



Notice of Annual General Meeting, Re-election of Retiring Directors and General Mandates to Issue and Buy Back Shares

股東周年大會通告、 重選行將屆滿退任的董事及 發行及回購股份的一般性授權

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

此乃要件 請即處理

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult an exchange participant or other securities dealer licensed as a licensed person under the Securities and Futures Ordinance, bank manager, solicitor, certified public accountant or other professional adviser.

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If you have sold or transferred all your shares in The Hongkong and Shanghai Hotels, Limited (the "Company"), you should at once hand this circular and the attached proxy form to the purchaser or transferee or to the bank, exchange participant or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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The notice convening the Annual General Meeting of the Company to be held at The Peninsula Hong Kong, Salisbury Road, Kowloon, Hong Kong on Thursday, 14 May 2020 at 12:00 noon (the "AGM") is set out on pages 2 to 4 of this circular. Shareholders are advised to read the notice and to complete and return the attached proxy form in accordance with the instructions printed thereon as soon as possible and in any event so that it arrives not less than 24 hours before the time of the meeting.

本公司將於2020年5月14日(星期四)正午12時假座香港九龍梳士巴利道香港半島酒店舉行股東周年大會(「股東周年大會」)，召開大會的通告載於本通函第12至14頁。務請各股東細閱通告並儘速按照所列印的指示填妥及交回隨附的代表委任表格，惟無論如何不得遲於大會舉行時間24小時前交回。

3 April 2020

2020年4月3日

PRECAUTIONARY MEASURES FOR THE AGM

Taking into account the recent development of the COVID-19 coronavirus, the Company will implement the following prevention and control measures at the AGM to protect our shareholders from the risk of infection (details can be found in Note 10 of the Notice of AGM):

- **compulsory body temperature check**
- **wearing of surgical mask**
- **no distribution of gift and no refreshment will be served**

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the Chairman of the AGM as a proxy to vote on the relevant resolutions, instead of attending the AGM in person.

股東周年大會的預防措施

鑑於新型冠狀病毒肺炎疫情之近期發展情況，本公司於股東周年大會將實施以下防控措施以保障股東免受感染風險（詳情載於股東周年大會通告附註10）：

- **必須測量體溫**
- **戴上外科口罩**
- **將不會派發禮品及不設茶點招待**

任何違反預防措施或現受到香港政府規定須接受檢疫之人士可能不獲批准進入大會會場。本公司提醒股東可委託股東周年大會的主席作為其代表就相關決議案投票，而無需親身出席股東周年大會。



THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00045)

Directors

Non-Executive Chairman

The Hon. Sir Michael Kadoorie

Non-Executive Deputy Chairman

Andrew Clifford Winawer Brandler

Executive Directors

Managing Director and Chief Executive Officer

Clement King Man Kwok

Chief Operating Officer

Peter Camille Borer

Chief Financial Officer

Matthew James Lawson

Registered Office

8th Floor, St. George's Building
2 Ice House Street
Central
Hong Kong

Dear Shareholders,

On behalf of the Board, it is my pleasure to inform you that our annual general meeting will be held at The Peninsula Hong Kong, Salisbury Road, Kowloon, Hong Kong on Thursday, 14 May 2020 at 12:00 noon (the "AGM").

Notice and information regarding the business to be considered at the AGM are set out in this circular. A proxy form for use at the AGM is attached. Whether or not you intend to attend the AGM, you are advised to complete the proxy form and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited, as soon as possible, but in any case, to arrive no later than 24 hours before the time of the meeting. Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM and at any adjournment thereof, should you so wish to do so.

The Board considers that the proposed resolutions as set out in the notice of AGM are in the best interests of the Company and its shareholders, and recommends you to vote in favour of the resolutions.

I will demand that each of the proposed resolutions be voted by way of a poll. The results of the poll will be posted on the websites of the Company and the Stock Exchange after the market closes on the day of the AGM.

Yours faithfully,
The Hon. Sir Michael Kadoorie
Chairman
3 April 2020

Non-Executive Directors

William Elkin Mocatta

John Andrew Harry Leigh

Nicholas Timothy James Colfer

James Lindsay Lewis

Philip Lawrence Kadoorie

Independent Non-Executive Directors

Dr the Hon. Sir David Kwok Po Li

Patrick Blackwell Paul

Pierre Roger Boppe

Dr William Kwok Lun Fung

Dr Rosanna Yick Ming Wong

Dr Kim Lesley Winser

Ada Koon Hang Tse

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of shareholders of The Hongkong and Shanghai Hotels, Limited (the “Company”) will be held at The Peninsula Hong Kong, Salisbury Road, Kowloon, Hong Kong on Thursday, 14 May 2020 at 12:00 noon (the “AGM”) for the following purposes:

1. To receive and consider the audited financial statements and the reports of the Directors and independent auditor for the year ended 31 December 2019.
2. To declare a final dividend.
3. To re-elect retiring Directors.
4. To re-appoint the auditor and authorise the Directors to fix their remuneration.

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

5. **“THAT:**

- (a) subject to paragraph (c), a general mandate be unconditionally granted to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to allot, issue and deal with additional shares in the Company and to make or grant offers, agreements, options or warrants (including securities convertible into shares of the Company) which would or might require the exercise of such powers;
- (b) the mandate in paragraph (a) shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Rights Issue, or

(ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company, or (iii) any scrip dividend or similar arrangement pursuant to the Articles of Association of the Company from time to time, shall not exceed 20% of the total number of shares of the Company in issue at the date of passing this Resolution (subject to adjustment in the case of any subdivision and consolidation of shares after the passing of this Resolution) and the said mandate shall be limited accordingly; and

(d) 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 expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

‘Rights Issue’ means an offer of shares or an issue of options, warrants or other securities giving the right to subscribe for shares, open for a period fixed by the Directors of the Company to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. **“THAT:**

(a) a general mandate be unconditionally granted to the Directors of the Company to exercise during the Relevant Period all the powers of the Company to buy back or otherwise acquire shares of the Company in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the total number of shares so bought back or otherwise acquired shall not exceed 10% of the total number of shares of the Company in issue at the date of passing this Resolution (subject to adjustment in the case of any subdivision and consolidation of shares after the passing of this Resolution); and

(b) 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 expiration of the period within which the next annual general meeting of the Company is required by law to be held; or
- (iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

7. **“THAT,** subject to the passing of Resolutions 5 and 6 set out in the notice of this meeting, the total number of shares of the Company which are bought back or otherwise acquired by the Company pursuant to Resolution 6 shall be added to the total number of shares of the Company which may be issued pursuant to Resolution 5.”

By Order of the Board
Christobelle Liao
Company Secretary
3 April 2020

Notes:

1. A shareholder may appoint separate proxies to attend, speak and vote in his/her stead at the AGM provided that each proxy is appointed to represent the respective number of shares held by the shareholder as specified in the relevant proxy forms. The proxy does not need to be a shareholder of the Company.
2. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
3. In order to be valid, the proxy form together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, at least 24 hours before the time appointed for holding the AGM.
4. The register of members of the Company will be closed during the following periods:–
 - (i) from Monday, 11 May 2020 to Thursday, 14 May 2020, both days inclusive, for the purpose of ascertaining shareholders’ entitlement to attend, speak and vote at the AGM. In order to be entitled to attend, speak and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, for registration no later than 4:30pm on Friday, 8 May 2020.
 - (ii) from Wednesday, 20 May 2020 to Friday, 22 May 2020, both days inclusive, for the purpose of ascertaining shareholders’ entitlement to receive the final dividend. In order to be entitled to receive the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited for registration at the address as set out in sub-paragraph (i) above no later than 4:30pm on Tuesday, 19 May 2020.

During the periods mentioned in sub-paragraphs (i) and (ii) above, no transfers of shares will be registered.

5. Subject to the passing of the necessary resolution at the AGM, the final dividend will be payable on 29 June 2020, to shareholders whose names appear on the register of members on 22 May 2020. Shareholders will be given the option to receive their dividend in the form of scrip rather than cash.

NOTICE OF ANNUAL GENERAL MEETING

6. The retiring Directors are Mr Andrew Brandler, Mr Clement Kwok, Mr William Mocatta, Mr Pierre Boppe and Dr William Fung who will retire at the AGM and, being eligible, have agreed to offer themselves for re-election. The re-election of these retiring Directors will be voted on individually by shareholders. Details of the Directors proposed to be re-elected at the AGM are set out in Appendix I of the circular to the shareholders dated 3 April 2020.
7. Detailed information on other business to be transacted at the AGM is set out in the circular to the shareholders dated 3 April 2020.
8. At the AGM, the Chairman will demand each of the above resolutions to the vote by way of a poll in accordance with Article 58 of the Articles of Association of the Company. The results of the poll will be posted on the websites of the Company and the Stock Exchange after the market closes on the day of the AGM.
9. In the event that a typhoon signal no. 8 or above, or a black rainstorm warning signal is in force in Hong Kong at any time between 9:00a.m. and 12:00 noon on the day of the AGM, the AGM may be postponed to a later date and/or time as determined by the Company.

If postponed, the Company will, as soon as practicable, post an announcement on the websites of the Company and the Stock Exchange to notify shareholders that the meeting has been postponed (however, a failure to post such a notice shall not affect the postponement of such meeting). Shareholders may also call the Company's telephone hotline at (852) 2840 7788 during business hours from 9:00a.m. to 5:30p.m. to enquire whether the meeting has been postponed.

The Company will post a further announcement on the websites of the Company and the Stock Exchange to notify the shareholders the date, time and location of the postponed meeting once it has been fixed.

Shareholders should in any event exercise due care and caution when deciding to attend the AGM in adverse weather conditions.

10. Taking into account the recent development of the COVID-19 coronavirus, the Company will implement the following prevention and control measures at the AGM to protect our shareholders from the risk of infection:
 - (i) compulsory body temperature check will be conducted for all shareholders, proxies and other attendees at the entrance of the venue. Any person with a body temperature of over 37.5 degrees Celsius will not be admitted to the venue;
 - (ii) all shareholders, proxies and other attendees are required to wear surgical mask before they are permitted to attend, and during their attendance of the AGM; and

(iii) no distribution of gift and no refreshment will be served.

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the Chairman of the AGM as a proxy to vote on the relevant resolutions, instead of attending the AGM in person.

BUSINESS OF ANNUAL GENERAL MEETING

Resolution 1 – Receiving the Audited Financial Statements

The audited financial statements of the Company and the reports of the Directors and independent auditor for the year ended 31 December 2019 are set out in the 2019 Annual Report which is available in English and Chinese on the Company's website at www.hshgroup.com and the website of the Stock Exchange at www.hkexnews.hk.

The financial statements have been reviewed by the Audit Committee and audited by KPMG.

Resolution 2 – Declaration of Final Dividend

The Board has recommended a final dividend of 9 HK cents per share (2018: 16 HK cents per share) for the year ended 31 December 2019. Subject to the approval by shareholders at the AGM, such dividend will be payable on 29 June 2020 to shareholders whose names appear on the register of members on 22 May 2020.

The proposed final dividend will be offered with a scrip alternative for shareholders to elect to receive such final dividend wholly or partly in the form of new fully paid shares instead of in cash. The new shares to be issued pursuant to the scrip dividend scheme are subject to their listing being granted by the Listing Committee of the Stock Exchange.

A circular containing details of this scrip dividend scheme will be dispatched to shareholders together with an election form for the scrip dividend on 27 May 2020.

Resolution 3 – Re-Election of Retiring Directors

In accordance with the Articles of Association of the Company, Mr Andrew Brandler, Mr Clement Kwok, Mr William Mocatta, Mr Pierre Boppe and Dr William Fung will retire at the AGM and, being eligible, have agreed to offer themselves for re-election. Mr Boppe and Dr Fung will seek re-election as Independent Non-Executive Directors ("INEDs").

In nominating the INEDs, the Nomination Committee (the "Committee") has considered the perspectives, skills and experience of the two INEDs seeking re-election and their contribution to the diversity of the Board. Mr Boppe brings a deep understanding of the Group's business as he has been with the Company since 1996 as Managing Director and Chief Executive Officer. He was re-designated from being a Non-Executive Director to an INED in 2009. He continues to bring a wide spectrum of expertise experience in hotel and travel industries. Dr Fung has diversified industry experience and provides valuable insight and advice to the Board which includes in areas of luxury retail and investment in Turkey and general management as well as risk management. The wide breadth of knowledge and diversity of their experiences make each of the retiring INEDs invaluable members of, and active contributors to, the Board.

In addition, the Committee has assessed and reviewed the independence of Mr Boppe and Dr Fung based on the independence guidelines set out in rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Committee continues to believe that it is not appropriate to apply an arbitrary period of service beyond which a director is assumed to have lost his independence and is of the view that although both of them have been on the Board for over nine years, this does not and would not affect their independent judgement. Each of them has

BUSINESS OF ANNUAL GENERAL MEETING

consistently brought value to the Board as he maintains an independent mindset and brings the right experience and is prepared to challenge the Board in a constructive fashion. It is noted that Mr Boppe and Dr Fung do not hold any cross directorships or have significant links with other Directors through involvements in other companies or bodies that could give rise to conflicts of interests in the role of INED of the Company and which could likely affect their independent judgement. Based on the above, the Committee has affirmed that the retiring INEDs remain independent. Furthermore, the Board has also reviewed the time spent for performing their duties and considered that they are able to devote sufficient time and attention to the Company's affairs.

The Committee considered that all of the Directors up for re-election have demonstrated their respective contributions to the Board and their commitment to their roles and that they would continue to contribute effectively.

Based on the confirmations from INEDs and the review undertaken, the Committee recommended the re-election of the retiring Directors to the Board. The Board endorsed the nomination by the Committee and recommended them to stand for re-election at the AGM. All the retiring Directors abstained from voting at the Committee and Board meetings when considering their re-election. Re-election of Directors will be individually voted on by shareholders.

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

Resolution 4 – Re-Appointment of Auditor and Fixing of Auditor's Remuneration

The Audit Committee has assessed the performance and remuneration of the external auditor, KPMG, and recommended to the Board (which endorsed the view) that, subject to shareholders' approval at the AGM, KPMG be re-appointed as the external auditor of the Company for 2020 and Directors be authorised to fix their remuneration.

Resolutions 5 to 7 – General Mandates to Issue and Buy Back Shares

At the annual general meeting of the Company held on 10 May 2019, ordinary resolutions were passed giving general mandates to Directors (i) to allot, issue and otherwise deal with shares equal to 20% of the total number of shares of the Company in issue at 10 May 2019, plus the aggregate number of shares bought back by the Company and (ii) to buy back shares of the Company on the Stock Exchange up to 10% of the total number of shares of the Company in issue as at 10 May 2019.

Under the terms of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance") and Listing Rules, these general mandates will lapse at the conclusion of the AGM, unless renewed at that meeting. Resolutions will be proposed at the AGM to give the Directors the mandates to allot or issue new shares or to grant rights to subscribe for or convert to new shares and buy back shares in accordance with the terms of those resolutions.

Based on the 1,634,422,891 shares in issue as at 30 March 2020, being the latest practicable date prior to the printing of this circular (the "Latest Practicable Date") (and assuming that there is no change in respect of the total number of shares of the Company in issue after the Latest Practicable Date and up to the passing of the relevant resolution), the Directors will be authorised under the general mandate to issue a maximum of 326,884,578 shares, subject to adjustment in the case of any subdivision and consolidation of shares after the AGM.

The Explanatory Statement required by the Listing Rules to be sent to shareholders in connection with the proposed general mandate for the share buy-back is set out in Appendix II of this circular.

APPENDIX I

Details of retiring Directors proposed for re-election

The following are the particulars of the Directors proposed to be re-elected at the AGM:

Andrew Clifford Winawer Brandler

Mr Andrew Clifford Winawer Brandler is the Non-Executive Deputy Chairman and a member of the Audit Committee, Remuneration Committee and Executive Committee and the Chairman of the Finance Committee of the Company. He was appointed a Director and Deputy Chairman in May 2014 and he is also a Director of several subsidiaries of the Company. From May 2000 to September 2013, Mr Brandler was the Group Managing Director and Chief Executive Officer of CLP Holdings Limited and he remains a Non-Executive Director of this company. He is a Non-Executive Director of Tai Ping Carpets International Limited and an Independent Non-Executive Director of MTR Corporation Limited. As Chairman of Sir Elly Kadoorie & Sons Limited, he oversees a number of Kadoorie family interests in Hong Kong and overseas and, as such, is associated with the substantial shareholders of the Company. Prior to joining CLP Holdings Limited, Mr Brandler worked for Schroders, a UK investment bank, and was based in London, in Singapore and latterly in Hong Kong, where his last position was Head of Asia-Pacific Corporate Finance. He was the Chairman of The Hong Kong General Chamber of Commerce between 2008 and 2010. He holds BA and MA degrees from the University of Cambridge, an MBA degree from Harvard Business School, and is a member of the Institute of Chartered Accountants in England and Wales. He is 63 years old.

Clement King Man Kwok

Chevalier de la Légion d'Honneur

Mr Clement King Man Kwok is an Executive Director of the Company. He was appointed to the Board as Managing Director and Chief Executive Officer in February 2002. Mr Kwok is a member of the Executive Committee and Finance Committee as well as a Director of the majority of the group's entities. His career began with Price Waterhouse and Barclays de Zoete Wedd in the UK, following which he returned to Hong Kong in 1986 to work with Schroders Asia, where he was appointed as Head of Corporate Finance in 1991. From 1996 to 2002,

Mr Kwok served as Finance Director of MTR Corporation. He is currently a Fellow of The Hong Kong Management Association, a Council member of the World Travel & Tourism Council, a member of the International Advisory Council of the Faculty of Business and Economics of The University of Hong Kong and an Honorary Adviser to the Financial Reporting Council. Over his long career in Hong Kong, he has served on the Stock Exchange Listing Committee, the Takeovers and Mergers Panel, the Securities and Futures Appeals Tribunal, the Hang Seng Index Advisory Committee, the Harbourfront Commission and the Interpretations Committee of the International Accounting Standards Board in London, as well as an Independent Non-Executive Director of Swire Pacific Limited and of Orient Overseas (International) Limited. He holds a Bachelor of Science in Economics from the London School of Economics and is a member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. He is 60 years old.

William Elkin Mocatta

Mr William Elkin Mocatta is a Non-Executive Director of the Company. He was appointed to the Board in May 1985. Mr Mocatta served as Deputy Chairman from 1993 until May 2002. He is also a Director of several subsidiaries of the Company. Mr Mocatta is an Executive Director of Sir Elly Kadoorie & Sons Limited, overseeing a number of Kadoorie family interests in Hong Kong and overseas and, as such, is associated with the substantial shareholders of the Company. He holds other non-executive positions including Vice Chairman of CLP Holdings Limited and Chairman of CLP Power Hong Kong Limited, CLP Properties Ltd., CLP Property Investment Limited, Castle Peak Power Company Limited and Hong Kong Pumped Storage Development Company, Limited. Mr Mocatta is also an Alternate Director for The Hon. Sir Michael Kadoorie in CK Hutchison Holdings Limited. He is a Fellow of the Institute of Chartered Accountants in England and Wales. He is 67 years old.

APPENDIX I

Pierre Roger Boppe

Chevalier dans l'Ordre National de la Légion d'Honneur

Mr Pierre Roger Boppe is an Independent Non-Executive Director of the Company. From May 1996 until January 2002, Mr Boppe was Managing Director and Chief Executive Officer of the group. He was re-designated from being a Non-Executive Director to an Independent Non-Executive Director in June 2009. Upon his return to Europe, Mr Boppe continues to be active in the hotel and travel industries. He holds Master of Science degrees from both the Swiss Federal Institute of Technology and Stanford University. Mr Boppe has held various executive positions with the international quality control company SGS. He is 72 years old.

Dr William Kwok Lun Fung, SBS, OBE, JP

Dr William Kwok Lun Fung is an Independent Non-Executive Director and a member of the Nomination Committee of the Company. He was appointed to the Board in January 2011. Dr Fung is the Group Chairman of Li & Fung Limited and also serves as a Non-Executive Director of other Fung Group companies including Convenience Retail Asia Limited and Global Brands Group Holding Limited. Dr Fung is an Independent Non-Executive Director of VTech Holdings Limited and Sun Hung Kai Properties Limited. He was an Independent Non-Executive Director of Singapore Airlines Limited and Shui On Land Limited until July 2017 and May 2019 respectively and a Non-Executive Director of Trinity Limited until April 2018. He is a past Chairman of the Hong Kong General Chamber of Commerce, the Hong Kong Exporters' Association and Hong Kong Committee for the Pacific Economic Cooperation Council. He was a Hong Kong Special Administrative Region delegate to the Chinese People's Political Consultative Conference from 1998 to 2003. Dr Fung graduated from Princeton University with a Bachelor of Science degree in Engineering. He also holds an MBA degree from the Harvard Graduate School of Business. He was awarded Honorary Doctorate degrees of Business Administration from The Hong Kong University of Science and Technology, The Hong Kong Polytechnic University and Hong Kong Baptist University and Honorary Doctorate degree of Letters from Wawasan Open University of Malaysia. He is 71 years old.

Other information on the retiring Directors proposed for re-election is set out below:

1. Unless otherwise disclosed in the individual retiring Directors' information, they i) do not hold any other position with the Company or its subsidiaries; ii) have not held any directorships in any listed companies in Hong Kong or overseas in the last three years; and iii) do not have any relationships with any Directors, members of senior management or substantial or controlling shareholders of the Company.
2. Among the five retiring Directors, Messrs Clement Kwok, William Mocatta and Pierre Boppe have interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance as at 31 December 2019. Their interests are disclosed in "Interests of Directors" in the Directors' Report of the Company's 2019 Annual Report and have remained unchanged as at the Latest Practicable Date.
3. The Company has entered into service contract with Mr Clement Kwok and letters of appointments with the remaining retiring Directors. The terms of appointment are detailed in their respective service contract and letters of appointment. After they have been re-elected at the AGM, they are subject to retirement at the conclusion of the third annual general meeting following their appointments and to re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company.
4. The Directors' remuneration paid for the year ended 31 December 2019 to the retiring Directors are set out in the Remuneration Committee Report of the Company's 2019 Annual Report. Their remuneration was reviewed by the Remuneration Committee with reference to market benchmarks and taking into account relevant responsibilities and workload.
5. Save for the information set out above, there are no other matters relating to the retiring Directors that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to rule 13.51(2) of the Listing Rules.

APPENDIX II

Explanatory Statement

The following is the Explanatory Statement required to be sent to shareholders under rule 10.06(1)(b) of the Listing Rules in connection with the proposed general mandate for the share buy-back and also constitutes the memorandum required under Section 239(2) of the Companies Ordinance. References in this Appendix to “Shares” mean ordinary share(s) in the capital of the Company:

- (a) It is proposed that up to 10% of the total number of Shares in issue at the date of passing of the resolution to approve the general mandate may be bought back (subject to adjustment in the case of any subdivision and consolidation of Shares after the passing of the relevant resolution). As at the Latest Practicable Date for determining such figures, the total number of Shares of the Company in issue was 1,634,422,891. On the basis of such figures (and assuming no further Shares are bought back or issued after the Latest Practicable Date and up to the date of passing such resolution) the Directors would be authorised to buy back Shares up to a limit of 163,442,289 Shares, subject to adjustment in the case of any subdivision and consolidation of Shares after the passing of the relevant resolution.
- (b) The Directors believe that the ability to buy back Shares is in the interests of the Company and its shareholders. Buy-backs may, depending on the circumstances, result in an increase in net assets and/or earnings per share. The Directors are seeking the grant of a general mandate to buy back Shares to give the Company the flexibility to do so if and when appropriate. The timing and the number(s), the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.
- (c) It is envisaged that the funds required for any buy-back would be derived from the distributable profits of the Company being funds legally available for such buy-back in accordance with the Company’s Articles of Association and the laws of Hong Kong.
- (d) There could be an 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) in the event that the proposed Share buy-backs were to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the general 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.
- (e) There are no Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any close associates (as defined in the Listing Rules) of Directors of the Company who have a present intention, in the event that the general mandate is granted by shareholders, to sell Shares to the Company.
- (f) The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the general mandate in accordance with the Listing Rules and the laws of Hong Kong.
- (g) The Directors are not aware of any consequences which would arise under the Code on Takeovers and Mergers as a result of any buy-backs pursuant to the general mandate. As at the Latest Practicable Date, approximately 59.78% of the total number of Shares in issue was held by controlling shareholders and, assuming full exercise of the buy-back mandate given to the Directors, approximately 66.43% will be held by such shareholders.
- (h) No core connected persons (as defined in the Listing Rules) of the Company have notified the Company of a present intention to sell Shares of the Company to the Company and no such persons have undertaken not to sell any such Shares to the Company in the event that the general mandate is granted by shareholders.

APPENDIX II

- (i) The highest and lowest prices at which Shares of the Company have traded on the Stock Exchange in each of the previous 12 months up to and including the Latest Practicable Date were as follows:

	Highest (HK\$)	Lowest (HK\$)
2019		
March	11.88	11.14
April	12.18	11.32
May	12.12	10.92
June	11.28	10.12
July	10.80	10.00
August	10.28	8.30
September	8.50	7.40
October	8.84	7.26
November	9.13	8.26
December	9.02	8.35
2020		
January	8.97	7.82
February	8.68	7.86
1 March to 30 March (Latest Practicable Date)	8.16	5.99

- (j) The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the six months prior to the Latest Practicable Date.