumbrances

For the property interest located in the PRC, we have been provided with copies of extracts of title documents. However, we have not inspected the original documents to verify ownership or to verify any amendments which may not appear on the copies handed to us. We have relied on the information given by the Group and its PRC legal adviser, Guangdong Fanli Law Firm (the “**PRC Legal Adviser**”), regarding the title and other legal matters relating to such property interest.

Sources of Information

We have relied to a considerable extent on the information provided by the Company and have accepted advice given to us on such matters as the number of guest rooms, management accounts, occupancy rates, room rates, planning approvals, statutory notices, easements, joint-venture and management agreement, tenure, site and floor areas and all other relevant matters. We have not seen original planning consents and have assumed that the Property has been erected and is being occupied and used in accordance with such consents. No on-site measurement has been made. Dimensions, measurements and areas included in this valuation report are based on information contained in the documents provided to us and are therefore approximations only.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We were also advised by the Company that no material facts have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view.

Inspection and Structural Condition

We have inspected the exterior and, wherever possible, the interior of the Property. The inspection was carried out by our Assistant Manager, Keith Wong, on 10 January 2019. However, no structural survey has been made nor were any tests carried out on any of the services provided in the Property. Our valuation is prepared on the assumption that these aspects are satisfactory.

Currency

Unless otherwise stated, all dollar amounts stated in our valuation report are in Renminbi (RMB).

We attached herewith our valuation report.

Yours faithfully,
For and on behalf of
Norton Appraisals Limited
Paul M. K. Wong *MHKIS, RPS (G.P.)*
Director

Note: Mr. Paul M. K. Wong is a Registered Professional Surveyor who has more than 28 years' experience in valuation of properties in Hong Kong and the PRC

Property interest to be disposed of by the Group

VALUATION REPORT

Property	Description and Tenure	Particulars of Occupancy	Capital value in existing state as at 30 September 2019																																	
Luoyang Golden Gulf Hotel, No. 319 Zhongzhou Zhong Road, Xigong District, Luoyang City, Henan Province, the PRC	<p>The property comprises a hotel complex (known as “Luoyang Golden Gulf Hotel”) developed on a parcel of land with a site area of approximately 9,025.51 sq.m..</p> <p>The property comprises a 25-storey 3-star hotel building erected over 2 levels of basement completed and started operation in 1999. It accommodates 182 guest rooms of various classes, 26 office suites and a number of food and beverage outlets, recreational and entertainment facilities. In addition, an open car park is provided to the hotel.</p> <p>The total gross floor area of the property is approximately 21,269.18 sq.m.. Details of the uses are more particularly listed as follows:</p> <table border="1"> <thead> <tr> <th>Level</th> <th>Gross Floor Area (sq.m.)</th> <th>Use</th> </tr> </thead> <tbody> <tr> <td>B2</td> <td>1,807.80</td> <td>Laundry and plant rooms</td> </tr> <tr> <td>B1</td> <td>1,807.80</td> <td>Management office, staff canteen, changing rooms and warehouse</td> </tr> <tr> <td>1</td> <td>1,351.96</td> <td>Reception, lounge, shops, business centre, bar, fire and security control room</td> </tr> <tr> <td>2 & 3</td> <td>2,786.36</td> <td>Karaoke lounge</td> </tr> <tr> <td>4</td> <td>1,393.18</td> <td>Beauty salon and health center</td> </tr> <tr> <td>5</td> <td>1,199.18</td> <td>Spa and Sauna</td> </tr> <tr> <td>6-22</td> <td>10,104.76</td> <td>26 office suites, 182 guest rooms and 3 meeting rooms</td> </tr> <tr> <td>23</td> <td>645.46</td> <td>Recreational centre accommodating bar, game rooms, billiards, snooker and gymnasium</td> </tr> <tr> <td>24 & 25</td> <td>172.68</td> <td>Lift machine room, pump room and store room</td> </tr> <tr> <td>Total:</td> <td><u>21,269.18</u></td> <td></td> </tr> </tbody> </table>	Level	Gross Floor Area (sq.m.)	Use	B2	1,807.80	Laundry and plant rooms	B1	1,807.80	Management office, staff canteen, changing rooms and warehouse	1	1,351.96	Reception, lounge, shops, business centre, bar, fire and security control room	2 & 3	2,786.36	Karaoke lounge	4	1,393.18	Beauty salon and health center	5	1,199.18	Spa and Sauna	6-22	10,104.76	26 office suites, 182 guest rooms and 3 meeting rooms	23	645.46	Recreational centre accommodating bar, game rooms, billiards, snooker and gymnasium	24 & 25	172.68	Lift machine room, pump room and store room	Total:	<u>21,269.18</u>		The property is currently operated as a hotel.	<p>No commercial value</p> <p>(60% interest attributable to the Group: No commercial value)</p>
Level	Gross Floor Area (sq.m.)	Use																																		
B2	1,807.80	Laundry and plant rooms																																		
B1	1,807.80	Management office, staff canteen, changing rooms and warehouse																																		
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24 & 25	172.68	Lift machine room, pump room and store room																																		
Total:	<u>21,269.18</u>																																			

The land use rights of the property have been allocated to Luoyang Power Supply Bureau for an unspecified term for industrial/transport uses.

Notes:

- i) Pursuant to the Certificate for State-owned Land Use Rights No. Luo Shi Guo Yong (95) Zi Di 216 issued by 洛陽市土地管理規劃局 (“**Luoyang City Land Administration and Planning Bureau**”) on 3 August 1995, the land use rights of a parcel of land located at the side of No. 23, Ba Yi Road, Xigong District, Luoyang City, having a site area of approximately 23,497.44 sq.m. of which comprising the subject land of the Property, have been granted to 洛陽市電業局 (“**Luoyang Power Supply Bureau**”) for an unspecified term for industrial/transport uses.
- ii) Pursuant to the Articles of Luoyang Golden Gulf Hotel Company Limited entered into between Luoyang Power Supply Bureau and 洛陽龍羽電力發展集團有限責任公司 (“**Luoyang Longyu Power Development (Group) Company Limited**”) on 20 January 1999, both parties agreed to establish a joint venture company, Luoyang Golden Gulf Hotel Company Limited (“**Golden Gulf Hotel Limited**”), with a registered capital of RMB29,900,000 of which 70% was contributed by Luoyang Power Supply Bureau and 30% was contributed by Lyoyang Longyu Power Development (Group) Company Limited. The parties’ profit sharing are in accordance with the proportion of the parties’ capital contribution.
- iii) Pursuant to 金水灣土地使用合同 (Land Use Rights Contract) entered into between Luoyang Power Supply Bureau and Golden Gulf Hotel Limited on 15 April 1999, Golden Gulf Hotel Limited is permitted to use the subject site with a site area of approximately 9,025.51 sq.m., for a term commencing from April 1999 to April 2049 for hotel use.
- iv) Pursuant to the Certificate for Building Ownership No. Luo Shi Fang Quan Zheng (2000) Zi Di X120461 issued by 洛陽市房地產管理局 (“**Luoyang City Real Estate Administration Bureau**”) on 2 November 2000, the building ownership of the Property, having a total gross floor area of approximately 21,269.18 sq.m., is vested in Golden Gulf Hotel Limited for servicing use.
- v) Pursuant to the Agreement for Transfer of 60% equity interest of Luoyang Golden Gulf Hotel entered into between Luoyang Power Supply Bureau and Shropshire Property Limited, a wholly-owned subsidiary of the Company, on 8 June 2001, Luoyang Power Supply Bureau agreed to transfer 60% equity interest of Golden Gulf Hotel Limited to Shropshire Property Limited (a wholly-owned subsidiary of the Company) for a consideration of HK\$90,600,000 by installments and Golden Gulf Hotel Limited shall be changed to as a sino-foreign equity joint venture company with an operation period of 30 years. Luoyang Power Supply Bureau guarantee the subject hotel is vested with a proper land use right with a term of not less than 50 years.
- vi) Pursuant to the “Joint Venture Contract of Luoyang Golden Gulf Hotel Company Limited” entered into between Luoyang Power Supply Bureau and Shropshire Property Limited on 10 June 2003, both parties agreed to establish a sino-foreign equity joint venture company, Luoyang Golden Gulf Hotel Company Limited (the “**sino-foreign JV**”), with a registered capital of RMB64,000,000 of which 40% was contributed by Luoyang Power Supply Bureau and 60% was contributed by Shropshire Property Limited. The parties’ profit sharing are in accordance with the proportion of the parties’ capital contribution.
- vii) Pursuant to the Business Licence No. Qi He Luo Zong Zi Di 000489 issued by State Administration of Industry and Commerce on 7 June 2004, the sino-foreign JV was incorporated with a registered capital of RMB145,000,000 and has an operational period from 7 November 2003 until 6 November 2033. The scope of business includes the operation of accommodation, food and beverage, tourist services, cultural and entertainment services; beauty and hair salon, bathing, washing and dyeing, leasing services; other residents’ services; wholesaling and retailing of food, beverage, daily necessities, handicraft and artistic products (excluding gold-plate and silver-wares); retailing of cigarette and technical training for staff.

- viii) The opinion of the PRC legal adviser of the Company on PRC law states that:
- a) Golden Gulf Hotel Limited has obtained the Building Ownership Certificate No. Luo Shi Fang Quan Zheng (2000) Zi Di X120461 dated 2 November, 2000. The building ownership right of the Property is held by Golden Gulf Hotel Limited (Luoyang Electricity Training Centre), a domestic Company, for servicing use.
 - b) Pursuant to the Certificate for State-owned Land Use Rights No. Luo Shi Guo Yong (95) Zi Di 216 dated 3 August 1995, the land use rights of a parcel of land, located at the side of No. 23 Ba Yi Road, Xigong District, Luoyang City, having a site area of approximately 23,497.44 sq.m. (comprising the subject site of 9,025.51 sq.m.) have been allocated to Luoyang Power Supply Bureau with an unspecified term for industrial/transport uses.
 - c) Pursuant to the Business Licence No. Qi He Luo Zong Zi Di 000489, the sino-foreign JV has full corporate power and validly existing as a limited liability company for operation of accommodation, food & beverage and tourist servicing etc.
 - d) According to the Agreement for Transfer of 60% equity interest of Luoyang Golden Gulf Hotel dated 8 June 2001, Luoyang Power Supply Bureau agreed to transfer 60% equity interest of Golden Gulf Hotel Limited to Shropshire Property Limited and the said Agreement is valid, legally binding and enforceable.
 - e) No proper land use rights nor legal title of the property have been vested in the sino-foreign JV.
- ix) We attribute no commercial value to the property due to no proper land use rights of the Property have been vested in the sino-foreign JV as at the Date of Valuation.
- x) For reference purpose, the market value of the property is estimated as approximately RMB134,000,000 assuming if the outstanding land use rights of the property have been lawfully vested in the sino-foreign JV for commercial/hotel uses and all relevant land premium have been fully paid as at the Date of Valuation which basis of valuation, valuation standard and valuation methodology are same as those disclosed in this Appendix II. Except for the assumptions of land use rights and relevant land premium paid, other assumptions to arrive such market value of the property are same as those disclosed in this Appendix II. For the land portion assessment, we have adopted relevant site comparables published by Luoyang Land Resources Bureau as follows:

Date	Lot No.	Site area (sqm)	Use	Accommodation value (Rmb/sqm)	Remark
11 January 2019	LYTD-2018-45	1,318	Commercial	1,730	Transacted
20 October 2018	LYTD-2018-34	17,599	Financing/ Insurance	1,744	Asking
20 July 2018	LYTD-2018-20	33,783	Commercial	1,333	Asking
20 July 2018	LYTD-2018-18	36,516	Commercial	2,573	Asking
1 August 2018	LYTD-2018-17	26,323	Commercial	2,520	Transacted

1. 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.

2. DISCLOSURE OF INTERESTS

(a) Interests of Directors and chief executive of the Company

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executive of the Company (if any) in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (iii) which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”), to be notified to the Company and the Stock Exchange were as follows:

Long positions in Shares and underlying Shares

Name of Director	Capacity/ Nature of interest	Number of Shares held	Number of underlying Shares held (Note 1)	Total	Approximate
					percentage of total issued share capital of the Company (Note 2)
Dr. Yap, Allan	Beneficial owner	-	7,800,000	7,800,000	0.99%
Mr. Kwok Ka Lap, Alva	Beneficial owner	-	500,000	500,000	0.06%
Mr. Poon Kwok Hing, Albert	Beneficial owner	-	500,000	500,000	0.06%
Mr. Sin Chi Fai	Beneficial owner	-	500,000	500,000	0.06%

Notes:

- The above Directors' interests in the underlying Shares were in respect of the share options granted by the Company and outstanding as at the Latest Practicable Date.
- Based on a total of 789,211,046 issued Shares as at Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions 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) (i) which were required, pursuant to Divisions 7 and 8 of Part XV of the SFO, to be notified to the Company and the Stock Exchange (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required, pursuant to the Mode Code, to be notified to the Company and the Stock Exchange.

(b) Persons holding 5% or more interests in Shares

As far as was known to any Director or chief executive of the Company (if any), as at the Latest Practicable Date, the persons (other than a Director or chief executive of the Company (if any)) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or, indirectly interested in 10% or more of the issued voting shares of any other member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2018, being the date to which the latest audited consolidated accounts of the Company have been made up) or had options in respect of such capital, were as follows:

(i) Long positions in Shares

Name of Shareholder	Capacity	Number of Shares held	Approximate Percentage of total shareholding (Note 3)
Master Glory Group Limited ("MGG") (Note 1)	Interest of controlled corporation	148,506,000	18.82%
Master Glory Group (B.V.I.) Limited ("MGG BVI") (Note 1)	Interest of controlled corporation	148,506,000	18.82%
Master Glory Investment Group Limited ("MGIG") (Note 1)	Interest of controlled corporation	148,506,000	18.82%
Leaptop Investments Limited ("Leaptop") (Note 1)	Interest of controlled corporation	148,506,000	18.82%
Asia Will Limited ("AWL") (Note 1)	Beneficial owner	148,506,000	18.82%
China Enterprises Limited ("CEL") (Note 2)	Interest of controlled corporation	48,660,424	6.17%
Cosmos Regent Ltd. (Note 2)	Beneficial owner	43,325,554	5.49%

Notes:

1. AWL, which held 148,506,000 Shares, was a wholly-owned subsidiary of Leaptop which was in turn a wholly-owned subsidiary of MGIG. MGIG was a wholly-owned subsidiary of MGG BVI which was in turn wholly-owned by MGG. Accordingly, Leaptop, MGIG, MGG BVI and MGG were deemed to be interested in 148,506,000 Shares held by AWL under the SFO.
2. CEL was deemed to be interested in 48,660,424 Shares through its interest in its wholly-owned subsidiaries, Cosmos Regent Ltd. and Million Good Limited, which held 43,325,554 Shares and 5,334,870 Shares respectively under the SFO.
3. Based on a total of 789,211,046 issued Shares as at Latest Practicable Date.
4. As at the Latest Practicable Date, (i) Dr. Yap, Allan, an executive Director, was also a director of MGG, MGG BVI, MGIG, Leaptop, AWL, CEL and Cosmos Regent Ltd; (ii) Mr. Sin Chi Fai, an independent non-executive Director, was also an independent non-executive director of MGG and CEL; and (iii) Mr. Kwok Ka Lap, Alva and Mr. Poon Kwok Hing, Albert, independent non-executive Directors, were also independent non-executive directors of MGG.

(ii) Substantial shareholders of members of the Group

Name of subsidiary	Name of shareholder	Percentage of shareholding
Luoyang Golden Gulf Hotel Company Limited	國網河南省電力公司洛陽供電公司	40%
洛陽電力旅行社有限公司	洛陽市電力廣告有限公司	33.33%

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other person(s) (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the issued voting shares of any other member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2018, being the date to which the latest audited consolidated accounts of the Company have been made up) or had any options in respect of such capital.

3. LITIGATION

As at the Latest Practicable Date, as far as the Directors were aware, there were no litigation or claims of material importance pending or threatened against any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2018, being the date to which the latest audited consolidated accounts of the Company have been made up).

4. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2018, being the date to which the latest audited consolidated accounts of the Company have been made up) which did not expire or might not be determinable by the Group within one year without payment of compensation, other than statutory compensation.

5. COMPETING INTERESTS

Director	Name of business	Nature of business	Nature of interest
Dr. Yap, Allan	MGG and its subsidiaries	Trading of securities	Chairman and an executive director, and a substantial shareholder of MGG
Mr. Wong Kui Shing, Danny	TFG International Group Limited and its subsidiaries	Hotel business in the PRC	Non-executive director

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or any of their respective close associates had interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. DIRECTORS' INTEREST IN ASSETS, CONTRACTS AND ARRANGEMENT OF THE GROUP

As at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2018, being the date to which the latest audited consolidated accounts of the Company have been made up). As at the Latest Practicable Date, none of the Directors had any interest, directly or indirectly, in any assets which have been, since 31 December 2018 (being the date to which the latest audited consolidated accounts of the Company have been made up), acquired or disposed of by or leased to any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2018, being the date to which the latest audited consolidated accounts of the Company have been made up), or were proposed to be acquired or disposed of by or leased to any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2018, being the date to which the latest audited consolidated accounts of the Company have been made up).

7. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2018, being the date to which the latest audited consolidated accounts of the Company have been made up) within two years immediately preceding the date of this circular and up to the Latest Practicable Date, which are or may be material:

- (i) the sale and purchase agreement dated 27 December 2017 entered into among the Company (as purchaser), 東莞市銀基集團有限公司 (Dongguan Yinji Group Co., Ltd.[#]) and 鄺艷芳女士 (Ms. Kuang Yan Fang[#]) (collectively as vendors), 廣東康泉十八國際生態健康旅遊城有限公司 (Guangdong Kangquan Eighteen International Eco-Health Travel Co., Ltd.[#]) (“**Guangdong Kangquan**”), and 鄺華仔先生 (Mr. Kuang Hua Zi[#]) and 鄺照光先生 (Mr. Kuang Zhao Guang[#]) (together as guarantors to 東莞市銀基集團有限公司) in relation to the proposed acquisition of the entire registered capital of Guangdong Kangquan by the Company at a consideration of RMB280 million;
- (ii) the settlement agreement dated 27 September 2018 entered into among the Company, 東莞市銀基集團有限公司 (Dongguan Yinji Group Co., Ltd.[#]), 鄺艷芳女士 (Ms. Kuang Yan Fang[#]), Guangdong Kangquan, 鄺華仔先生 (Mr. Kuang Hua Zi[#]) and 鄺照光先生 (Mr. Kuang Zhao Guang[#]) terminating the sale and purchase agreement set out in sub-paragraph (i) above;
- (iii) the Disposal Agreement;
- (iv) the Supplemental Agreement; and
- (v) the Second Supplemental Agreement.

8. EXPERT AND CONSENT

The following is the qualification of the expert who has given its opinions, letters or advice contained in this circular:

Name	Qualifications
Norton Appraisals Limited	independent valuer

The above expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter, advice or report, as the case may be, and reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above expert had no shareholding, directly or indirectly, in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above expert had no direct or indirect interest in any assets which had been, since 31 December 2018 (being the date to which the latest published audited consolidated accounts of the Company have been made up), acquired, or disposed of by or leased to, or were proposed to be acquired, disposed of by or leased to any member of the Group (including any company which will become a subsidiary of the Company by reason of an acquisition which has been agreed or proposed since 31 December 2018, being the date to which the latest audited consolidated accounts of the Company have been made up).

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (i.e. from 9:30 a.m. to 6:00 p.m. from Monday to Friday) at the principal place of business of the Company in Hong Kong at Room 3401, 34th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong from the date of this circular up to and including the date of the SGM:

- (a) the memorandum of association and the Bye-Laws;
- (b) the annual reports of the Company for the two years ended 31 December 2018;
- (c) the material contracts referred to in the paragraph headed "**Material Contracts**" in this appendix;
- (d) the property valuation report as prepared by Norton Appraisals Limited as set out in Appendix II to this circular;
- (e) the written consent referred to in the paragraph headed "Expert and Consent" in this appendix; and
- (f) this circular.

10. MISCELLANEOUS

- (a) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The head office and principal place of business of the Company in Hong Kong is located at Room 3401, 34th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (c) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The company secretary of the Company is Ms. Law Sau Lai, who is an associate of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators.
- (e) The English text of this circular shall prevail over the Chinese text in case of inconsistency.

Mr. Lai Tsz Wah (“**Mr. Lai**”), aged 56, was appointed as the managing Director on 31 May 2019. He is also the chairman of the corporate governance committee, a member of the nomination committee and the remuneration committee of the Company, and a director of various subsidiaries of the Company. He has more than 30 years of experience in auditing, accounting and finance in international accounting firms and listed companies. Mr. Lai holds a master degree in business administration. He is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Lai was previously the group financial controller of the Company and worked for the Company from March 1998 to April 2015. Mr. Lai had also been an executive director and the chief executive officer of Qin Jia Yuan Media Services Company Limited (now known as SMI Culture & Travel Group Holdings Limited), the issued shares of which are listed on the Stock Exchange, since June 2012 and was re-designated as a non-executive director in August 2013 and up to November 2013. Prior to rejoining the Company, Mr. Lai was a director of various subsidiaries of a Hong Kong listed company.

Save as disclosed above, Mr. Lai confirmed that as at the Latest Practicable Date, (i) he did not hold any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he did not have any other positions with the Company and other members of the Group; (iii) he did not have any relationship with any directors, senior management or substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company; and (iv) he did not have any interest in the Shares or the underlying Shares within the meaning of Part XV of the SFO.

Mr. Lai has entered into an employment contract with the Company. That employment contract has no fixed terms and is subject to termination by either party giving to the other not less than three months’ notice in writing or payment in lieu of notice. His directorship is also subject to retirement and re-election at the general meetings of the Company in accordance with the Bye-Laws. Pursuant to the employment contract, Mr. Lai is entitled to a monthly salary of HK\$130,000 per month with a discretionary bonus, which was determined by the remuneration committee of the Company with reference to his duties and responsibilities with the Company and the prevailing market conditions.

In relation to the proposed re-election of Mr. Lai as a Director, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Dong Bo, Frederic (“Mr. Dong”), aged 53, was appointed as an executive Director on 12 August 2019. He has extensive management experience in the PRC. He is currently the chairman and an executive director of Tech Pro Technology Development Limited, the issued shares of which are listed on the Stock Exchange. Mr. Dong was an executive director of China Development Corporation Limited (now known as Success Universe Group Limited), the issued shares of which are listed on the Stock Exchange, from 3 January 2001 to 29 October 2001. Mr. Dong was the chairman and an executive director of Premium Land Limited (now known as China Baoli Technologies Holdings Limited), the issued shares of which are listed on the Stock Exchange, from 26 October 2001 to 8 November 2006. In addition, from 2002 to 2004, Mr. Dong was a member of the Standing Committee of the Chamber of Hong Kong Listed Companies, which functions as an effective communication channel between listed companies and regulatory authorities in Hong Kong.

Save as disclosed above, Mr. Dong confirmed that as at the Latest Practicable Date, (i) he did not hold any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years; (ii) he did not have any other positions with the Company and other members of the Group; (iii) he did not have any relationship with any directors, senior management or substantial or controlling shareholders (as respectively defined in the Listing Rules) of the Company; and (iv) he did not have any interest in the Shares or the underlying Shares within the meaning of Part XV of the SFO.

Mr. Dong has not entered into any service contract with the Company and there is no designated length of service for his appointment, but he is subject to retirement and re-election at the general meetings of the Company in accordance with the Bye-Laws. Mr. Dong is entitled to a director’s fee of HK\$30,000 per month, which was determined by the remuneration committee of the Company with reference to his duties and responsibilities with the Company and the prevailing market conditions.

In relation to the proposed re-election of Mr. Dong as a Director, there are no other matters that need to be brought to the attention of the Shareholders and there is no information to be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules.

NOTICE OF SPECIAL GENERAL MEETING



Rosedale Hotel Holdings Limited

珀麗酒店控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1189)

NOTICE IS HEREBY GIVEN THAT a special general meeting (the “**SGM**”) of Rosedale Hotel Holdings Limited (the “**Company**”) will be held on 10 December 2019 (Tuesday) at 10:00 a.m. at Forum Room I, Basement 2, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions of the Company:

ORDINARY RESOLUTIONS

1. “THAT

- (A) the conditional disposal agreement dated 23 November 2018 (as amended and supplemented by the supplemental agreement dated 22 May 2019 and the second supplemental agreement dated 22 September 2019) (collectively, the “**Disposal Agreement**”) (a copy of which has been tabled at the meeting marked “A” and signed by the chairman of the meeting for the purpose of identification) entered into between 洛陽鼎和電力建設有限公司 (Luoyang Dinghe Electric Construction Limited[#]) as purchaser and Shropshire Property Limited 索普物業有限公司 (being a wholly-owned subsidiary of the Company) as vendor in relation to, among other matters, the disposal of 60% equity interest of Luoyang Golden Gulf Hotel Company Limited (洛陽金水灣大酒店有限公司) at the consideration of RMB61 million and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (B) any one of the directors of the Company (the “**Director**”) be and is hereby authorised to do all such further acts and things, negotiate, approve, agree, sign, initial, ratify and/or execute such further documents, instruments and agreements (whether under common seal or not) and to take all steps and to do all such acts or things, including agreeing to such amendments, extensions or waivers, deemed by him to be incidental to, ancillary to or in connection with the matters contemplated in the Disposal Agreement and the transactions contemplated thereunder as he may in his absolute discretion consider necessary, desirable or expedient to give effect to the Disposal Agreement and the implementation of all transactions contemplated thereunder.”

2(A). “THAT the re-election of Mr. Lai Tsz Wah as a Director be and is hereby approved.”

2(B). “THAT the re-election of Mr. Dong Bo, Frederic as a Director be and is hereby approved.”

NOTICE OF SPECIAL GENERAL MEETING

SPECIAL RESOLUTION

3. **“THAT** conditional upon compliance by the Company with the requirements of section 46(2) of the Companies Act 1981 of Bermuda (as amended), with effect from the business day (as defined below) immediately following the date of passing of this resolution (**“Reduction Effective Date”**):
- (A) the entire amount standing to the credit of the share premium account of the Company as at the Reduction Effective Date be reduced to nil (**“Reduction of Share Premium”**) and the credit arising therefrom be transferred to the contributed surplus account of the Company;
 - (B) the Directors be and are hereby authorised to apply any credit balance in the contributed surplus account of the Company in such manner as they consider appropriate from time to time and in accordance with the laws of Bermuda and the bye-laws of the Company, including but not limited to setting off the accumulated losses of the Company; and
 - (C) the Directors be and are hereby authorised generally to do and carry out all acts and things which they may consider appropriate, necessary or desirable to give effect to or to implement the Reduction of Share Premium and the application of the credit which will be arising therefrom.

For the purpose of this resolution, “business day” means a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which licensed banks in Hong Kong are generally open for business.”

By order of the Board
Rosedale Hotel Holdings Limited
Law Sau Lai
Company Secretary

Hong Kong, 4 November 2019

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:
Room 3401, 34th Floor
Hopewell Centre
183 Queen’s Road East
Wan Chai
Hong Kong

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. Any shareholder of the Company entitled to attend and vote at the SGM shall be entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A shareholder of the Company who is the holder of two or more shares may appoint more than one proxy to represent him/her/it and vote on his/her/its behalf at the SGM. A proxy need not be a shareholder of the Company. In addition, a proxy or proxies representing either an individual shareholder or a shareholder which is a corporation, shall be entitled to exercise the same powers on behalf of the shareholder which he/she or they represent(s) as such shareholder could exercise.
2. The instrument appointing a proxy must be in writing under the hand of the appointor or of his/her attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the SGM or any adjournment thereof at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
3. Completion and delivery of an instrument appointing a proxy will not preclude a shareholder of the Company from attending and voting in person at the SGM and/or at any adjournment thereof should he/she/it so wish and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Where there are joint holders of any share of the Company, any one of such holders may vote at the SGM and/or at any adjournment thereof, either personally or by proxy, in respect of such share as if he/she/it were solely entitled thereto, but if more than one of such joint holders be present at the SGM and/or at any adjournment thereof personally or by proxy, then the one of such holders 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. Several executors or administrators of a deceased shareholder in whose name any share stands shall for this purpose be deemed joint holders thereof.
5. A form of proxy for use at the SGM is enclosed herewith.
6. For the purpose of determining Shareholders who are entitled to attend and vote at the SGM, the register of members of the Company will be closed from 4 December 2019 (Wednesday) to 10 December 2019 (Tuesday) (both dates inclusive) during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the SGM, all transfer documents accompanied by the relevant Share certificates must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on 3 December 2019 (Tuesday) for registration.