
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Great Eagle Holdings Limited, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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鷹君集團有限公司 Great Eagle Holdings Limited

於百慕達註冊成立之有限公司
Incorporated in Bermuda with limited liability

(Stock Code: 41)

Directors:

LO Ka Shui, *Chairman and Managing Director*
LO TO Lee Kwan[#]
CHENG Hoi Chuen, Vincent*
WONG Yue Chim, Richard*
LEE Pui Ling, Angelina*
LEE Siu Kwong, Ambrose*
POON Ka Yeung, Larry*
LO Hong Sui, Antony
LAW Wai Duen
LO Hong Sui, Vincent[#]
LO Ying Sui[#]
LO Chun Him, Alexander
KAN Tak Kwong, *General Manager*
CHU Shik Pui

[#] Non-executive Directors

* Independent Non-executive Directors

Registered Office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

*Principal Place of Business
in Hong Kong:*

33rd Floor, Great Eagle Centre
23 Harbour Road
Wanchai
Hong Kong

20 May 2020

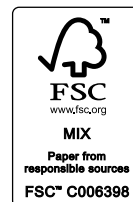
To the Shareholders

Dear Sir or Madam,

SCRIP DIVIDEND ARRANGEMENT IN RELATION TO THE FINAL DIVIDEND FOR THE YEAR ENDED 31 DECEMBER 2019

INTRODUCTION

On 25 February 2020, it was announced that, among other things, the board of directors (the “**Board**”) of Great Eagle Holdings Limited (the “**Company**”) recommended the payment of a final dividend of HK50 cents per share (the “**2019 Final Dividend**”) and a special final dividend of HK50 cents per share (the “**Special Final Dividend**”) of HK\$0.50 each in the capital of the



Company (the “**Share(s)**”) for the year ended 31 December 2019 payable on 17 June 2020 to the shareholders of the Company (the “**Shareholder(s)**”) whose names appear on the registers of members of the Company (the “**Registers of Members**”) as at the close of business on Friday, 15 May 2020 (the “**Record Date**”). At the annual general meeting of the Company held on 5 May 2020, the 2019 Final Dividend and Special Final Dividend were approved. The Shareholders were provided with an option to receive an allotment of new shares of HK\$0.50 each in the capital of the Company (the “**Scrip Shares**”) in lieu of cash only for the 2019 Final Dividend (the “**Scrip Dividend Arrangement**”).

The Special Final Dividend will be paid solely in the form of cash.

The purpose of this circular is to set out the procedures which apply in relation to the Scrip Dividend Arrangement and the action which should be taken by the Shareholders in relation thereto.

PARTICULARS OF THE SCRIP DIVIDEND ARRANGEMENT

Under the Scrip Dividend Arrangement, each Shareholder has the choice of receiving:

- (a) a cash dividend of HK50 cents for each Share held on the Record Date; or
- (b) a scrip dividend of new shares at an Issue Price (as defined below), subject to any fractional entitlement being disregarded as mentioned below; or
- (c) a combination of partly in (a) and partly in (b) above.

The Scrip Shares will be issued by way of capitalisation of the Company’s profits. The Scrip Shares issued in respect of the 2019 Final Dividend will, when they are issued, rank *pari passu* in all respects with the existing issued Shares of the Company except that such Scrip Shares themselves will not rank for the 2019 Final Dividend or Special Final Dividend. The right to receive Scrip Shares instead of whole or part of the cash dividend is non-transferable.

EFFECT OF THE SCRIP DIVIDEND

Based on 708,382,048 Shares in issue as at the Record Date, if no elections for the Scrip Shares were received, the total cash dividend payable by the Company in respect of the 2019 Final Dividend (not including the Special Final Dividend, which will be paid solely in the form of cash) would be approximately HK\$354.19 million. If all Shareholders elect to receive their entitlement in the form of Scrip Shares, the maximum number of Scrip Shares to be issued would be 17,430,660 Shares, representing approximately 2.46% of the existing issued share capital of the Company and approximately 2.40% of the issued share capital of the Company as enlarged by the issue of the Scrip Shares.

Shareholders should note that the issue of the Scrip Shares may give rise to notification requirements under the Securities and Futures Ordinance for those Shareholders who may have notifiable interests in the Company. Shareholders who are in any doubt as to how these provisions may affect them are recommended to seek their own professional advice. Shareholders who are in any doubt as to their taxation position are also recommended to seek their own professional advice.

The Company, being an exempted company incorporated in Bermuda, has been designated as non-resident for Bermuda exchange control purposes and has been granted an assurance by the Minister of Finance in Bermuda under the Exempted Undertakings Tax Protection Act 1966. Accordingly, in the event of there being enacted in Bermuda any legislation imposing tax computed on profits or income, or computed on any capital asset, gain or appreciation, or any tax in the nature of estate duty or inheritance tax, then the imposition of any such tax shall not be applicable to the Company or any of its operations or Shares, debentures or other obligations of the Company provided that such assurance shall not be construed as to:

1. prevent the application of any such tax or duty to such persons as are ordinarily resident in Bermuda; and
2. prevent the application of any tax payable in accordance with the provisions of the Land Tax Act, 1967 or otherwise payable in relation to the land leased to the Company.

IMPLICATIONS UNDER THE CODE ON TAKEOVERS AND MERGERS (“TAKEOVERS CODE”)

If, as a result of the election to receive the 2019 Final Dividend by way of Scrip Shares, a Shareholder’s proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert, could, depending upon the level of increase in shareholding interest(s), 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.

If an election to receive the 2019 Final Dividend by way of Scrip Shares would otherwise result in a Shareholder becoming obliged to make a mandatory offer in respect of the Company under the Takeovers Code, the amount of the 2019 Final Dividend elected by the Shareholder to be received in the form of Scrip Shares shall be reduced to the extent necessary to ensure that the election does not result in the Shareholder becoming obliged to make mandatory offer in respect of the Company. The election shall be deemed to be an election to receive the reduced amount of 2019 Final Dividend in the form of Scrip Shares and the remaining balance of the relevant Shareholder’s 2019 Final Dividend shall be paid in cash.

Accordingly, it is not anticipated that any election to receive the 2019 Final Dividend in the form of Scrip Shares under the Scrip Dividend Arrangement would give rise to any consequences under the Takeovers Code.

BASIS OF ALLOTMENT OF THE SCRIP SHARES

For the purpose of calculating the number of Scrip Shares to be allotted to the Shareholders pursuant to the Scrip Dividend Arrangement, the issue price of the Scrip Shares has been determined at HK\$20.32 per Share (the “**Issue Price**”), which is the average closing price of the Shares (“**Average Closing Price**”) quoted on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the five consecutive trading days commencing from and including 8 May 2020, less a 5% discount. Accordingly, the number of Scrip Shares which each Shareholder will receive under the Scrip Dividend Arrangement will be calculated as follows:

$$\begin{array}{rcccl} \text{Number of Scrip Shares} & & \text{Number of existing Shares} & & \text{HK\$0.50} \\ \text{to be received} & & \text{held on the Record Date} & & \text{(2019 Final Dividend per Share)} \\ \text{(round down to the nearest} & = & \text{for which the election for} & \times & \text{HK\$20.32} \\ \text{whole number)} & & \text{Scrip Shares is made} & & \text{(Average Closing Price x 95\%)} \end{array}$$

The number of Scrip Shares to be received by each Shareholder pursuant to his/her election will be rounded down to the nearest whole number. No Shareholder will be entitled to be issued any fraction of a Share under the Scrip Dividend Arrangement. If you elect to receive the maximum number of Scrip Shares in lieu of your cash dividend, a residual dividend entitlement may arise, representing the difference between the total cash equivalent of the Scrip Shares based on the Issue Price to be issued to you and the maximum dividend available in respect of your shareholdings. Fractional entitlements to Scrip Shares will be disregarded and the benefit thereof will accrue to the Company.

Scrip Shares issued to a Shareholder pursuant to an election to receive some or all of his/her 2019 Final Dividend in Scrip Shares may be allocated in odd lots (of fewer than a board lot of 1,000 Shares). No special dealing arrangements will be put in place by the Company to facilitate the trading or disposal of Scrip Shares issued in odd lots. Shareholders should be aware that odd lots usually trade at a discount to the price of board lots.

You may elect to receive Scrip Shares in respect of all or part of your holding of Shares. No fraction of a Share will be issued. If you choose to take only part of your dividends as Scrip Shares, you will receive the balance in cash.

ACTION TO BE TAKEN

An election form (the “**Election Form**”) is enclosed with this circular. Please read carefully the instructions below and the instructions printed on the Election Form.

If you wish to receive the whole of the 2019 Final Dividend in cash, you need not complete the Election Form.

If you wish to elect to receive an allotment of Scrip Shares, or partly in cash and partly in Scrip Shares in respect of the 2019 Final Dividend, you must COMPLETE, SIGN and RETURN the Election Form to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited (the "Share Registrar") of 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 5 June 2020.

No acknowledgement of receipt of the Election Form will be issued.

The latest time for submission of the Election Forms will not be valid if there is a tropical cyclone warning signal no. 8 or above, or a "black" rainstorm warning in force in Hong Kong:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon on 5 June 2020. Instead, the deadline for submission of the Election Forms will be extended to 5:00 p.m. on the same business day;
- (ii) at any time between 12:00 noon and 4:00 p.m. on 5 June 2020. Instead, the deadline for submission of the Election Forms will be rescheduled to 4:30 p.m. on the next business day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

No elections in respect of the 2019 Final Dividend may, after the relevant Election Forms are signed and returned to the Share Registrar, be in any way withdrawn, revoked, superseded or altered.

If you sign the Election Form but do not specify the number of Shares in respect of which you wish to receive your 2019 Final Dividend in Scrip Shares or, if you elect to receive your 2019 Final Dividend in Scrip Shares in respect of a greater number of Shares than your registered holding on the Record Date, then in either case you will be deemed to have exercised your election of Scrip Shares in respect of all your Shares.

OVERSEAS SHAREHOLDERS

The Board is aware that, after making legal enquiries by the Company, for the Shareholders with registered addresses in Thailand, New Zealand and the United States of America, local approval and/or filing or other formalities in relation to the Scrip Dividend Arrangement need to be observed so as to comply with the relevant securities legislation in those jurisdictions. As the Board considered that it would not be cost-effective or expedient for the Company to comply with the registration requirements and/or other formalities under the laws of the relevant jurisdictions, it has decided to exclude Shareholders with registered addresses in these jurisdictions (the "**Excluded Shareholders**") from the Scrip Dividend Arrangement. Accordingly, Election Form will not be sent to the Excluded Shareholders and they will only receive this circular for information. Excluded Shareholders will receive the 2019 Final Dividend wholly in cash.

Save for the Excluded Shareholders, all Shareholders residing outside Hong Kong should consult their professional advisers as to whether any government or other consents are required or other formalities need to be observed to permit them to participate in the Scrip Dividend Arrangement.

This Circular has not and will not be registered as a prospectus with the Monetary Authority of Singapore and the securities are being offered to persons in Singapore pursuant to the exemption invoked under Section 273(1)(cd) of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”). Accordingly, this Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the securities may not be circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except as specified under Section 273(1)(cd) of the SFA. The Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Scrip Dividend are prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

In addition, pursuant to the Frequently Asked Questions Series 29 issued by the Stock Exchange on 17 November 2014 and updated on 4 November 2016 and 13 July 2018 on the interpretation of the Listing Rules, investors from the People’s Republic of China (which for the purpose of this circular, excludes Taiwan, Hong Kong Special Administrative Region and Macau Special Administrative Region of the People’s Republic of China) who hold Shares through China Securities Depository and Clearing Corporation Limited (“**ChinaClear**”) as nominee under Shanghai Connect and Shenzhen Connect (the “**PRC Southbound Trading Investors**”) can participate in the Scrip Dividend Arrangement through ChinaClear. ChinaClear will provide nominee services for the PRC Southbound Trading Investors to elect to receive the Scrip Shares in respect of all or part of his/her holding of Shares in accordance with the relevant laws and regulations.

The PRC Southbound Trading Investors should seek advice from their intermediary (including broker, custodian, nominee or ChinaClear participants) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear, and provide instructions with such intermediary in relation to the election to receive the Scrip Shares.

No Shareholder receiving in any territory outside Hong Kong a copy of this circular and/or an Election Form may treat the same as an invitation to elect for Shares unless in the relevant territory such invitation could lawfully be made to such person without the Company being required to comply with any registration or other legal requirements, governmental or regulatory procedures or any similar formalities. It is the responsibility of any Shareholder residing outside Hong Kong who wishes to receive Scrip Shares under the Scrip Dividend Arrangement to comply with the laws of the relevant jurisdiction(s), including procedures or any other similar formalities. It is also the responsibility of any person who receives Scrip Shares in lieu of cash dividend to comply with any restrictions on the resale of the Scrip Shares which apply outside Hong Kong.

CONDITION OF THE SCRIP DIVIDEND ARRANGEMENT

The Scrip Dividend Arrangement is conditional upon listing approval being granted by the Stock Exchange in respect of the Scrip Shares to be issued pursuant thereto. If this condition is not satisfied, the Scrip Dividend Arrangement described in this circular will not become effective, the Election Forms will be void and the 2019 Final Dividend will then be paid wholly in cash.

STOCK EXCHANGE LISTING, CLEARING AND SETTLEMENT

Application has been made to the Listing Committee of the Stock Exchange for the grant of listing of, and permission to deal in, the Scrip Shares. Subject to the approval being granted by the Stock Exchange, it is expected that cheques for cash entitlements and/or share certificates for Scrip Shares will be despatched to the Shareholders by ordinary mail at their own risk on 17 June 2020.

Dealings in the Scrip Shares on the Stock Exchange are expected to commence at 9:00 a.m. on 18 June 2020. The Shares of the Company are only listed on the Stock Exchange. No part of the share capital of the Company is listed or dealt in on any other stock exchange and the Company is not currently seeking to list its Shares on any other stock exchange.

Dealings in the Shares may be settled through the Central Clearing and Settlement System and you should seek the advice of your stockbroker or other professional adviser for details of these settlement arrangements and how such settlement arrangements will affect your rights and interests.

ADVANTAGES OF THE SCRIP DIVIDEND ARRANGEMENT

The Scrip Dividend Arrangement will give the Shareholders the opportunity to increase their investments in the Company at Issue Price without incurring brokerage fees, stamp duty and related dealing costs. The Scrip Dividend Arrangement will also be to the advantage of the Company because, to the extent that the Shareholders elect to receive Scrip Shares, in whole or in part in lieu of cash dividend, the cash which would otherwise have been paid to the Shareholders will be retained for use by the Company as general working capital.

RECOMMENDATION AND ADVICE

Whether or not it is to your advantage to elect to receive Scrip Shares in lieu of cash will depend upon your own individual circumstances and the decision in this regard, and all effects resulting therefrom, must be solely the responsibility of each Shareholder.

If any Shareholder is in any doubt as to any aspect of this circular, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

Yours faithfully,
By Order of the Board
Great Eagle Holdings Limited
LO Ka Shui
Chairman and Managing Director

TIMETABLE OF EVENTS	
Events	Date
Latest date for dealings in Shares on a cum-entitlement basis	7 May 2020
Shares quoted ex-dividend	8 May 2020
Latest time for lodging forms of transfer of Shares to ensure entitlements to 2019 Final Dividend and Special Final Dividend	4:30 p.m. on 11 May 2020
Closure of Registers of Members for ascertaining the entitlement to 2019 Final Dividend and Special Final Dividend	12 May 2020 to 15 May 2020 (both days inclusive)
Record Date	15 May 2020
Announcement of the Issue Price (which will be available on the Company's website and the website "HKEXnews")	15 May 2020
Final Date for receipt by Share Registrar of Election Forms	5 June 2020 not later than 4:30 pm
Payment of 2019 Final Dividend of HK50 cents per Share and Special Final Dividend of HK50 cents per Share	17 June 2020
Despatch of dividend warrants and/or share certificates for Scrip Shares by ordinary post at the risk of recipients	17 June 2020
Expected first day of dealings in Scrip Shares (subject to the granting of listing by the Stock Exchange and the proper receipt of share certificates for Scrip Shares by the relevant Shareholders)	9:00 a.m. on 18 June 2020

Note: Reference to time and dates in this circular are to Hong Kong time and dates.