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If you have sold or transferred all your shares in S.A.I. Leisure Group Company Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).



海天地悅旅集團有限公司
S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1832)

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

A notice convening the 2020 Annual General Meeting (“**AGM**”) of the Company to be held at 5th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Hong Kong on Tuesday, June 2, 2020 at 11:00 a.m. is set out on pages AGM-1 to AGM-7 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of 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 meeting if they so wish.

In case of inconsistency between the Chinese version and the English version of this circular, the English version will prevail.

Hong Kong, April 17, 2020

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	
Introduction	4
Proposed Grant of General Mandates	5
Re-election of retiring Directors	6
AGM and Proxy Arrangement	7
Voting by way of Poll	7
Responsibility Statement	8
Recommendation	8
General	8
Miscellaneous	8
APPENDIX I — EXPLANATORY STATEMENT TO THE REPURCHASE MANDATE	I-1
APPENDIX II — DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION	II-1
NOTICE OF ANNUAL GENERAL MEETING	AGM-1

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at 5th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Hong Kong on Tuesday, June 2, 2020 at 11:00 a.m., to consider and (if appropriate) to approve the resolutions contained in the notice set out on pages AGM-1 to AGM-7 of this circular, or its adjournment
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of directors of the Company
“Capitalization Issue”	has the meaning given to it in the Prospectus
“CG Code”	Corporate Governance Code contained in Appendix 14 to the Listing Rules
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“Close Associates”	has the meaning ascribed to the term “close associate(s)” under the Listing Rules
“Company”	S.A.I. Leisure Group Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1832)
“Controlling Shareholder(s)”	has the meaning ascribed to the term “controlling shareholder(s)” under the Listing Rules and unless the context requires otherwise
“Core Connected Persons”	has the meaning ascribed to the term “core connected person(s)” under the Listing Rules

DEFINITIONS

“Director(s)”	the director(s) of the Company
“Extension Mandate”	the general and unconditional mandate proposed to be granted to the Directors to the effect that the number of Shares repurchased during the relevant period under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Global Offering”	has the meaning given to it in the Prospectus
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general and unconditional mandate proposed to be granted at the AGM to the Directors to allot, issue and deal with additional Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing the resolution granting such mandate
“INED(s)”	the independent non-executive director(s) of the Company
“Latest Practicable Date”	April 8, 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular prior to its publication
“Listing Date”	May 16, 2019, on which dealings in Shares first commenced on the Stock Exchange
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted at the AGM to the Directors to repurchase Shares during the relevant period not exceeding 10% of the aggregate number of the issued Shares as at the date of passing the resolution granting such mandate

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Nomination Committee”	the nomination committee of the Board
“Prospectus”	the prospectus of the Company published on April 30, 2019
“SFC”	the Securities and Futures Commission in Hong Kong
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“US\$”	United States dollars, the lawful currency of United States of America
“Year”	the year ended December 31, 2019
“%”	per cent

LETTER FROM THE BOARD



海天地悅旅集團有限公司
S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1832)

Executive Directors:

Dr. TAN Henry, BBS, JP (Vice Chairman and Chief Executive Officer)
Mr. CHIU George
Mrs. SU TAN Jennifer Sze Tink
Mr. SCHWEIZER Jeffrey William

Non-executive Directors:

Dr. TAN Siu Lin, SBS (Chairman)
Mr. TAN Willie

Independent Non-executive Directors:

Professor CHAN Pak Woon David
Mr. MA Andrew Chiu Cheung
Mr. CHAN Leung Choi Albert

Registered Office:

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

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

5/F, Nanyang Plaza
57 Hung To Road
Kwun Tong, Kowloon
Hong Kong

April 17, 2020

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The Directors will propose resolutions at the AGM for, among other matters, (i) the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and (ii) the re-election of the retiring Directors.

LETTER FROM THE BOARD

The purpose of this circular is to give you notice of the AGM and provide you with the information regarding the above resolutions to enable you to make an informed decision on whether to vote for or against those resolutions.

PROPOSED GRANT OF GENERAL MANDATES

Pursuant to the written resolutions passed by the Sole Shareholder on April 9, 2019, the Directors were granted:

- (i) a general and unconditional mandate to allot, issue and deal with additional Shares with an aggregate number not exceeding 20% of the total number of Shares in issue immediately following completion of the Global Offering and the Capitalization Issue;
- (ii) a general and unconditional mandate to repurchase Shares with an aggregate number not exceeding 10% of the total number of Shares in issue immediately following completion of the Global Offering and the Capitalization Issue; and
- (iii) the power to extend the general mandate mentioned in (i) above by an amount representing the aggregate number of the Shares repurchased by the Company pursuant to the mandate to repurchase shares referred to in (ii) above.

The above general mandates will expire at the conclusion of the AGM, unless renewed at the AGM. At the AGM, the following ordinary resolutions will, among other matters, be proposed:

- (a) based on 360,000,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the AGM, to grant the Issue Mandate to the Directors to exercise the power of the Company to allot, issue and deal with the Shares up to a maximum of 72,000,000 Shares, being 20% of the total number of the issued Shares as at the date of passing of such resolution;
- (b) based on 360,000,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the AGM, to grant the Repurchase Mandate to the Directors to enable them to repurchase the Shares up to a maximum of 36,000,000 Shares, being 10% of the total number of the issued Shares as at the date of passing of such resolution; and

LETTER FROM THE BOARD

- (c) to grant the Extension Mandate to the Directors to increase the total number of Shares which may be allotted and issued under the Issue Mandate by adding such number of Shares as repurchased under the Repurchase Mandate.

The full text of these resolutions are set out in resolutions numbered 8 to 10 as set out in the notice of the AGM contained in pages AGM-2 to AGM-5 of this circular.

Each of the Issue Mandate, the Repurchase Mandate and the Extension Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the date by which the next annual general meeting is required by the Companies Law or the Articles of Association to be held; or (c) when the mandate given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting of the Company prior to the next annual general meeting of the Company following the AGM.

Under the Listing Rules, the Company is required to give the Shareholders all information which is reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the resolution in respect of the Repurchase Mandate at the AGM. An explanatory statement for such purpose is set out in Appendix I to this circular.

RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 84(1) of the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation.

Any Director appointed pursuant to Article 83(3) of the Articles of Association shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. In addition, according to the CG Code, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

To comply with the above, Dr. Tan Henry, Mr. Tan Willie and Mr. Ma Andrew Chiu Cheung shall retire from office at the AGM and being eligible, offer themselves for re-election at the AGM.

The Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. To ensure changes to the composition of the Board can be managed without undue disruption, there has been a transparent, considered and formal procedure set out in the nomination policy of the Company for the selection, appointment and re-appointment of Directors, including periodical reviews of such policy.

LETTER FROM THE BOARD

The Nomination Committee has assessed and reviewed the annual written confirmation of independence based on the independence criteria as set out in Rule 3.13 of the Listing Rules received from each of the INEDs and confirmed that all the INEDs, including Mr. Ma Andrew Chiu Cheung remain independent. The Nomination Committee considers that based on Mr. Ma's perspective, skill and experience, he can bring further contribution to the Board and its diversity. In addition, the Nomination Committee had, among other matters, evaluated the performance of each of the retiring Directors for the Year and found their performance satisfactory.

Therefore, with the recommendation of the Nomination Committee, the Board has proposed that all the retiring Directors, namely Dr. Tan Henry, Mr. Tan Willie and Mr. Ma Andrew Chiu Cheung, stand for re-election as Directors at the AGM. As a good corporate governance practice, each of the retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the AGM.

Particulars of each of the retiring Directors who are proposed to be re-elected at the AGM which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

AGM AND PROXY ARRANGEMENT

The notice convening the AGM is set out on pages AGM-1 to AGM-7 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy to the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of 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 meeting if you so wish and in such event, the proxy form shall be deemed to be revoked.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and Article 66(1) of the Articles of Association, any vote of 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 administration matter to be voted or by a show of hands.

Therefore, all proposed resolutions put to vote at the AGM shall be taken by way of poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Directors consider that the proposed resolutions set out in the notice of the AGM, including (i) the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, and (ii) the re-election of the retiring Directors, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors, together with their Close Associates, intend to vote in favour of the relevant resolutions in respect of their respective shareholdings in the Company and recommend Shareholders to vote in favour of such relevant resolutions to be proposed at the AGM.

GENERAL

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

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully

For and on behalf of the Board
S.A.I. Leisure Group Company Limited

Henry Tan, BBS, JP
*Vice Chairman, Executive Director
and Chief Executive Officer*

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the requisite information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate.

SHAREHOLDERS' APPROVAL

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase shares on the Stock Exchange and any other stock exchange on which securities of the company are listed and such exchange is recognized by the SFC subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchases of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general mandate or by specific approval of a particular transaction.

SHARE CAPITAL

As at the Latest Practicable Date, 360,000,000 Shares were in issue and fully paid.

Subject to the passing of the relevant ordinary resolutions and on the basis that no further Shares will be issued and repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 36,000,000 Shares, representing 10% of the Shares in issue as at the date of passing of the Repurchase Mandate.

The Repurchase Mandate will expire at the earliest of: (a) the conclusion of the next annual general meeting of the Company following the AGM; (b) the date by which the next annual general meeting is required by the Companies Law or the Articles of Association to be held; or (c) when the mandate given to the Directors thereunder is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting of the Company prior to the next annual general meeting of the Company following the AGM.

REASONS FOR REPURCHASE

The Directors have no present intention to repurchase any Shares, but the Directors believe that it is in the interests of the Company and its Shareholders for the Directors to have a general authority from Shareholders to enable the Company to repurchase Shares in the market. Repurchase of Shares will only be made when the Directors believe that such repurchase will benefit the Company and its Shareholders as a whole. Such repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

FUNDING OF REPURCHASE

Pursuant to the Repurchase Mandate, any repurchase will only be funded out of funds of the Company legally available for the purpose of making the proposed purchases in accordance with the Company's Articles of Association, the applicable laws and regulations of the Cayman Islands and the Listing Rules.

The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Law. The amount of premium payable on repurchase may only be paid out of either the profits of the Company or out of the share premium account before or at the time the Shares are repurchased in the manner provided for in the Companies Law.

EFFECT OF EXERCISING THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital and/or gearing position of the Company (as compared with the position disclosed in the Company's most recent published audited accounts) in the event that the repurchase of Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company and/or the gearing position of the Company, which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective Close Associates, has any present intention to sell any Share to the Company or its subsidiaries under the Repurchase Mandate if the same is approved by the Shareholders at the AGM.

No Core Connected Persons has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so in the event that the Repurchase Mandate is approved by the Shareholders at the AGM.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and the regulations of the Cayman Islands and in accordance with the regulations set out in the Articles of Association.

EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Company's exercise of the powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, the following Shareholders were interested in more than 5% of the Company's issued share capital:

Name of Shareholder	Long/ Short position	Capacity/ Nature of interest	Number of Shares	Approximate percentage of shareholding in the Company ^(a)	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Dr. TAN Siu Lin ^(b)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%
Dr. TAN Henry ^(c)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%
THC Leisure Holdings Limited ("THC Leisure") ^(d)	Long	Beneficial interests	270,000,000	75%	83.33%

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

Name of Shareholder	Long/ Short position	Capacity/ Nature of interest	Number of Shares	Approximate percentage of shareholding in the Company ^(a)	Approximate percentage of shareholding if the Repurchase Mandate is exercised in full
Tan Holdings Corporation ("Tan Holdings") ^(d)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%
Leap Forward Limited ("Leap Forward") ^(d)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%
Supreme Success Limited ("Supreme Success") ^(d)	Long	Interests in a controlled corporation	270,000,000	75%	83.33%

Notes:

- (a) The percentages have been compiled based on the total number of Shares in issue (i.e. 360,000,000) as at the Latest Practicable Date.
- (b) Dr. Tan Siu Lin is deemed under the SFO to be interested in 270,000,000 Shares held by THC Leisure because (i) he acts in concert with Dr. Tan Henry in respect of the affairs of the Group, (ii) he and Dr. Tan Henry together control the majority of the board of directors of Supreme Success, which is the registered owner of the entire interests in Leap Forward as the trustee of a discretionary family trust, (iii) he and Dr. Tan Henry together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward, and are thus entitled to exercise the voting rights in Leap Forward, (iv) he is the founder of the said discretionary family trust, (v) Leap Forward is the registered owner of a 39% interest in Tan Holdings, and (vi) Tan Holdings is the registered owner of the entire interests in THC Leisure. As such, THC Leisure is a controlled corporation of Dr. Tan Siu Lin.
- (c) Dr. Tan Henry is deemed under the SFO to be interested in 270,000,000 Shares held by THC Leisure because (i) he acts in concert with Dr. Tan Siu Lin in respect of the affairs of the Group, (ii) he and Dr. Tan Siu Lin together control the majority of the board of directors of Supreme Success, which is the registered owner of the entire interests in Leap Forward as the trustee of a discretionary family trust, (iii) he and Dr. Tan Siu Lin together control the majority of the protectors of the said discretionary family trust and the board of directors of Leap Forward and are thus entitled to exercise the voting rights in Leap Forward, (iv) Leap Forward is the registered owner of a 39% interest in Tan Holdings, and (v) Tan Holdings is the registered owner of the entire interests in THC Leisure. As such, THC Leisure is a controlled corporation of Dr. Tan Henry. He is also the registered owner of a 20% interest in Tan Holdings.
- (d) THC Leisure directly holds 270,000,000 Shares. THC Leisure is 100% directly owned by Tan Holdings. Leap Forward holds 39% interest in Tan Holdings directly and Supreme Success holds 100% interest in Leap Forward.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, then the shareholding of the above Shareholders would be increased to approximately 83.33%. In the opinion of the Directors, such increase will not give rise to a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code. Save as disclosed above, the Directors are not aware of any consequence which may arise under the Takeovers Code as a consequence of any repurchase of Shares under the Repurchase Mandate.

The Listing Rules prohibit a company from making any repurchase on the Stock Exchange if the repurchase would result in less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued shares of that company in public hands. In any event, the Directors will not exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company since May 16, 2019, being the Listing Date, up to and including the Latest Practicable Date, whether on the Stock Exchange or otherwise.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange since May 16, 2019, being the Listing Date, up to and including the Latest Practicable Date were as follows:

	Share prices	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2019		
May (from the Listing Date)	3.46	3.01
June	3.36	3.08
July	4.31	2.37
August	2.43	1.71
September	2.13	2.00
October	2.04	1.92
November	2.05	1.93
December	2.10	2.00
2020		
January	2.01	1.61
February	1.70	1.22
March	1.36	0.68
April (up to the Latest Practicable Date)	1.08	0.89

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

As required by the Listing Rules, the following sets out the biographical information of the three Directors who will retire as required by the Articles of Association and the Listing Rules and are proposed to be re-elected at the AGM.

1. **TAN Henry, BBS, JP**

Dr. Tan Henry (“**Dr. Tan**”), *BBS, JP*, aged 66, has been the Vice Chairman of the Board, an Executive Director and the Chief Executive Officer of the Company since November 2018. He is also a member of our Nomination and Remuneration Committees. He joined the Group in April 1997. Dr. Tan has over 30 years of experience in conducting business in mainland China, Hong Kong and the Western Pacific Region and has gained in-depth local knowledge, business and personal connections and market insight in the region. Dr. Tan is very active in the community. He is the chairman of the Textile Council of Hong Kong, a court member of The Hong Kong Polytechnic University, the chairman of the Advisory Committee of College of Professional and Continuing Education of The Hong Kong Polytechnic University, and an honorary court member of the Hong Kong Baptist University. He is a Hong Kong Deputy to the Thirteenth National People’s Congress of the People’s Republic of China, an honorary trustee of Peking University (北京大學), a director of the board of Huaqiao University (華僑大學), and a standing director of the board of Jimei University (集美大學). Dr. Tan is a former chairman of Po Leung Kuk and was awarded a Bronze Bauhinia Star by the Government of the Hong Kong Special Administrative Region in November 2005. Dr. Tan holds a bachelor’s degree and a master’s degree in business administration from the University of Guam. He also received an honorary doctorate in humane letters from the University of Guam in recognition of his contribution in the Western Pacific region.

Dr. Tan is a son of Dr. Tan Siu Lin (the Chairman, a Non-Executive Director and a Controlling Shareholder), a brother of Mr. Tan Willie (a Non-Executive Director) and Mr. Tan Jerry Cho Yee (a member of our senior management), the father of Mrs. Su Tan Jennifer Sze Tink (an Executive Director and the Executive Vice President), and a brother-in-law of Mr. Chiu George (an Executive Director). He is also a director of S.A.I. CNMI Holdings Limited, S.A.I. CNMI Tourism Inc., S.A.I. Guam Holdings Limited, Gemkell Corporation and Gemkell U.S.A. LLC, all of which are our subsidiaries.

Save the offices held in the Group, Dr. Tan had not held any directorships in other public companies that the securities of which are listed on any securities market in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

As at the Latest Practicable Date, Dr. Tan was interested or deemed to be interested in 270,000,000 Shares pursuant to Part XV of the Securities and Futures Ordinance and hence is a Controlling Shareholder of the Company.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

Save as disclosed above, Dr. Tan is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Dr. Tan had entered into a service agreement with the Company for an initial period of three years commencing from April 9, 2019, and thereafter on a month-to-month basis, subject to the right of termination by either the Company or Dr. Tan by giving not less than three months' notice in writing to the other party. He is subject to retirement by rotation and re-election in accordance with the Articles of Association. Under the service agreement, Dr. Tan is entitled to a salary of US\$200,000 per annum. Dr. Tan is also entitled to a bonus, which shall be determined in accordance with the Articles of Association and by the Board and/or our Remuneration Committee. The Company has made contribution to the mandatory provident fund in accordance with the applicable legal requirement. Dr. Tan will also be entitled to reimbursement of all reasonable expenses properly incurred and in connection with the performance of his duties or in connection with his office. Dr. Tan's remuneration was determined by reference to the prevailing market condition and his knowledgeable experience for the industry.

Save as disclosed above, there are no other matters concerning Dr. Tan that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

2. **TAN Willie**

Mr. TAN Willie ("**Mr. Tan**"), aged 63, has been a Non-Executive Director of the Company since November 2018. Mr. Tan joined the Group in April 1997. He has over 30 years of experience in business management. Mr. Tan is the deputy chief executive officer of Luen Thai Group Limited ("**Luen Thai Group**") and vice chairman of the board of Tan Holdings Corporation ("**Tan Holdings**") (a Controlling Shareholder), both of which are the privately held businesses of the family of Dr. Tan Siu Lin (the Chairman, a Non-Executive Director and a Controlling Shareholder). Under Luen Thai Group, he oversees several groups of companies including Luen Thai Retail Group and Luen Thai Real Estate. Mr. Tan has an extensive experience in tourism and retail businesses. He is also the chief executive of Skechers China Limited, Skechers South Korea Limited and Skechers Southeast Asia Limited. He is currently the external vice president of the Philippines-China Business Council, chairman of the Confederation of Garment Exporters of the Philippines and was appointed honorary ambassador-at-large for Guam, U.S. in 2007. Mr. Tan holds a bachelor's degree in business administration from the University of Guam.

Mr. Tan is a son of Dr. Tan Siu Lin (the Chairman, a Non-Executive Director and a Controlling Shareholder), a brother of Dr. Tan Henry (the Vice Chairman, an Executive Director, the Chief Executive Officer and a Controlling Shareholder) and Mr. Tan Jerry Cho Yee (a member of our senior management) and an uncle of Mrs. Su Tan Jennifer Sze Tink (an Executive Director

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

and the Executive Vice President). Mr. Tan is also a director of Asia Pacific Hotels, Inc., Gemkell (Saipan) Corporation, Gemkell Corporation and Gemkell U.S.A. LLC, all of which are our subsidiaries.

Save the offices held in the Group, Mr. Tan had not held any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Tan was not interested or deemed to be interested in any Share and the shares of the Company's associated corporations pursuant to Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. Tan is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders.

Pursuant to a letter of appointment, Mr. Tan was appointed as a non-executive director for a term of three years commencing from April 9, 2019 with a director fee of US\$19,000 per annum. He is subject to retirement by rotation and re-election in accordance with the Articles of Association. His director's fee has been determined by reference to the level of remuneration for non-executive directors of Hong Kong listed companies and the demand for the Company on Mr. Tan's attention as its non-executive Director.

Save as disclosed above, there are no other matters concerning Mr. Tan that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

3. **MA Andrew Chiu Cheung**

Mr. MA Andrew Chiu Cheung ("Mr. Ma"), aged 78, has been an Independent Non-Executive Director of the Company since April 2019 and is the Chairman of our Audit Committee. He joined the Group in April 2019. Mr. Ma holds a bachelor's degree in economics from the London School of Economics and Political Science (The University of London) in the United Kingdom and has over 40 years of experience in accounting and finance. He is a Fellow Member of each of the Institute of Chartered Accountants in England & Wales, the Hong Kong Institute of Certified Public Accountants, the Taxation Institute of Hong Kong and the Hong Kong Institute of Directors. Mr. Ma has also been appointed as the honorary consul of Cote d'Ivoire in Hong Kong and Macau. Mr. Ma is a director of Mayee Management Limited, The People's Insurance Company of China (Hong Kong), Limited and Chong Hing Insurance Company Limited. He is currently an independent non-executive director of C.P. Pokphand Co. Ltd. (Stock Code: 43), China Resources Power Holdings Company Limited (Stock Code: 836), Chong Hing Bank Limited

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION

(Stock Code: 1111), Asiaray Media Group Limited (Stock Code: 1993) and C-Mer Eye Care Holdings Limited (Stock Code: 3309), the shares of all of which are listed on the Main Board of the Stock Exchange. Mr. Ma previously served as an independent non-executive director of Asia Financial Holdings Limited (Stock Code: 662), a company listed on the Main Board of the Stock Exchange, until his resignation on May 23, 2019.

Save as disclosed above, Mr. Ma had not held any directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

Mr. Ma does not have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Ma was not interested or deemed to be interested in any Share and the shares of the Company's associated corporations within the meaning of Part XV of the SFO.

Pursuant to a letter of appointment, Mr. Ma was appointed as independent non-executive director for a term of three years commencing from April 9, 2019 with an annual director fee of HK\$300,000 per annum. He is subject to retirement by rotation and re-election in accordance with the Articles of Association. His director's fee has been determined by reference to the level of remuneration for independent non-executive directors of Hong Kong listed companies and the demand for the Company on Mr. Ma's attention as its independent non-executive Director.

Save as disclosed above, there are no other matters concerning Mr. Ma that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



海天地悅旅集團有限公司
S.A.I. LEISURE GROUP COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1832)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of S.A.I. Leisure Group Company Limited (the “**Company**”) will be held at 5th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Hong Kong on Tuesday, June 2, 2020 at 11:00 a.m. for the following purposes:

As ordinary business:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries together with the reports of the directors and the auditors of the Company for the financial year ended December 31, 2019;
2. To declare a final dividend of US0.28 cent (equivalent to HK2.19 cents) per ordinary share of the Company for the financial year ended December 31, 2019;
3. To re-elect Dr. Tan Henry as an executive director of the Company;
4. To re-elect Mr. Tan Willie as a non-executive director of the Company;
5. To re-elect Mr. Ma Andrew Chiu Cheung as an independent non-executive director of the Company;
6. To authorize the board of directors of the Company (the “**Board**”) to fix the remuneration of the directors of the Company for the financial year ending December 31, 2020;
7. To re-appoint Messrs. PricewaterhouseCoopers as the auditors of the Company and to authorize the Board to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (c) below and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with any unissued shares in the capital of the Company (the “**Shares**”) and to make or grant offers, agreements and options (including but not limited to bonds and debentures convertible into shares of the Company) which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options (including bonds and debentures convertible into shares of the Company) which might require the Shares to be issued either during or after the end of the Relevant Period;
- (c) the total number of the Shares allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined); or
 - (ii) an issue of Shares upon the exercise of options which may be granted under any share option scheme or under any option scheme or similar arrangement for the time being adopted for the grant or issue to the directors, officers and/or employees of the Company and/or any of its subsidiaries or any other person of Shares or rights to acquire Shares; or
 - (iii) 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 in accordance with the articles of association of the Company in force from time to time,

shall not exceed 20% of the total number of the issued Shares at the date of the passing of this resolution and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this resolution,

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised from time to time) of the Cayman Islands or any other applicable laws of the Cayman Islands to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company (the **“Shareholders”**) in general meeting revoking, varying or renewing the authority given to the Directors by this resolution; and

“Rights Issue” means an offer of Shares or issue of option, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to the holders of Shares, whose names appear on the register of members of the Company (and, where appropriate, to the holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such Shares (or, where appropriate, such other securities) (subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

9. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and which is recognized by the Securities and Futures Commission of Hong Kong (the “**Commission**”) and the Stock Exchange for this purpose, subject to and in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (as amended, supplemented or otherwise modified from time to time) or any other applicable laws, the Code on Share Buy-backs approved by the Commission and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the total number of the Shares which the Company is authorized to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10% of the total number of the issued Shares at the date of the passing of this resolution, and the authority granted pursuant to paragraph (a) above shall be limited accordingly;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this resolution, any prior approvals of the kind referred to in paragraphs (a) and (b) of this resolution which has been granted to the Directors and which are still in effect be and are hereby revoked; and
- (d) for the purposes of this resolution,

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands (as amended, supplemented or otherwise modified from time to time) or any applicable laws of the Cayman Islands to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking, varying or renewing the authority given to the Directors by this resolution.”
10. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“THAT conditional upon the ordinary resolutions set out in paragraphs 8 and 9 of the notice convening this meeting (the “**Notice**”) being passed, the general mandate granted to the directors of the Company (the “**Directors**”) to allot, issue and deal with any unissued shares of the Company (the “**Shares**”) pursuant to the ordinary resolution set out in paragraph 8 of the Notice be and is hereby extended by the addition to the number of the Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the number of the Shares repurchased by the Company under the authority granted pursuant to the ordinary resolution set out in paragraph 9 of the Notice, provided that such extended amount shall not exceed 10% of the total number of the issued Shares as at the date of the passing of this resolution.”

By order of the Board
S.A.I. Leisure Group Company Limited
Henry Tan, BBS, JP
Vice Chairman, Executive Director
and Chief Executive Officer

Hong Kong, April 17, 2020

As at the date of this notice, the Board of the Company comprises: (1) Dr. TAN Henry, Mr. CHIU George, Mrs. SU TAN Jennifer Sze Tink and Mr. SCHWEIZER Jeffrey William as the Executive Directors; (2) Dr. TAN Siu Lin (Chairman) and Mr. TAN Willie as the Non-Executive Directors; and (3) Prof. CHAN Pak Woon David, Mr. MA Andrew Chiu Cheung and Mr. CHAN Leung Choi Albert as the Independent Non-Executive Directors.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A member of the Company (the “**Member**”) entitled to attend and vote at the AGM or its adjourned meeting (as the case may be) is entitled to appoint another person as his/her/its proxy to attend and, on a poll, vote in his/her/its stead. A Member who is the holder of two or more Shares may appoint more than one proxy to represent him/her/it and, on a poll, vote on his/her/its behalf. A proxy need not be a Member.
2. In order to be valid, the duly completed and signed form of proxy together with any power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority, must be deposited at the office of the Company’s Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 48 hours before the time appointed for holding the AGM or its adjournment.
3. For AGM

The register of Members will be closed from Thursday, May 28, 2020 to Tuesday, June 2, 2020 (both days inclusive), during which period no transfer of Shares will be registered, for ascertaining Shareholders’ entitlement to attend and vote at the AGM. In order to qualify for attending and voting at the AGM, non-registered Shareholders must lodge all duly completed transfer forms accompanied by the relevant share certificates with the Company’s Branch Share Registrar in Hong Kong, 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, May 27, 2020.
4. For Final Dividend

Subject to the ordinary resolution set out in paragraphs 2 of this Notice being passed at the AGM, the register of Members will be closed from Monday, June 8, 2020 to Wednesday, June 10, 2020 (both days inclusive), during which period no transfer of Shares will be registered, for ascertaining Shareholders’ entitlement to receive the final dividend. In order to be eligible to receive the final dividend, non-registered Shareholders must lodge all duly completed transfer forms accompanied by the relevant share certificates with the Company’s Branch Share Registrar in Hong Kong, 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, June 5, 2020.
5. According to Rule 13.39(4) of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and Article 66(1) of the Articles of Association, any vote of Shareholders at general meeting of the Company must be taken by poll. Therefore, all proposed resolutions put to the vote at the AGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.
6. With regard to the proposed ordinary resolutions set out in paragraphs 3 to 5 of this Notice, Dr. Tan Henry, Mr. Tan Willie and Mr. Ma Andrew Chiu Cheung will retire as Directors at the AGM and, being eligible, offer themselves for re-election. Details of the above Directors are set out in Appendix II to the Company’s circular dated April, 17 2020 (the “**Circular**”).
7. With regard to the proposed ordinary resolution set out in paragraph 7 of this Notice, the Board concurs with the views of the audit committee of the Board and has recommended that Messrs. PricewaterhouseCoopers be re-appointed as the auditors of the Company.
8. With regard to the proposed ordinary resolution set out in paragraph 8 of this Notice, approval is being sought from the Members for the grant to the Directors of a general mandate to authorize the allotment and issue of Shares under the Listing Rules. The Directors have no immediate plans to issue any new Shares.

NOTICE OF ANNUAL GENERAL MEETING

9. With regard to the proposed ordinary resolution set out in paragraph 9 of this Notice, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares only in the circumstances which they consider appropriate for the benefit of the Company and the Members as a whole. An explanatory statement containing the information necessary to enable the Members to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix I to the Circular.
- (a) Subject to paragraph (b) below, if a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a rainstorm warning signal is expected to be in force at any time between 7:00 a.m. and 5:00 p.m. on the date of the AGM, the AGM will be postponed and the Members will be informed of the date, time and venue of the postponed AGM by an announcement posted on the respective websites of the Company and the Stock Exchange.
 - (b) If a tropical cyclone warning signal No. 8 or above or a rainstorm warning signal is lowered or cancelled at or before three hours before the time fixed for holding the AGM and where conditions permit, the AGM will be held as scheduled.
 - (c) The AGM will be held as scheduled when an amber or a thunderstorm warning signal or typhoon signal No. 3 or below is in force.
 - (d) After considering their own situations, the Members should decide on their own as to whether they would attend the AGM under any bad weather condition and if they do so, they are advised to exercise care and caution.
10. The translation into Chinese language of this Notice is for reference only. In case of any inconsistency, the English version shall prevail.