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**If you have sold or transferred** all your shares in SFK Construction Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker, registered dealer in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**SFK Construction Holdings Limited**

**新福港建設集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1447)**

**PROPOSALS FOR GENERAL MANDATES TO ISSUE  
AND REPURCHASE SHARES, RE-ELECTION OF  
RETIRING DIRECTORS AND FINAL DIVIDEND  
AND NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting (the “AGM”) of SFK Construction Holdings Limited (the “Company”) to be held at 43rd Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on Thursday, 21 May 2020 at 10:30 a.m. is set out on pages 17 to 21 of this circular.

A form of proxy for use by the shareholders at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to read this circular and complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the share registrar of the Company in Hong Kong, Tricor Investor Services 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 appointed for holding the AGM or any adjournment 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 should you so wish.

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 43rd Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on Thursday, 21 May 2020 at 10:30 a.m., the notice of which is set out on pages 17 to 21 of this circular, or any adjournment thereof
“AGM Notice”	the notice convening the AGM as set out on pages 17 to 21 of this circular
“Board”	the board of Directors
“Buyback Mandate”	a general unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase the Shares for a total number not exceeding 10% of the number of the issued Shares as at the date of the passing of the relevant resolution
“Bye-laws”	the bye-laws of the Company adopted on 19 November 2015 and effective from 10 December 2015 as amended, supplemented or otherwise modified from time to time
“Company”	SFK Construction Holdings Limited (Stock Code: 1447), an exempted company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules, and unless the context otherwise requires, refer to SFK Group, Good Target and Mr. Lo
“Director(s)”	the director(s) of the Company
“Good Target”	Good Target Limited, a company incorporated in the British Virgin Islands with limited liability on 8 May 1997 and wholly owned by Mr. Lo
“Group”	the Company and its subsidiaries
“HK\$” and “HK cent(s)”	Hong Kong dollar(s) and Hong Kong cent(s), respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

## DEFINITIONS

“Issue Mandate”	a general unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to allot, issue and deal with the Shares for an aggregate number not exceeding 20% of the number of the issued Shares as at the date of the passing of the relevant resolution
“Latest Practicable Date”	7 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Memorandum”	the memorandum of association of the Company, as amended, supplemented or otherwise modified from time to time
“Mr. Lo”	Mr. Lo Kai Shui, one of the Controlling Shareholders
“Register”	the register of members of the Company
“SFK Group”	Sun Fook Kong Group Limited, a company incorporated in the British Virgin Islands with limited liability on 8 June 1999, which is owned as to approximately 71.39% by Good Target, 18.94% by Ocean Asset Holdings Limited, 3.54% by Growth Asset Holdings Limited and 6.13% by companies controlled by family members of Mr. Lo
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of the Company with nominal value of HK\$0.1 each
“Share Registrar”	Tricor Investor Services Limited, being the Hong Kong share registrar of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules

## DEFINITIONS

“Takeovers Code” the Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong, as amended, supplemented or otherwise modified from time to time

“%” per cent



**SFK Construction Holdings Limited**

**新福港建設集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1447)**

*Executive Directors:*

Mr. CHAN Ki Chun (*Chairman*)  
Mr. CHAN Chor Tung  
Mr. YUNG Kim Man  
Mr. YEUNG Cho Yin, William

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Independent non-executive Directors:*

Mr. LAM Leung Tsun  
Mr. JIM Fun Kwong, Frederick  
Mr. CHAN Kim Hung, Simon

*Headquarters, head office and  
principal place of business  
in Hong Kong:*

43rd Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

16 April 2020

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO ISSUE  
AND REPURCHASE SHARES, RE-ELECTION OF  
RETIRING DIRECTORS AND FINAL DIVIDEND  
AND NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with the AGM Notice and the relevant information regarding the resolutions to be proposed at the AGM relating to:

- (a) the granting of the Issue Mandate to the Directors;
- (b) the granting of the Buyback Mandate to the Directors;
- (c) the granting of the extension mandate to extend the Issue Mandate by the addition of an amount representing the number of the issued Shares repurchased by the Company pursuant to the Buyback Mandate;

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- (d) the re-election of the retiring Directors;
- (e) the re-appointment of the auditor of the Company; and
- (f) the declaration of a final dividend.

### 2. THE ISSUE MANDATE

The Directors have been granted a general unconditional mandate to allot, issue and deal with the Shares pursuant to the ordinary resolution passed at the annual general meeting of the Company held on 23 May 2019 (the “2019 AGM”). As at the Latest Practicable Date, such general mandate has not been utilized and will lapse at the conclusion of the AGM. Therefore, an ordinary resolution will be proposed at the AGM that the Directors be granted a general unconditional mandate to allot, issue and deal with the Shares for an aggregate number not exceeding 20% of the number of the issued Shares as at the date of the passing of the relevant resolution.

Details of the Issue Mandate are set out in the ordinary resolution as referred to in resolution no. 6 of the AGM Notice.

### 3. THE BUYBACK MANDATE

The Directors have been granted a general unconditional mandate to exercise all powers of the Company to repurchase the Shares pursuant to the ordinary resolution passed at the 2019 AGM. As at the Latest Practicable Date, such buyback mandate has not been utilized and will lapse at the conclusion of the AGM. Therefore, an ordinary resolution will be proposed at the AGM that the Directors be granted a general unconditional mandate to exercise all powers of the Company to repurchase the Shares for a total number not exceeding 10% of the number of the issued Shares as at the date of the passing of the relevant resolution.

An explanatory statement giving the particulars required under the Listing Rules in respect of the Buyback Mandate to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision whether to vote for or against the resolution is set out in the **Appendix I** to this circular.

Details of the Buyback Mandate are set out in the ordinary resolution as referred to in resolution no. 7 of the AGM Notice.

The Issue Mandate and the Buyback Mandate will remain in effect until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; or (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying such mandate.

As at the Latest Practicable Date, the Company has in issue an aggregate of 400,000,000 Shares. Subject to the passing of the proposed resolutions for the approval of the Issue Mandate and the Buyback Mandate and on the basis that no further Shares are issued or

## LETTER FROM THE BOARD

repurchased during the period from the Latest Practicable Date until the AGM, the Company would be allowed to allot, issue and deal with a maximum of 80,000,000 Shares and to repurchase a maximum of 40,000,000 Shares, respectively.

### 4. EXTENSION OF ISSUE MANDATE

In addition, if the Issue Mandate and the Buyback Mandate are granted, an ordinary resolution will be proposed at the AGM to extend the Issue Mandate by the addition to the number of the Shares which may be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with by the Directors pursuant to the Issue Mandate of an amount representing the number of the issued Shares repurchased by the Company pursuant to the Buyback Mandate.

Details of the extension of the Issue Mandate are set out in the ordinary resolution as referred to in resolution no. 8 of the AGM Notice.

### 5. RE-ELECTION OF THE DIRECTORS

Pursuant to Bye-law no. 84(1) of the Bye-laws, at each annual general meeting of the Company, 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 at least once every three years.

Pursuant to Bye-law no. 84(2) of the Bye-laws, a retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

In accordance with the above provisions of the Bye-laws, Mr. CHAN Ki Chun, Mr. CHAN Chor Tung and Mr. CHAN Kim Hung, Simon will retire from office and, being eligible, offer themselves for re-election as Directors at the AGM. Biographical details of the retiring Directors proposed to be re-elected at the AGM are set out in **Appendix II** to this circular.

On 26 March 2020, the nomination committee of the Board (the “**Nomination Committee**”), having reviewed the composition of the Board, nominated the retiring Directors Mr. CHAN Ki Chun, Mr. CHAN Chor Tung and Mr. CHAN Kim Hung, Simon to the Board for it to recommend to the Shareholders for re-election at the AGM. Mr. CHAN Ki Chun and Mr. CHAN Kim Hung, Simon, both being members of the Nomination Committee, abstained from discussion and voting at the Nomination Committee meeting regarding their respective nominations.



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The nominations were made in accordance with the nomination policy of the Company and the objective criteria (including skills, knowledge, experience and professional expertise, character and integrity and potential time commitment for the Board and/or committee responsibilities), with due regard to the benefits of diversity as set out under the board diversity policy of the Company. The Nomination Committee has also taken into account the respective contributions of Mr. CHAN Ki Chun, Mr. CHAN Chor Tung and Mr. CHAN Kim Hung, Simon to the Board and their commitment to their roles.

The Nomination Committee considered that in view of their diverse and different educational backgrounds and professional knowledge and experience as set out in Appendix II to this circular, Mr. CHAN Ki Chun, Mr. CHAN Chor Tung and Mr. CHAN Kim Hung, Simon will bring valuable perspectives, knowledge, skills and experiences to the Board for its efficient and effective functioning and their appointments will contribute to the diversity of the Board appropriate to the requirements of the Company's business. The Nomination Committee was also satisfied with the independence of Mr. CHAN Kim Hung, Simon having regard to the independence criteria as set out in Rule 3.13 of the Listing Rules.

Mr. CHAN Kim Hung, Simon, who is proposed to be re-elected as an independent non-executive Director, confirmed to the Company that he did not, as at the Latest Practicable Date, hold seven or more directorship in any listed companies.

On 26 March 2020, the Board accepted the Nomination Committee's nominations and resolved to recommend Mr. CHAN Ki Chun, Mr. CHAN Chor Tung and Mr. CHAN Kim Hung, Simon to stand for re-election by the Shareholders at the AGM. The Board considers that the re-election of Mr. CHAN Ki Chun, Mr. CHAN Chor Tung and Mr. CHAN Kim Hung, Simon as the Directors is in the best interest of the Company and Shareholders as a whole. Mr. CHAN Ki Chun, Mr. CHAN Chor Tung and Mr. CHAN Kim Hung, Simon abstained from discussion and voting at the Board meeting regarding their respective nominations.

Further information about the Board's composition and diversity and Directors' attendance record at the Board/committee meetings for the year of 2019 are disclosed in the corporate governance report of the 2019 annual report of the Company.

### **6. RE-APPOINTMENT OF THE AUDITOR**

KPMG will retire as the auditor of the Company at the AGM and, being eligible, offer themselves for re-appointment at the AGM.

### **7. DECLARATION OF FINAL DIVIDEND**

As announced by the Company in its final results announcement dated 26 March 2020, the Board has recommended the payment of a final dividend of HK4.0 cents per Share for the year ended 31 December 2019 to the Shareholders whose names appear on the Register at the close of business on Friday, 29 May 2020. Such final dividend is subject to the approval by the Shareholders at the AGM and a resolution will be proposed to the Shareholders for voting at the AGM.

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Subject to the approval of the Shareholders at the AGM, the payment of the final dividend for the year ended 31 December 2019 aforesaid will be distributed and the final dividend cheques will be dispatched to the Shareholders on or about Friday, 12 June 2020.

### 8. CLOSURE OF REGISTER

In order to establish entitlements to attend and vote at the AGM, the Register will be closed from Monday, 18 May 2020 to Thursday, 21 May 2020 (both dates inclusive), during which no transfer of the Shares can be registered. In order to be entitled to attend and vote at the AGM, all completed share transfer forms accompanied by the relevant share certificates shall be lodged with the Share Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 15 May 2020.

In order to establish entitlements to the proposed final dividend for the year ended 31 December 2019, the Register will be closed from Thursday, 28 May 2020 to Friday, 29 May 2020 (both dates inclusive), during which no transfer of the Shares can be registered. In order to be qualified for the said proposed final dividend, all completed share transfer forms accompanied by the relevant share certificates shall be lodged with the Share Registrar at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 27 May 2020. The Shares will be traded on ex-dividend basis on Tuesday, 26 May 2020.

### 9. AGM AND PROXY ARRANGEMENT

The AGM is to be held at 43rd Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong on Thursday, 21 May 2020 at 10:30 a.m. for the purpose of considering and, if thought fit, approving, inter alia, the resolutions proposed in the AGM Notice. The AGM Notice is set out on pages 17 to 21 of this circular.

A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to read this circular and complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Share Registrar 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 appointed for holding the AGM or any adjourned meeting. 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 should you so wish.

### 10. VOTING AT THE AGM

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolutions to be considered and, if thought fit, approved at the AGM will be voted by way of a poll by the Shareholders. An announcement on the poll results will be made by the Company after the AGM, in the manner prescribed under Rule 13.39(5) of the Listing Rules.

## LETTER FROM THE BOARD

### 11. 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.

### 12. RECOMMENDATION

The Directors believe that the proposed resolutions as set out in the AGM Notice, including, among other things, the proposed resolutions in relation to the Issue Mandate, the Buyback Mandate, the extension of the Issue Mandate, the re-election of retiring Directors, the reappointment of the auditor of the Company and the declaration of final dividend for the year ended 31 December 2019 are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

### 13. GENERAL INFORMATION

Your attention is also drawn to the information set out in the appendices to this circular.

Yours faithfully,  
By order of the Board  
**SFK Construction Holdings Limited**  
**Chan Ki Chun**  
*Chairman*

This appendix serves as an explanatory statement, as required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules, to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to approve the grant of the Buyback Mandate.

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, a total of 400,000,000 Shares were in issue. As at the Latest Practicable Date, the Company did not have any outstanding options, warrants and convertible securities to subscribe for the Shares.

Assuming that no further Shares are issued or repurchased during the period from the Latest Practicable Date until the AGM, the Company would be allowed under the Buyback Mandate to repurchase a maximum of 40,000,000 Shares representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

## **2. REASONS FOR REPURCHASES**

The Directors have no present intention to repurchase any Shares but consider that the Buyback Mandate will provide the Company with the flexibility to make such repurchase when appropriate and beneficial to the Company. Such repurchases, depending on market conditions and funding arrangements at the time, may lead to enhancement of the net asset value of the Company and/or the earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole. The number of the Shares to be repurchased on any occasion and the price and other terms on which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

## **3. SOURCE OF FUNDS FOR REPURCHASES**

The Company is empowered by the Bye-laws to repurchase its Shares. In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with the Listing Rules, the Bye-laws, the applicable laws of Bermuda and all other applicable laws, rules and regulations, as the case may be.

Any repurchase of the Shares may only be effected out of capital paid up on the repurchased Shares or out of the funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. The premium, if any, payable on a repurchase over the par value of the Shares to be repurchased must be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account.

The Company may not repurchase its own Shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange in effect from time to time.

As compared with the position disclosed in the audited consolidated financial statements of the Company as at 31 December 2019, the Directors consider that there could be a material adverse impact on the working capital and on the gearing level of the Company in the event that the proposed repurchases under the Buyback Mandate were to be carried out in full during the proposed repurchases period. However, the Directors do not propose to exercise the Buyback Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing level which, in the opinion of the Directors, are from time to time appropriate for the Company.

#### **4. DIRECTORS' UNDERTAKING**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the proposed resolution for the Buyback Mandate in accordance with the Listing Rules, the By-laws and the applicable laws of Bermuda.

#### **5. INTENTION TO SELL SHARES**

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) has any present intention, in the event that the proposed resolution for the Buyback Mandate is approved by the Shareholders, to sell any of their Shares to the Company.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any of their Shares to the Company or has undertaken not to sell any of their Shares to the Company, in the event that the Company is authorised to make repurchases of the Shares.

#### **6. CONSEQUENCES UNDER THE TAKEOVERS CODE**

If, as a result of a repurchase of the Shares by the Company pursuant to the Buyback 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 Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any such consequence which may arise under the Takeovers Code if the Buyback Mandate is exercised.

As at the Latest Practicable Date, to the best of the knowledge of the Directors, SFK Group held 300,000,000 Shares representing 75% of the issued share capital of the Company. SFK Group is owned as to approximately 71.39% by Good Target which in turn is wholly and beneficially owned by Mr. Lo. By virtue of the SFO, Good Target and Mr. Lo are deemed to be interested in the Shares held by SFK Group.

If the Buyback Mandate is exercised in full (and assuming that the issued share capital of the Company remains unchanged from the Latest Practicable Date up to the date on which the Buyback Mandate, if approved by the Shareholders, is exercised in full), the total number of the Shares which will be repurchased pursuant to the Buyback Mandate shall be 40,000,000 Shares (being 10% of the total number of issued Shares as at the Latest Practicable Date). The percentage shareholding of the Controlling Shareholders will be increased to approximately 83.33% of the issued share capital of the Company immediately following the full exercise of the Buyback Mandate. Any repurchase of the Shares which results in the number of the Shares held by the public being reduced to less than the prescribed percentage of the Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public float under Rule 8.08 of the Listing Rules. However, the Directors have no present intention to exercise the Buyback Mandate to such an extent that, in the circumstances, there is insufficient public float as prescribed under the Listing Rules.

## **7. SHARE PRICES**

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous 12 months to the Latest Practicable Date were as follows:

	<b>Price per Shares</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2019</b>		
April	2.62	2.08
May	2.70	2.02
June	2.13	1.68
July	1.99	1.71
August	1.84	0.97
September	1.16	1.00
October	1.10	0.98
November	1.14	0.98
December	1.05	0.89
<b>2020</b>		
January	1.02	0.92
February	0.92	0.88
March	0.86	0.65
April (up to the Latest Practicable Date)	0.75	0.65

## **8. SHARE REPURCHASES MADE BY THE COMPANY**

No repurchase of the Shares had been made by the Company (whether on the Stock Exchange or otherwise) in the 6 months preceding the Latest Practicable Date.

The following are the particulars of the Directors who will retire at the conclusion of the AGM and will be proposed to be re-elected at the AGM.

**EXECUTIVE DIRECTORS****Mr. Chan Ki Chun**

**Mr. Chan Ki Chun** (formerly known as Chan Kin Chung), aged 63, was appointed as a director of the Company and chairman of the Board on 24 October 2007 and has been an executive Director since then. Mr. Chan is also the managing director of the Group and a director of various of our subsidiaries. He is primarily responsible for overseeing and planning the business strategies and the overall management of the Group. Mr. Chan has over 40 years of experience in the construction industry and has participated in various foundation, substructures, building works, drainage and bridge works. Mr. Chan joined the Group in March 1989 and was appointed as a director of Sun Fook Kong (Civil) Limited (an indirect wholly-owned subsidiary of the Company) in January 1993 and Sun Fook Kong Construction Limited (an indirect wholly-owned subsidiary of the Company) in January 1995. He has participated in various significant projects of the Group including the Central Reclamation Phase II, the West Kowloon Corridor and the Hong Kong Disneyland Resort project. Prior to joining the Group, Mr. Chan joined OVE ARUP & Partners Hong Kong Limited, a company which provides consulting services in building design, civil engineering and industrial construction where he was primarily responsible for civil engineering related works, from June 1979 to February 1989.

Mr. Chan is also a director and (in the case of PRC-established companies) the legal representative of most of the subsidiaries of SFK Group.

Mr. Chan is a registered professional engineer in civil and geotechnical engineering by Hong Kong Engineers Registration Board and a member of the Institution of Civil Engineers in the United Kingdom and the Hong Kong Institution of Engineers. Mr. Chan holds a bachelor's degree in civil engineering from the University of Alberta in Canada. He is father of Mr. Chan Yau Ming, a member of the senior management of the Company.

Mr. Chan has entered into a service agreement with the Company pursuant to which he has agreed to act as an executive Director for a fixed term of three years commencing from 10 December 2018, unless terminated by either Mr. Chan or the Company in accordance with the terms of the service agreement. Mr. Chan is entitled to a remuneration of HK\$121,900 per month and, for each completed calendar year of service, a discretionary bonus as may be decided by the Board. Such remuneration was determined in accordance with, and covered by, the aforesaid service agreement. Mr. Chan is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, Mr. Chan (i) has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (ii) is not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company; and (iii) has not held any other major appointments or professional qualifications.



As at the Latest Practicable Date, (i) Growth Asset Holdings Limited (a company incorporated in the British Virgin Islands with limited liability), which is wholly owned by Mr. Chan, owns 97,599 shares or 3.54% of the issued share capital of SFK Group. SFK Group is an associated corporation (within the meaning of Part XV of the SFO) of the Company. By virtue of the SFO, Mr. Chan is deemed to be interested in the said 97,599 shares of SFK Group held by Growth Asset Holdings Limited; (ii) SFK Group holds 300,000,000 Shares, representing 75% of the issued share capital of the Company.

Save as disclosed, as at the Latest Practicable Date, Mr. Chan does not have, and is not deemed to have any interests or short positions in any 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, to the best of the knowledge of the Directors having made all reasonable enquiries, there is no other information relating to Mr. Chan that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters concerning Mr. Chan that needs to be brought to the attention of the Shareholders.

#### **Mr. Chan Chor Tung**

**Mr. Chan Chor Tung**, aged 63, was appointed as a director of the Company on 1 July 2014 and has been an executive Director since then. He is an executive director of our construction and civil division since January 2017 and is primarily responsible for overseeing, planning, estimating, tendering and subcontracting of our projects. He is also a director of several of our subsidiaries and joint ventures. Mr. Chan has over 29 years of experience in the building and construction industry. Mr. Chan joined the Group in April 1990. Prior to joining the Group, Mr. Chan served as a civil engineering estimator of Shui On Civil Contractors Limited, a building contractor company, and was primarily responsible for negotiation, planning and programming for tendering from 1989 to 1990. Mr. Chan is a member of the Chartered Institution of Civil Engineering Surveyors in the United Kingdom, a member of the Royal Institution of Chartered Surveyors in the United Kingdom and a member of the Hong Kong Institute of Surveyors. Mr. Chan holds a bachelor's degree in civil engineering from the National Cheng Kung University in Taiwan.

Mr. Chan has entered into a service agreement with the Company pursuant to which he has agreed to act as an executive Director for a fixed term of three years commencing from 10 December 2018, unless terminated by either Mr. Chan or the Company in accordance with the terms of the service agreement. Mr. Chan is entitled to a remuneration of HK\$122,000 per month and, for each completed calendar year of service, a discretionary bonus as may be decided by the Board. Such remuneration was determined in accordance with, and covered by, the aforesaid service agreement. Mr. Chan is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws.



Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, Mr. Chan (i) has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (ii) is not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) has not held any other major appointments or professional qualifications; and (iv) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, there is no other information relating to Mr. Chan that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters concerning Mr. Chan that needs to be brought to the attention of the Shareholders.

### **INDEPENDENT NON-EXECUTIVE DIRECTOR**

#### **Mr. Chan Kim Hung, Simon**

**Mr. Chan Kim Hung, Simon**, aged 63, was appointed as an independent non-executive Director on 19 November 2015. Mr. Chan has retired since April 2006. Mr. Chan has over 25 years of experience in treasury and capital markets and had served various trading and managerial roles in Hong Kong and Singapore. He joined the Royal Bank of Scotland plc., (“RBS”) Hong Kong branch as a dealer in June 1981, and since then he began his 25 years of progressive career advancement within RBS’s treasury and capital markets/financial markets business in both Hong Kong branch and Singapore branch. Mr. Chan last held the position of Head of Treasury and Capital Markets, Hong Kong, prior to the relocation to the Singapore branch in October 1998. Subsequent to transferring to the Singapore branch, Mr. Chan was the treasurer of Treasury and Capital Markets, Singapore in 1999, assuming full responsibility for the Singapore branch’s treasury and capital market operations. Mr. Chan last held the position of the Head of Front Office Infrastructure prior to his retirement from RBS and returning to Hong Kong in May 2006.

Mr. Chan holds a master’s degree in business administration majored in investment and finance offered in Singapore and validated by the University of Hull in the United Kingdom.

Mr. Chan has entered into a letter of appointment with the Company pursuant to which he has agreed to act as an independent non-executive Director for a fixed term of three years with effect from 10 December 2018, subject to early termination by either party in accordance with the terms of the letter of appointment. Mr. Chan is entitled to a remuneration of HK\$120,000.00 per annum. Mr. Chan is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, Mr. Chan (i) has not held any other directorships in the last three years in any listed public company in Hong Kong or overseas; (ii) is not related to any Directors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) has not held any other major appointments or professional qualifications; and (iv) is not interested in any Shares within the meaning of Part XV of the SFO.

Save as disclosed above, to the best of the knowledge of the Directors having made all reasonable enquiries, there is no other information relating to Mr. Chan that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor are there any other matters concerning Mr. Chan that needs to be brought to the attention of the Shareholders.

## NOTICE OF ANNUAL GENERAL MEETING



### **SFK Construction Holdings Limited**

**新福港建設集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1447)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of SFK Construction Holdings Limited (the “Company”) will be held at 43rd Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong on Thursday, 21 May 2020 at 10:30 a.m. for the following purposes:

### **ORDINARY RESOLUTIONS**

As ordinary business to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

1. To receive, consider and adopt the audited consolidated financial statements of the Company and its subsidiaries, the reports of the directors and the independent auditor of the Company for the year ended 31 December 2019.
2.
  - (a) To re-elect Mr. CHAN Ki Chun as an executive director of the Company.
  - (b) To re-elect Mr. CHAN Chor Tung as an executive director of the Company.
  - (c) To re-elect Mr. CHAN Kim Hung, Simon as an independent non-executive director of the Company.
3. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.
4. To re-appoint KPMG as the auditor of the Company and authorise the board of directors of the Company to fix their remuneration.
5. To declare a final dividend of HK4.0 cents per share of the Company for the year ended 31 December 2019.

## NOTICE OF ANNUAL GENERAL MEETING

As special business to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

6. **“THAT:**

- (a) a general unconditional mandate be and is hereby given to the directors of the Company to exercise all powers of the Company to allot, issue and deal with the shares of the Company or securities convertible into such shares or options, warrants or similar rights to subscribe for any such shares or such convertible securities (including the power to make or grant any offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which would or might require the exercise of such powers) subject to a restriction that the aggregate number of securities allotted or agreed to be allotted, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below);
  - (ii) any scrip dividend schemes or similar arrangements providing for the allotment and issue of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company;
  - (iii) the exercise of options granted under any share option scheme or other similar arrangement adopted by the Company for the grant or issue to the employees, officers, directors of the Company and/or any of its subsidiaries and/or other eligible participants specified thereunder of options to subscribe for or rights to acquire shares of the Company;
  - (iv) the exercise of any right of subscription or conversion under the terms of any bonds, warrants or debentures which may be issued by the Company or any securities which are convertible into shares of the Company; or
  - (v) a specific authority granted by the shareholders of the Company in general meeting,shall not exceed 20% of the number of the issued shares of the Company as at the date of the passing of this resolution;
- (b) the aforesaid mandate shall remain in effect until (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; or (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first;

## NOTICE OF ANNUAL GENERAL MEETING

- (c) the aforesaid mandate shall authorise the directors of the Company during the period mentioned in paragraph (b) above (the “**Relevant Period**”) to make or grant any offers, agreements, options (including bonds, warrants and debentures convertible into shares of the Company) and rights of exchange or conversion which would or might require the exercise of such powers either during or after the Relevant Period; and
- (d) for the purpose of this resolution, “Rights Issue” means an offer of shares of the Company or offer or issue of options, warrants or other securities giving rights to subscribe for shares of the Company, open for a period fixed by the directors of the Company to holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical problems, restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company) and an offer, allotment or issue of shares by way of rights shall be construed accordingly.”

7. “**THAT:**

- (a) a general unconditional mandate be and is hereby given to the directors of the Company authorising them to exercise all powers of the Company to repurchase on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of the Securities on the Stock Exchange or of any other stock exchange as amended from time to time, shares of the Company for a total number not exceeding 10% of the number of the issued shares of the Company as at the date of the passing of this resolution; and
- (b) the aforesaid mandate shall remain in effect until (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws to be held; or (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first.”

8. “**THAT:**

conditional upon the ordinary resolutions no. 6 and no. 7 as set out above being duly passed (with or without amendments), the general unconditional mandate granted to the directors of the Company to exercise all powers of the Company to allot, issue and deal with shares of the Company pursuant to the resolution set out in the said resolution no. 6 be and is hereby extended by the addition to the number of shares of

## NOTICE OF ANNUAL GENERAL MEETING

the Company which may be issued, allotted and dealt with or agreed conditionally or unconditionally to be issued, allotted and dealt with by the directors of the Company pursuant to such general mandate of an amount representing the number of issued shares of the Company repurchased by the Company pursuant to the general mandate referred to in the said resolution no. 7 (up to a maximum number equivalent to 10% of the number of the issued shares of the Company as at the date of the passing of this resolution).”

By order of the Board  
**SFK Construction Holdings Limited**  
**Chan Ki Chun**  
*Chairman*

Hong Kong, 16 April 2020

*Notes:*

1. A member of the Company entitled to attend and vote at the AGM shall be entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares of the Company may appoint more than one proxy. A proxy need not be a member of the Company. Completion and return of the form of proxy will not preclude a member of the Company from attending the AGM and voting in person should he so wish. In such event, his form of proxy will be deemed to be revoked.
2. A form of proxy for the AGM is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, shall be deposited at the Company's Hong Kong share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time appointed for holding the AGM or any adjourned meeting.
3. Where there are joint registered holders of any share of the Company, any one of such persons may vote at the AGM, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the AGM personally or by proxy, that one of the said persons 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.
4. To ascertain the members' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 18 May 2020 to Thursday, 21 May 2020 (both dates inclusive), during which no transfer of shares of the Company can be registered. In order to be eligible to attend and vote at the AGM, all completed share transfer forms, accompanied by the relevant share certificates, shall be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 15 May 2020.
5. To ascertain the members' entitlement to the proposed final dividend for the year ended 31 December 2019, if any, the register of members of the Company will be closed from Thursday, 28 May 2020 to Friday, 29 May 2020 (both dates inclusive), during which no transfer of shares of the Company can be registered. In order to be qualified for such proposed final dividend, all completed share transfer forms, accompanied by the relevant share certificates, shall be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 27 May 2020.
6. An explanatory statement containing further details regarding resolution no. 7 above is set out in Appendix I to the circular of the Company dated 16 April 2020.
7. Details of the retiring directors proposed to be re-elected as the directors of the Company are set out in Appendix II to the circular of the Company dated 16 April 2020.

## NOTICE OF ANNUAL GENERAL MEETING

8. Members of the Company or their proxies shall produce documents of their proof of identity when attending the AGM.
9. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning is in effect any time after 7:00 a.m. on the date of the AGM, the meeting will be postponed. The Company will post an announcement on the website of Company at [www.sfkchl.com.hk](http://www.sfkchl.com.hk) and on the HKExnews website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) to notify shareholders of the Company of the date, time and place of the rescheduled meeting.

### 10. Precautionary Measures against COVID-19 during the AGM

Due to the outbreak of COVID-19, in order to ensure the safety of the attendees of the AGM, the Company will implement the following precautionary measures at the meeting venue of the AGM (the “Venue”) to minimise the risk of infection and spreading of the COVID-19:

- i. compulsory body temperature check will be conducted for every attendee (including member of the Company or his/her proxy) at the entrance of the Venue. Any person with a body temperature of over 37.0 degrees Celsius will not be admitted to the Venue or allowed to attend the AGM;
- ii. every attendee (including member of the Company or his/her proxy) is required to wear a surgical facial mask throughout the AGM. No surgical face mask will be provided by the Company at the AGM. Any person who refuses to follow the aforesaid will not be admitted to the Venue or allowed to attend the AGM;
- iii. every attendee (including member of the Company or his/her proxy) who has travelled from jurisdictions, which according to the Department of Health of Hong Kong would render such person subject to a quarantine order, within 14 days of the date of AGM will not be admitted to the Venue or allowed to attend the AGM;
- iv. no refreshments will be served; and
- v. no handing out of corporate gifts.

Furthermore, the Company wishes to strongly advise members of the Company, particularly those who are unwell, subject to quarantine in relation to COVID-19 or unable to travel to attend to the AGM, that they may appoint the chairman of the AGM or another person as the proxy to vote on the resolutions to be proposed at the AGM, instead of attending the AGM in person.

Members of the Company should check the website of the Company at [www.sfkchl.com.hk](http://www.sfkchl.com.hk) and the HKExnews website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) for any updates in relation to the arrangements of the AGM.

*As at the date of this notice, the executive directors of the Company are Mr. CHAN Ki Chun, Mr. CHAN Chor Tung, Mr. YUNG Kim Man and Mr. YEUNG Cho Yin, William, and the independent non-executive directors of the Company are Mr. LAM Leung Tsun, Mr. JIM Fun Kwong, Frederick and Mr. CHAN Kim Hung, Simon.*