
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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**CONTINENTAL
HOLDINGS LIMITED**
恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00513)

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

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

To protect the attendees from the risk of infection of the novel coronavirus disease (“COVID-19”), please refer to page 1 of this circular for the measures to be implemented at the annual general meeting of the Company (“AGM”) by the Company, including:

- compulsory body temperature check
- compulsory wearing of surgical face mask
- no distribution of corporate gifts and no serving of drinks or refreshments
- seats will be limited to ensure appropriate social distancing and will be available on a first-come-first-served basis

Any person who does not comply with the precautionary measures may be denied entry into the AGM venue. The Company encourages shareholders NOT to attend the AGM in person and strongly recommends shareholders to appoint the chairman of the AGM as their proxy to vote on the resolutions at the AGM as an alternative to attending the AGM in person.

A notice convening the AGM to be held at Function Rooms 2 & 3, 3/F, The Mira Hong Kong, 118 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 16 December 2021 at 11:00 a.m. or any adjournments thereof at which the above proposals will be considered, is contained on pages 18 to 22 of this circular. If you are not able to attend the AGM, you are requested to complete and return the form of proxy enclosed with this circular, in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time of the AGM to the Company’s share registrar, Computershare Hong Kong Investor Services Limited on 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong. Completion of the form of proxy shall not preclude you from attending and voting at the AGM should you so wish.

Hong Kong, 15 October 2021

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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing COVID-19 pandemic and recent requirements for prevention and control of its spread (as per guidelines issued by the Hong Kong Government at <https://www.chp.gov.hk/en/features/102742.html>), the Company will implement necessary preventive measures at the AGM to protect attending Shareholders, proxy and other attendees from the risk of infection, including:

- (i) Compulsory body temperature check will be conducted on every Shareholder, proxy and other attendees at the entrance of the AGM venue. Any person with a body temperature of over 37.3 degrees Celsius, or who exhibits flu-like symptoms or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) Attendees are required to prepare their own surgical face masks and wear the same inside the AGM venue at all times, and to maintain an appropriate social distance with others (including queuing for registration). Please note that no mask will be provided.
- (iii) No distribution of corporate gifts and no serving of drinks or refreshments.
- (iv) Seats at the AGM venue will be arranged to ensure appropriate social distancing. As a result, there will be limited capacity for attendees. Seats will be limited at the meeting and will be available on a first-come-first-served basis.

To the extent permitted under law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue in order to ensure the safety of the attendees at the AGM.

In the interest of all attendees' health and safety, the Company wishes to advise all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions duly completed, Shareholders may appoint the chairman of the AGM as their proxy to vote on the resolutions at the AGM instead of attending the AGM in person.

The proxy form, which can also be downloaded from the Company's website (<http://www.continental.com.hk>), is enclosed with this circular. If you are not a registered Shareholder (i.e., if your Shares are held via banks, brokers, custodians or Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

Subject to the development of the novel coronavirus in Hong Kong, the Company may implement further precautionary measures, and issue further announcement(s) on such measures as and when appropriate.

DEFINITIONS

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

“AGM” or “Annual General Meeting”	the annual general meeting of the Company to be held at Function Rooms 2 & 3, 3/F, The Mira Hong Kong, 118 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 16 December 2021 at 11:00 a.m.
“Articles of Association”	articles of association of the Company
“Board”	board of Directors
“close associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	Continental Holdings Limited, a company incorporated in Hong Kong with limited liability, the securities of which are listed on the Stock Exchange
“core connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the general mandate to the Directors to exercise the powers of the Company to allot, issue and deal with Shares during the relevant period up to a maximum of 20 per cent of the total number of shares in issue of the Company as at the date of passing of the relevant resolution at the AGM

DEFINITIONS

“Latest Practicable Date”	8 October 2021, being the latest practicable date prior to the issue of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	the general mandate to the Directors to exercise the powers of the Company to repurchase Shares during the relevant period up to a maximum of 10 per cent of the total number of shares in issue of the Company as at the date of passing of the relevant resolution at the AGM
“Share(s)”	share(s) of the Company
“Share Consolidation”	every ten (10) issued ordinary shares of the Company has been consolidated into one (1) ordinary share of the Company with effective on 31 May 2021
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed thereto in the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



CONTINENTAL
HOLDINGS LIMITED
恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00513)

Executive Directors:

Mr. Chan Wai Lap, Victor
Dr. Chan Sing Chuk, Charles, *BBS, JP*
Ms. Cheng Siu Yin, Shirley
Ms. Chan Wai Kei, Vicki
Mr. Wong Edward Gwon-hing

Registered Office:

Flats M and N, 1/F
Kaiser Estate, Phase III
11 Hok Yuen Street
Kowloon
Hong Kong

Non-executive Director:

Mr. Yam Tat Wing

Independent Non-executive Directors:

Mr. Yu Shiu Tin, Paul, *BBS, MBE, JP*
Mr. Chan Ping Kuen, Derek
Mr. Sze Irons, *BBS, JP*
Mr. Cheung Chi Fai, Frank

15 October 2021

To the Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The Directors wish to seek the approval of the Shareholders at the AGM for the granting of the Issue Mandate and the Repurchase Mandate and the proposed re-election of Directors.

LETTER FROM THE BOARD

The purpose of this circular is to (a) provide you with details of the Issue Mandate and the Repurchase Mandate; (b) present the proposal for the re-election of Directors; and (c) give you notice of the AGM.

GRANTING OF THE ISSUE MANDATE AND THE REPURCHASE MANDATE

Three ordinary resolutions numbered (5), (6) and (7) in the notice of the AGM to be proposed in relation to the Repurchase Mandate, the Issue Mandate and the extension of the Issue Mandate to issue and allot additional Shares representing the total number of Shares which may be purchased by the Company under the Repurchase Mandate are as follows:

(a) Repurchase Mandate

Ordinary resolution numbered (5) set out in the notice of the AGM will be proposed at the AGM to give a general and unconditional mandate to the Directors to exercise the powers of the Company to repurchase at any time during the Relevant Period (as defined in ordinary resolution numbered (5) set out in the notice of the AGM) Shares representing up to 10% of the total number of Shares in issue as at the date of passing such resolution. As at the Latest Practicable Date, there were in issue an aggregate of 683,118,258 Shares (after Share Consolidation). Assuming that no Shares are issued or repurchased by the Company prior to the date of the AGM, such 10% will represent 68,311,825 Shares (after Share Consolidation).

The Directors will seek the approval of the Shareholders for the grant of the Repurchase Mandate in accordance with the requirements set out in the Listing Rules.

The explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular.

(b) Issue Mandate

Ordinary resolution numbered (6) set out in the notice of the AGM will also be proposed that the Directors be given a general and unconditional mandate to issue and allot during the Relevant Period (as defined in ordinary resolution numbered (6) set out in the notice of the AGM) additional Shares representing up to 20% of the total number of Shares in issue as at the date of passing such resolution. As at the Latest Practicable Date, there were in issue an aggregate of 683,118,258 Shares (after Share Consolidation). Assuming that no Shares are issued or repurchased by the Company prior to the date of the AGM, such 20% will represent 136,623,651 Shares (after Share Consolidation).

LETTER FROM THE BOARD

In addition, an ordinary resolution (ordinary resolution numbered (7) set out in the notice of the AGM) will be proposed to extend such general mandate to issue Shares by adding to it an amount representing the aggregate number of Shares repurchased by the Company under the Repurchase Mandate.

To facilitate future allotment and issue of Shares by the Directors on behalf of the Company, the Directors will seek the approval of the Shareholders for the grant of the Issue Mandate at the AGM.

RE-ELECTION OF DIRECTORS

According to Articles 115(A) and 115(B) of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not exceeding one-third, shall retire from office by rotation. The Directors to retire in every year shall be those who have been longest in office since their last re-election or appointment but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. A retiring Director shall be eligible for re-election.

Furthermore, according to Article 115(D) of the Articles of Association, every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years and the Directors to retire shall be decided by the Board.

In accordance with Articles 115(A), 115(B) and 115(D) of the Articles of Association, Mr. Chan Wai Lap, Victor, Dr. Chan Sing Chuk, Charles and Mr. Cheung Chi Fai, Frank (“Mr. Frank Cheung”) shall retire from office by rotation and all of them are eligible for re-election at the AGM.

Mr. Frank Cheung, being Independent Non-executive Director, have served the Company for more than nine years. The Nomination Committee of the Board considered that his long service would not affect his exercise of independent judgment and was satisfied that Mr. Frank Cheung has the required integrity and experience to continue fulfilling the role of Independent Non-executive Directors.

Mr. Frank Cheung has extensive knowledge and experience in accounting, finance and administration. He also has in-depth understanding of the Company’s operations and business. Mr. Frank Cheung has expressed objective views and given independent guidance to the Company over the years. His impartiality and independent judgement on various issues can be observed during Board meetings. The Board is satisfied with his independence and considers Mr. Frank Cheung continues to be independent.

LETTER FROM THE BOARD

In addition, Mr. Frank Cheung has made confirmation of independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules. Taking into consideration of the above, the Board is of the view that Mr. Frank Cheung is independent in accordance with the independence guidelines.

Pursuant to the Code Provision set out in A.4.3 of Appendix 14 to the Listing Rules, the re-election of Mr. Frank Cheung will be subject to separate resolutions to be approved by Shareholders at the AGM.

Details of retiring Directors proposed for re-election at the AGM are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The notice of the AGM is set out in this circular. At the AGM, ordinary resolutions will be proposed to approve the granting of the Issue Mandate and the Repurchase Mandate and the re-election of Directors.

A form of proxy for use at the AGM is enclosed with this circular. If you are not able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited on 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the AGM. Completion and return of the proxy form will not preclude Shareholders from attending and voting at the AGM if they so wish.

RIGHT TO DEMAND POLL

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. The chairman of the AGM will demand a poll on each of the resolutions to be proposed at the AGM. The results of the poll will be published on the website of the Stock Exchange and the website of the Company at <http://www.continental.com.hk> on the day of the AGM.

LETTER FROM THE BOARD

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM, the Register of Members of the Company will be closed from Monday, 13 December 2021 to Thursday, 16 December 2021, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Friday, 10 December 2021.

For determining the entitlement to the proposed final dividend, the Register of Members will be closed from Wednesday, 22 December 2021 to Friday, 24 December 2021, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for entitlement to the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the office of the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 21 December 2021. Subject to the approval by shareholders of the Company at the forthcoming AGM which to be held on Thursday, 16 December 2021, the proposed final dividend will be paid on or about Friday, 14 January 2022.

RECOMMENDATIONS

The Board considers that (a) the granting of and the extension to the Issue Mandate and the Repurchase Mandate; and (b) the re-election of the Directors as described in the section headed "Re-election of Directors" above are in the interest of the Company and its Shareholders as a whole and accordingly recommends you to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

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.

LETTER FROM THE BOARD

MISCELLANEOUS

In the event of inconsistency, the English text of this circular shall prevail over the Chinese text.

Yours faithfully,
For and on behalf of the Board
Chan Wai Lap, Victor
Chairman

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the Repurchase Mandate.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of Shares in issue comprised 683,118,258 Shares (after Share Consolidation). On the basis that no further Shares are issued or repurchased prior to the AGM, exercise in full of the proposed Repurchase Mandate can accordingly result in up to 68,311,825 Shares (after Share Consolidation) being repurchased by the Company during the course of the period ending on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by law and the date upon which such authority is revoked or varied.

REASONS FOR REPURCHASES

The Directors believe that it is in the interests of the Company and its Shareholders as a whole to seek a general authority from the Shareholders to enable the Directors to repurchase Shares in the market.

Repurchases may, depending on market conditions and funding arrangements at the time, result in an enhancement of the net assets and/or earnings per Share. The Directors are seeking the grant of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then prevailing.

FUNDING OF REPURCHASES

Repurchases of Shares must be funded out of funds legally available for the purpose in accordance with the Articles of Association and the Companies Ordinance. Repurchases of Shares pursuant to the Repurchase Mandate would be financed entirely from the Company's available cash flow or working capital facilities. Any repurchases of Shares will be made out of funds of the Company permitted to be utilised in this connection, including profits otherwise available for distribution.

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited financial statements dated 30 June 2021) in the event that the Repurchase Mandate is exercised in full. 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 or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months prior to the Latest Practicable Date were as follows (the prices has been adjusted pursuant to the Share Consolidation):

	Per Share	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2020		
October	0.750	0.640
November	0.740	0.660
December	0.820	0.650
2021		
January	0.750	0.600
February	0.760	0.610
March	0.760	0.510
April	0.580	0.480
May	0.650	0.480
June	0.600	0.490
July	0.570	0.400
August	0.425	0.380
September	0.495	0.380
October (up to the Latest Practicable Date)	0.450	0.400

EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase would be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's voting right at the time, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Tamar Investments Group Limited ("Tamar Investments"), a company owned as to 35% by Dr. Chan Sing Chuk, Charles, 35% by his wife, Ms. Cheng Sin Yin, Shirley, 7% by Ms. Chan Wai Kei, Vicki and 16% by Mr. Chan Wai Lap, Victor ("Mr. Victor Chan"), Chairman of the Board, and all being Executive Directors of the Company, was interested in 506,339,522 Shares (after Share Consolidation), representing approximately 74.12% of the issued Shares as at such date. Mr. Victor Chan, was also interested in 270,000 Shares (after Share Consolidation), representing approximately 0.04% of the issued Shares. On such basis, if the Repurchase Mandate is fully exercised by the Company, it will increase their aggregate shareholding in the Company to approximately 82.40% (*Note*), and such increase will not give rise to an obligation to make a mandatory offer under the Takeovers Code. However, in such circumstances, the number of Shares held by the public will be reduced to below 25%.

Save as aforesaid, the Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate. The Directors have no intention to exercise the Repurchase Mandate to such an extent that would result in the total number of the issued Shares held by the public being reduced to less than 25% as required under the Listing Rules (or the relevant prescribed minimum percentage required by the Stock Exchange).

Note: The percentage was calculated based on the Company's issued number of Shares of 683,118,258 (after Share Consolidation) as at the Latest Practicable Date and on the assumptions that there is no other change in the issued number of Shares and that none of the share options issued by the Company are exercised prior to the AGM.

APPENDIX I EXPLANATORY STATEMENT OF THE REPURCHASE MANDATE

DIRECTORS AND 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 close associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate if the Repurchase Mandate is approved by the Shareholders.

No core connected persons of the Company have notified the Company that they have a present intention to sell Shares to the Company and no such persons have undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the Repurchase Mandate in accordance with the Listing Rules, all applicable laws of Hong Kong and the Articles of Associations.

REPURCHASES MADE BY THE COMPANY

The Company has not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

The following are the particulars of the retiring Directors proposed for re-election at the AGM.

Mr. Chan Wai Lap, Victor, aged 46, was appointed as Chairman of the Group since 2017. He joined the Group in 2000 and was appointed as an Executive Director of the Company in 2006. He currently strategizes the direction of the Group and provides leadership to the Board. He manages and oversees the overall Group operations and is responsible in leading the management on various aspects of the Group such as sales and marketing, product development, investment and financing activities, as well as corporate and business development, etc.

Mr. Victor Chan holds a number of public and honorary positions, such as Vice Chairman of The Hong Kong Jewellery & Jade Manufacturers Association; a member of the 10th Executive Committee of the Diamond Federation of Hong Kong China Ltd.; Founding Chairman of the Youth Chapter of the Hong Kong Young Industrialists Council; Member of the Jewellery Advisory Committee of the Hong Kong Trade Development Council; Executive Committee member of Federation of Hong Kong Industries. He was also President of Entrepreneurs' Organization (Hong Kong and China South Chapters) and Director of Hong Kong United Youth Association.

Prior to joining the Group, Mr. Victor Chan had worked in both banking and manufacturing industry for several years. He holds a Bachelor of Science degree with double majors in Entrepreneurial Studies and Finance from Babson College in Boston, Massachusetts.

Mr. Victor Chan has not held any directorship in any public listed companies in the last three years.

Mr. Victor Chan is the son of Dr. Chan Sing Chuk, Charles and Ms. Cheng Siu Yin, Shirley, and is the brother of Ms. Chan Wai Kei, Vicki. All of them are the Executive Directors of the Company.

As at the Latest Practicable Date, Mr. Victor Chan is interested in 270,000 Shares (after Share Consolidation) and 3,000,000 underlying Shares (after Share Consolidation) pursuant to share options of the Company. Mr. Victor Chan also owns 16% of Tamar Investments which holds 506,339,522 Shares (after Share Consolidation), representing approximately 74.12% of the issued Shares of the Company. All those interests are within the meaning of Part XV of the Securities and Future Ordinance.

Mr. Victor Chan was appointed as Chairman of the Group since 2017. He has entered into a service contract with the Company for a term of three years commencing from 1 July 2020, which is subject to termination by either party by giving twelve months' written notice. He is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of Association. For the financial year ended 30 June 2021, the total remuneration paid to Mr. Victor Chan is HK\$2,673,000 (including salaries, benefits, bonus and retirement scheme contributions) which is determined with reference to his duties and responsibilities with the Group, the Group's performance and the prevailing market situation.

The Company confirms that it is not aware of any other matters that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to the Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Dr. Chan Sing Chuk, Charles, BBS, JP, aged 76, is Founder of the Group. Dr. Chan is an Executive Director of the Company and holds directorship in various subsidiaries of the Company. He is responsible for strategic planning, corporate development and investment of the Group. Dr. Chan has over 60 years of experience in the jewellery industry. He is currently the Honorary Permanent President of the Hong Kong Jewellery & Jade Manufacturers Association; Honorary Member of Diamond Federation of Hong Kong, China Ltd.; Honorary Court Member and Institutional Advancement and Outreach Committee Member of the University Court of The Hong Kong University of Science & Technology; as well as a member of other trade associations. In community, charitable and political involvements, Dr. Chan is the Permanent Honorary Director of Friends of Hong Kong Association Ltd., and Member of The Association of Chairmen of The Tung Wah Group of Hospitals. Dr. Chan was appointed a Committee Member of the City of Jiangmen Chinese People's Political Consultative Conference during 2003-2016; and the Founding President of Jiangmen Overseas Chinese Enterprise Federation since 2006.

Dr. Chan has not held any directorship in any public listed companies in the last three years.

Dr. Chan is the husband of Ms. Cheng Siu Yin, Shirley, and is the father of Ms. Chan Wai Kei, Vicki and Mr. Chan Wai Lap, Victor. All of them are Executive Directors of the Company.

As at the Latest Practicable Date, Dr. Chan owns 35% of Tamar Investments which holds 506,339,522 Shares (after Share Consolidation), representing approximately 74.12% of the issued Shares of the Company (within the meaning of Part XV of the Securities and Future Ordinance).

Dr. Chan has entered into a supplemental service agreement with the Company on 2 December 2019 for period of three years commencing from 1 January 2020, which may be terminated by either party by giving six months' written notice. Dr. Chan is subject to retirement by rotation at annual general meeting of the Company in accordance with the Articles of Association. For the financial year ended 30 June 2021, the total remuneration paid to Dr. Chan is HK\$1,931,000 (including salaries, benefits, bonus and retirement scheme contributions) which is determined with reference to his duties and responsibilities with the Group, the Group's performance and the prevailing market situation.

The Company confirms that it is not aware of any other matters that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to the Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

Mr. Cheung Chi Fai, Frank, aged 59, was appointed as an Independent Non-executive Director and a member of the Audit Committee of the Board on 7 April 2010. Mr. Cheung is currently the Chief Financial Officer and Company Secretary of China Weaving Materials Holdings Limited (Stock Code: 3778), a Company listed on the Stock Exchange. He has over 25 years of experience in accounting, finance and administration and has held senior positions in multinational companies. He obtained his MBA from University of Technology, Sydney, Australia and is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

From March 2016 to August 2018, Mr. Cheung was an Independent Non-Executive Director of K. H. Group Holdings Limited (Stock Code: 1557), a company listed on the Stock Exchange. From March 2009 to July 2011, he was a part time tutor at the Open University of Hong Kong (now known as Hong Kong Metropolitan University). From March 2004 to November 2007, he was an Executive Director of Sun Innovation Holdings Limited (now known as Digital Domain Holdings Limited) (Stock Code: 547), a company listed on the Stock Exchange, and was also the Chief Financial Officer from March 2007 to February 2008. He was an Independent Director of LJ International Inc. (NASDAQ: JADE), a company listed on NASDAQ from June 2007 to October 2007. From January 2001 to December 2003, he was a Director of e-Lux (Hong Kong) Limited (now known as Quants Capital (Hong Kong) Limited), a subsidiary of e-Lux Corporation (JASDAQ: 6811) (now known as Quants Inc.), in charge of value-added telecommunications services in Hong Kong, Taiwan and China. He was the group financial controller and a director of New Media Corporation, a subsidiary of e-New Media Company Limited, a company listed on the Stock Exchange (stock code: 128) (now known as ENM Holdings Limited) from 1995 to 1999 and 1999 to 2000, respectively.

Save as disclosed above, Mr. Cheung has not held any directorship in any public listed companies in the last three years and does not have any relationship with any other directors or senior management or substantial or controlling shareholders of the Company.

No services contract has been entered into between Mr. Cheung and the Company. Mr. Cheung has no fixed term of service with the Company, but he is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Articles of association.

As at the Latest Practicable Date, Mr. Cheung does not have any interest (within the meaning of Part XV of the Securities and Futures Ordinance) in the shares of the Company. For the financial year ended 30 June 2021, Mr. Cheung is entitled to a director's fee of HK\$50,000 per annum, which is determined by reference to his duties and responsibilities with the Group, the Group's performance and the prevailing market situation.

Mr. Cheung has confirmed in writing his independence in accordance with the Listing Rules. Based on such information and Mr. Cheung's past performance, the Board believes that Mr. Cheung continues to be independent.

The Company confirms that it is not aware of any other matters that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to the Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



CONTINENTAL HOLDINGS LIMITED 恒和珠寶集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00513)

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM”) of the shareholders of Continental Holdings Limited (“Company”) will be held at Function Rooms 2 & 3, 3/F, The Mira Hong Kong, 118 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 16 December 2021 at 11:00 a.m. for the purpose of transacting the following business:

As ordinary business:

- (1) To receive and consider the audited consolidated financial statements and the reports of the directors and the independent auditor of the Company and its subsidiaries for the year ended 30 June 2021.
- (2) To approve a final dividend of HK2.00 cents per share for the year ended 30 June 2021.
- (3)
 - (a) To re-elect Mr. Chan Wai Lap, Victor as an executive director of the Company.
 - (b) To re-elect Dr. Chan Sing Chuk, Charles as an executive director of the Company.
 - (c) To re-elect Mr. Cheung Chi Fai, Frank as an independent non-executive director of the Company.
 - (d) To authorise the board of directors of the Company to fix the directors’ remuneration.
- (4) To re-appoint BDO Limited as the independent auditor of the Company and authorise the directors of the Company to fix the auditor’s remuneration.

NOTICE OF ANNUAL GENERAL MEETING

And as special business, to consider and, if thought fit, to pass with or without modification the following resolutions of which resolutions numbered (5) to (7) will be proposed as ordinary resolutions:

ORDINARY RESOLUTIONS

- (5) **“THAT:**
- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase shares of the Company (“Shares”), subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
 - (b) the total number of Shares which may be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of Shares in issue on the date of passing of this resolution, and the said approval shall be limited accordingly; and
 - (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meetings; or
 - (iii) 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 or any applicable laws to be held.”
- (6) **“THAT:**
- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to issue, allot and deal with additional Shares and to make or grant offers, agreements and options during the Relevant Period which would or might require Shares to be issued, allotted or dealt with during or after the end of the Relevant Period be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total number of Shares issued, allotted, dealt with or agreed conditionally or unconditionally to be issued, allotted or dealt with, pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below), or (ii) any option scheme or similar arrangement for the time being adopted by the Company for the granting or issuance of Shares or rights to acquire Shares, or (iii) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company, shall not exceed 20% of the total number of Shares in issue on the date of passing of this resolution; and
- (c) for the purposes of this resolution:
 - (i) “Relevant Period” shall have the same meaning as assigned to it under resolution numbered (5) set out in the notice convening this meeting;
 - (ii) “Rights Issue” means an offer of Shares open for a period fixed by the directors of the Company to the holders of Shares on a fixed record date in proportion to their then holdings of Shares (subject 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 outside Hong Kong).”
- (7) “**THAT** subject to the passing of the resolutions numbered (5) and (6) above, the general mandate granted to the directors of the Company to issue, allot and deal with any additional Shares pursuant to resolution numbered (6) above be and is hereby extended by the addition thereto of the total number of Shares which may be purchased by the Company under the authority granted pursuant to resolution numbered (5) above, provided that such amount of Shares so purchased shall not exceed 10% of the total number of Shares in issue on the date of passing this resolution.”

By Order of the Board
Chan Wai Lap, Victor
Chairman

Hong Kong, 15 October 2021

NOTICE OF ANNUAL GENERAL MEETING

Registered Office:

Flats M and N, 1st Floor
Kaiser Estate, Phase III
11 Hok Yuen Street
Hungghom, Kowloon
Hong Kong

Notes:

- (a) Any member of the Company entitled to attend and vote at the AGM is entitled to appoint up to two individuals as his proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (b) 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 was 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.
- (c) Completion and return of the form of proxy will not preclude a member from attending and voting at the AGM or any adjournment thereof if he so wishes. In that event, his form of proxy will be deemed to have been revoked.
- (d) In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof must be delivered to the Company's share registrar, Computershare Hong Kong Investor Services Limited on 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof.
- (e) For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 13 December 2021 to Thursday, 16 December 2021 both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Friday, 10 December 2021.

For determining the entitlement to the proposed final dividend, the Register of Members will be closed from Wednesday, 22 December 2021 to Friday, 24 December 2021, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for entitlement to the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the office of the Company's Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 21 December 2021. Subject to the approval by shareholders of the Company at the forthcoming AGM which to be held on Thursday, 16 December 2021, the proposed final dividend will be paid on or about Friday, 14 January 2022.

NOTICE OF ANNUAL GENERAL MEETING

- (f) Shareholders are strongly encouraged to note the COVID-19 precautionary measures and special arrangements to be implemented at the AGM which are set out on the cover page and page 1 with heading “PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING” in the Company’s circular and that NO refreshments, drinks or gifts will be provided. Shareholders are strongly encouraged to appoint the Chairman of the AGM as their proxy and submit their form of proxy as early as possible.