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

If you have sold or transferred all your shares in **HKR International Limited** (the “Company”), you should at once hand this circular and the enclosed form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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HKRI

香港興業國際集團有限公司
HKR International Limited

*(Incorporated in the Cayman Islands with limited liability and
registered under the Companies Ordinance of Hong Kong)*
(Stock Code: 00480)

**PROPOSALS IN RELATION TO
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES,
BONUS ISSUE OF SHARES,
INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at Grand Azure, Ground Floor, Auberge Discovery Bay Hong Kong, 88 Siena Avenue, Discovery Bay, Lantau Island, Hong Kong on Wednesday, 22 August 2018 at 11:00 a.m. is set out on pages 24 to 30 of this circular and a form of proxy is also enclosed. Whether or not you are able to attend the annual general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Investor Centre of the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. **Completion and return of the form of proxy shall not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish.**

13 July 2018

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DEFINITIONS

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

“2018 AGM”	AGM to be held at Grand Azure, Ground Floor, Auberge Discovery Bay Hong Kong, 88 Siena Avenue, Discovery Bay, Lantau Island, Hong Kong on Wednesday, 22 August 2018 at 11:00 a.m.;
“2018 AGM Notice”	notice convening the 2018 AGM as set out on pages 24 to 30 of this circular;
“AGM”	an annual general meeting of the Company;
“Articles”	amended articles of association of the Company adopted on 3 September 2009;
“Board”	the board of Directors;
“Bonus Issue”	the proposed issue of Bonus Shares on the basis of one (1) Bonus Share for every ten (10) existing Shares held by the Qualifying Shareholders on the Record Date on the terms and conditions set out in this circular;
“Bonus Share(s)”	new Share(s) to be allotted, issued and distributed pursuant to the Bonus Issue;
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“CG Code”	the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules;
“Company”	HKR International Limited 香港興業國際集團有限公司, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange (stock code: 00480);
“Director(s)”	director(s) of the Company from time to time;
“Group”	the Company and its subsidiaries from time to time;

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Increase in Authorised Share Capital”	the proposed increase in authorised share capital of the Company from HK\$500,000,000 divided into 2,000,000,000 Shares to HK\$1,000,000,000 divided into 4,000,000,000 Shares by the creation of an additional 2,000,000,000 Shares;
“Latest Practicable Date”	10 July 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained therein;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“M&A”	amended memorandum and articles of association of the Company adopted on 3 September 2009;
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) who is/are excluded from the Bonus Issue and as defined and more particularly described in the section headed “Rights of Overseas Shareholders” in this circular;
“Options”	share options granted pursuant to the share option scheme adopted by the Company on 8 September 2011;
“Overseas Shareholder(s)”	the Shareholder(s) whose address(es), as shown on the registers of members of the Company at the close of business on the Record Date is/are outside Hong Kong;
“Qualifying Shareholder(s)”	the Shareholder(s) whose name(s) appear on the registers of members of the Company at the close of business on the Record Date and who are entitled to the Bonus Issue;

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“Record Date”	31 August 2018, being the date for determination of entitlement to the final dividend for the year ended 31 March 2018 and the Bonus Issue;
“SFC”	Securities and Futures Commission of Hong Kong;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong, as amended from time to time;
“share(s)”	share(s) of all classes and securities which is/are convertible into Share(s) in the Company as from time to time issued directly or indirectly by the Company;
“Share(s)”	ordinary share(s) of par value of HK\$0.25 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	The Code on Takeovers and Mergers as approved by the SFC.

EXPECTED TIMETABLE

The following is a summary of the events in relation to the proposed Bonus Issue and the dates upon which these events are currently expected to take place:

2018

Latest time for lodging transfer of Shares for registration
in order to qualify for attending the 2018 AGM 4:30 p.m. on 16 August

Closure of registers of members for attending
and voting at the 2018 AGM (both days inclusive) 17 August to 22 August

Latest time for lodging form of proxy for the 2018 AGM
(not less than 48 hours before time of the 2018 AGM
or any adjournment thereof) 11:00 a.m. on 20 August

Record date for attending the 2018 AGM 22 August

Date and Time of the 2018 AGM 11:00 a.m. on 22 August

Announcement of poll results of the 2018 AGM 22 August

The following events are subject to the satisfaction of the conditions of the Bonus Issue as set out in the section headed “Conditions to the Bonus Issue” in this circular

Last day of dealings in the Shares on a cum-entitlement basis 24 August

First day of dealings in the Shares on an ex-entitlement basis 27 August

Latest time for lodging transfers of the Shares for
registration in order to qualify for the Bonus Issue 4:30 p.m. on 28 August

Closure of registers of members for determining
entitlement to the Bonus Shares (both days inclusive) 29 August to 31 August

Record Date for determining entitlement to the Bonus Shares 31 August

Re-open of registers of members 3 September

Despatch of share certificates for the Bonus Shares 17 September

First day of dealings in the Bonus Shares
on the Stock Exchange 9:00 a.m. on 18 September

Notes:

(a) Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be announced or notified to the Shareholders as and when appropriate.

(b) All time refer to Hong Kong local time in this circular.



香港興業國際集團有限公司
HKR International Limited

*(Incorporated in the Cayman Islands with limited liability and
registered under the Companies Ordinance of Hong Kong)*

(Stock Code: 00480)

Directors:

Mr CHA Mou Sing Payson (*Chairman*)
Mr CHA Mou Zing Victor
(Deputy Chairman & Managing Director)
Mr CHUNG Sam Tin Abraham^o
Mr TANG Moon Wah
The Honourable Ronald Joseph ARCULLI[#]
Mr CHA Mou Daid Johnson[#]
Ms WONG CHA May Lung Madeline[#]
Mr CHEUNG Wing Lam Linus^Δ
Mr FAN Hung Ling Henry^Δ
Ms HO Pak Ching Loretta^Δ
Mr TANG Kwai Chang^Δ

Registered Office:

P.O. Box 309, Uglan House
Grand Cayman
KY1-1104, Cayman Islands

*Principal Place of Business
in Hong Kong:*

23/F, China Merchants Tower
Shun Tak Centre
168–200 Connaught Road Central
Hong Kong

^o Also alternate to Mr CHA Mou Sing Payson

[#] Non-executive Directors

^Δ Independent Non-executive Directors

13 July 2018

Dear Shareholders,

**PROPOSALS IN RELATION TO
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND BUY BACK SHARES,
BONUS ISSUE OF SHARES,
INCREASE IN AUTHORISED SHARE CAPITAL
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the 2018 AGM Notice and the information regarding the resolutions to be proposed at the 2018 AGM relating to (i) the

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re-election of Directors who are going to retire and offer themselves for re-election at the 2018 AGM; (ii) the grant to the Directors of general mandates to issue and buy back shares and the extension of the general mandate to issue additional shares to include shares to be purchased or bought back; (iii) the Bonus Issue; and (iv) the Increase in Authorised Share Capital.

RE-ELECTION OF DIRECTORS

Pursuant to article 116 of the Articles, at each AGM, one-third of the Directors for the time being (excluding any Directors who may be required to retire at the same AGM under other provisions of the Articles), or if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Article 116 also requires that the Directors to retire in every year shall be those who have been longest in office since their appointment or last election 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. In addition, code provision A.4.2 of the CG Code provides, inter alia, that every Director should be subject to retirement by rotation at least once every three years.

Pursuant to article 99 of the Articles, any Director appointed by the Directors from time to time either to fill a causal vacancy or as an addition to the Board shall hold office until the next following general meeting of the Company (in the case of filling a causal vacancy) or until the next following AGM (in the case of an addition to the Board), and shall then be eligible for re-election at the general meeting.

In accordance with the above provisions of the Articles, the CG Code and the resolution of the Board passed on 20 June 2018, Mr CHA Mou Sing Payson, Mr CHA Mou Zing Victor, Ms WONG CHA May Lung Madeline, Mr FAN Hung Ling Henry and Ms HO Pak Ching Loretta shall retire by rotation at the 2018 AGM.

All of the above-named retiring Directors are eligible for re-election and have expressed their willingness to stand for re-election at the 2018 AGM. Biographical details of each of the above-named retiring Directors are set out in Appendix I to this circular.

Any Shareholder acting on his own or together with other persons whose shareholding interests in the Company in aggregate representing not less than 5% of the issued share capital of the Company (other than the person to be proposed) may nominate a person to stand for election as a Director at the 2018 AGM in accordance with article 120 of the Articles. Any Shareholder wishing to do so must serve (i) a written notice of intention to propose such person for election as a Director; (ii) a notice executed by that person of his willingness to be elected; and (iii) the information of that person as required to be disclosed under rule 13.51(2) of the Listing Rules to the Company's principal place of business in Hong Kong at 23/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on or before Tuesday, 14 August 2018. The

LETTER FROM THE BOARD

Company shall issue an announcement and/or a supplementary circular, if applicable, to inform the Shareholders of the biographical details of the additional candidate proposed if a valid notice in accordance with article 120 of the Articles from any Shareholder to propose a person to stand for election as a Director at the 2018 AGM is received.

GENERAL MANDATES TO ISSUE AND BUY BACK SHARES

At the last AGM held on 4 September 2017, general mandates were given to the Directors to exercise the powers of the Company to issue and buy back shares. These general mandates will lapse upon the conclusion of the 2018 AGM and therefore, ordinary resolutions will be proposed at the 2018 AGM to grant the general mandates as follows:

- (1) to grant to the Directors a general and unconditional mandate to allot, issue, grant, distribute and otherwise deal with additional shares not exceeding the aggregate of twenty per cent (20%) of the number of Shares in issue at the date of the passing of the relevant resolution (the “Issue Mandate”);
- (2) to grant to the Directors a general and unconditional mandate to exercise all the powers of the Company to purchase or buy back shares not exceeding the aggregate of ten per cent (10%) of the number of Shares in issue at the date of the passing of the relevant resolution (the “Buy-back Mandate”); and
- (3) conditional upon the passing of the resolutions to grant the Issue Mandate and the Buy-back Mandate, to extend the Issue Mandate such that the Directors be authorised to exercise the powers to allot, issue, grant, distribute and otherwise deal with additional shares pursuant to the Issue Mandate to the extent to include the aggregate of the number of shares purchased or bought back by the Company pursuant to the Buy-back Mandate.

As at the Latest Practicable Date, the number of issued shares of the Company was 1,350,274,367 fully paid Shares. Subject to the passing of the ordinary resolution for approving the Issue Mandate at the 2018 AGM and on the basis that no further shares or Shares will be issued or bought back prior to the 2018 AGM, the Company would be allowed under the Issue Mandate to issue a maximum of 270,054,873 shares during the period in which the Issue Mandate remains in force.

Full text of each of the relevant ordinary resolutions in relation to the general mandates described in (1), (2) and (3) above is set out as resolutions numbered 5(1), 5(2) and 5(3) respectively in the 2018 AGM Notice. An explanatory statement, as required under the Listing Rules, containing all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution numbered 5(2) to approve the Buy-back Mandate is set out in Appendix II to this circular.

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BONUS ISSUE

In the announcement dated 20 June 2018 of the annual results of the Company for the year ended 31 March 2018, the Directors proposed the Bonus Issue, being a bonus issue of Shares on the basis of one (1) Bonus Share for every ten (10) existing Shares then held by the Qualifying Shareholders whose names appear on the registers of members of the Company on the Record Date, subject to the approval by the Shareholders at the 2018 AGM.

Subject to the conditions as set out under the heading “Conditions to the Bonus Issue” below, the Bonus Shares will be issued and credited as fully paid at par on the basis of one (1) Bonus Share for every ten (10) existing Shares held by the Qualifying Shareholders on the Record Date. Assuming that there is no change to the number of issued Shares on or before the Record Date, on the basis of 1,350,274,367 existing Shares in issue as at the Latest Practicable Date, 135,027,436 Bonus Shares will be issued representing 9.99% of the existing issued share capital as at the date hereof. After the completion of the Bonus Issue, there will be a total of 1,485,301,803 Shares in issue as enlarged by the Bonus Issue. The Bonus Shares will be credited as fully paid at par value by way of capitalisation of an amount of HK\$33,756,859 in the share premium account of the Company pursuant to the Bonus Issue. The Bonus Shares, upon issue, will rank *pari passu* with the then existing Shares in all respects, including the entitlement of receiving dividends and other distributions the record date for which falls on or after the date of allotment and issue of those Bonus Shares, except that the Bonus Shares do not entitle their holders to the proposed final dividend for the year ended 31 March 2018 and the Bonus Shares will not rank for the Bonus Issue.

The exact total number of the Bonus Share to be issued under the Bonus Issue will not be capable of determination until the Record Date. The total number of Bonus Shares to be issued to any Shareholder will be rounded down to a whole number, if there are any fractional entitlements of the Bonus Shares. Such fractional entitlements arising from the Bonus Issue (if any) will not be issued to the Shareholders, but will be aggregated and sold for the benefit of the Company. The Bonus Shares issued arising from Bonus Issue may be allotted in odd lots (of less than a board lot of 800 Shares). The scale of the Bonus Issue is not significant and therefore no special dealing arrangements will be put in place by the Company to facilitate the trading or disposal of the Bonus Shares issued in odd lots.

LETTER FROM THE BOARD

(1) Conditions to the Bonus Issue

The Bonus Issue is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the 2018 AGM to approve the Bonus Issue;
- (ii) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Bonus Shares; and
- (iii) compliance with the relevant legal procedures and requirements (if any) under the applicable laws of the Cayman Islands and the Articles to effect the Bonus Issue.

(2) Closure of Registers of Members

Shareholders whose name appears on the Company's registers of members on Friday, 31 August 2018, will qualify for the entitlement to the Bonus Shares. The registers of members of the Company will be closed from Wednesday, 29 August 2018 to Friday, 31 August 2018, both days inclusive, for the purpose of ascertaining Shareholders' entitlement to the Bonus Shares. During this period, no Share transfer will be registered. In order to qualify for the entitlement to the Bonus Shares, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration 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, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 28 August 2018.

(3) Listing and Dealings

An application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Bonus Shares. No part of the securities of the Company is listed on or dealt in on any other stock exchange other than the Stock Exchange and no such listing or permission to deal is being or is proposed to be sought.

Subject to the fulfilment of the conditions as set out in the paragraph headed "Conditions to the Bonus Issue" above, which includes the granting of listing of, and permission to deal in, the Bonus Shares on the Stock Exchange, the Bonus Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Bonus Shares on the Stock Exchange or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

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It is expected that share certificates for the Bonus Shares will be posted by ordinary post on or around 17 September 2018 upon fulfilment of all the conditions of the Bonus Issue at the risk of the Qualifying Shareholders to their respective addresses shown on the registers of members of the Company on the Record Date. In the case of a joint holding, the share certificates for the Bonus Shares will be posted to the address of the person whose name stands first on the registers of members of the Company on the Record Date.

Subject to fulfilment of the conditions of the Bonus Issue, dealings in the Bonus Shares on the Stock Exchange are expected to commence on 18 September 2018 and will be subject to stamp duty in Hong Kong. The Qualifying Shareholders are recommended to consult their professional advisers as to the tax implications on the Bonus Issue. It is emphasised that tax implications on the Bonus Issue and the holding and exercise of the Bonus Shares are a matter of the holders thereof and neither the Company nor any of the Directors accept any responsibility for any tax effect on, or liability of, the holders thereof.

(4) Reasons for the Bonus Issue

Although the price per Share on an ex-entitlement basis is expected to reduce proportionately, the Shareholders will receive further Shares without incurring costs. The increased number of Shares in the market presents the prospect of additional trading in the Shares. Having considered the above, the Directors are of the view that the Bonus Issue is for the interests of the Company and the Shareholders as a whole.

(5) Adjustments of Options

As at the Latest Practicable Date, there are 41,400,000 Options outstanding. Implementation of the Bonus Issue may lead to adjustments to the exercise price and the number of Shares which may be issued upon exercise of the outstanding Options. As the exact number of Bonus Shares will not be determined until the Record Date, the Company will notify the respective holders of the Options regarding the adjustments to be made, if any, pursuant to the respective terms and conditions of the Options. The Company will also make a further announcement upon adjustments to the Options, if any such adjustments are to be made.

(6) Rights of the Overseas Shareholders

As at the Latest Practicable Date, there are Overseas Shareholders whose addresses as shown on the registers of members of the Company are outside Hong Kong, namely in Australia, Bahamas, British Virgin Islands, Canada, Cayman Islands, France, Macau, Malaysia, New Zealand, Singapore, Sweden, United Kingdom and United States of America.

Pursuant to Rule 13.36(2)(a) of the Listing Rules, the Board has made enquiries with such foreign legal counsels regarding the legal restrictions under the laws of the relevant jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges regarding the issue of Bonus Shares to those Overseas Shareholders with registered addresses in the overseas countries/regions listed in the above paragraph.

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Based on the results of such enquiries, the Board is given to understand that there are no legal restrictions or requirements of any regulatory body or stock exchange that would prevent the issuance of the Bonus Shares to such Overseas Shareholder(s) in Australia, Bahamas, British Virgin Islands, Canada, Cayman Islands, France, Macau, Malaysia, Singapore, Sweden, United Kingdom and United States of America respectively. Therefore such Overseas Shareholders would constitute Qualifying Shareholders and the Company proposes to extend the Bonus Issue to them (provided that their names are still shown on the registers of members of the Company on the Record Date).

The Board is aware that, after making legal enquiries by the Company, for the Shareholder with a registered address in New Zealand, local filing or other formalities in relation to the Bonus Issue need to be observed so as to comply with the relevant securities legislation in New Zealand. As the Board considered that it would not be cost-effective or expedient for the Company to comply with the filing and formalities under the laws of New Zealand, it has decided to exclude Overseas Shareholders with registered addresses in New Zealand from the Bonus Issue, and they will be treated as the Non-Qualifying Shareholders.

The Company will continue to monitor the appearance on the Company's registers of members of any Overseas Shareholders whose addresses are in jurisdictions other than Australia, Bahamas, British Virgin Islands, Canada, Cayman Islands, France, Macau, Malaysia, New Zealand, Singapore, Sweden, United Kingdom and United States of America. Should any come to light, the Board will make similar enquiry necessary of overseas counsel(s) on the applicable procedural requirements for extending the Bonus Issue to them. If the Board is of the view that the exclusion of any Overseas Shareholder(s) is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Bonus Shares will not be issued to those Overseas Shareholder(s), and they will be treated as the Non-Qualifying Shareholders.

In such circumstances, arrangements will be made for the Bonus Shares, which would otherwise have been issued to the Non-Qualifying Shareholder(s), if any, to be sold in the market as soon as practicable after dealings in the Bonus Shares commence. Any net proceeds of such sale, after deduction of the related expenses will be distributed in Hong Kong dollars to the relevant Non-Qualifying Shareholder(s), if any, pro rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount falling to be distributed to any such Shareholder is less than HK\$100.00 in which case it will be retained for the benefit of the Company.

LETTER FROM THE BOARD

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As at the Latest Practical Date, the authorised share capital of the Company was HK\$500,000,000 divided into 2,000,000,000 Shares, of which 1,350,274,367 Shares were in issue.

In order to provide the Company with greater flexibility for future development, the Board proposes to increase the authorised share capital of the Company to HK\$1,000,000,000 divided into 4,000,000,000 Shares by the creation of an additional 2,000,000,000 Shares. Such new Shares, upon issue and fully paid, shall rank *pari passu* in all respects with the existing Shares.

Save for the Bonus Issue and the 41,400,000 Shares (subject to adjustment as set out in the paragraph headed “Adjustment of Options”) which may be issued upon exercise of the outstanding Options, the Company has no present intention to issue any part of the proposed increased authorised share capital but may or may not issue Shares in the future depending on market conditions and the financial needs of the Company. The Board believes that the Increase in Authorised Share Capital is in the interests of the Company and the Shareholders as a whole.

The Increase in Authorised Share Capital is subject to the approval of the Shareholders by way of passing an ordinary resolution at the 2018 AGM.

VOTING AT THE 2018 AGM

Pursuant to rule 13.39(4) of the Listing Rules and article 80 of the Articles, any vote of Shareholders at the 2018 AGM will be taken by poll and the Company shall announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

Pursuant to article 85 of the Articles, every member presents in person or by proxy or (being a corporation) is present by a duly authorised representative or a proxy shall have one vote for every fully-paid Share of which he is the holder. A member entitled to more than one vote need not use all his votes or cast all the votes in the same way.

2018 AGM

The notice convening the 2018 AGM is set out on pages 24 to 30 of this circular.

Enclosed with this circular is the form of proxy for use at the 2018 AGM. Whether or not you are able to attend the 2018 AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Investor Centre of the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2018 AGM or any adjournment thereof. Completion

LETTER FROM THE BOARD

and return of the form of proxy shall not preclude you from attending and voting in person at the 2018 AGM or any adjournment thereof should you so wish.

RECOMMENDATION

The Board is pleased to recommend the re-election of the retiring Directors at the 2018 AGM whose biographical details are set out in Appendix I to this circular. The Board also considers that the proposed resolutions set out in the 2018 AGM Notice, including the grant of the Issue Mandate, the Buy-back Mandate, the extension of the Issue Mandate, the Bonus Issue and the Increase of Authorised Share Capital are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the proposed resolutions at the 2018 AGM.

Yours faithfully,

By order of the Board

CHA Mou Zing Victor

Deputy Chairman & Managing Director

Set out below are the biographical details of the retiring Directors who are eligible and willing to stand for re-election at the 2018 AGM:

1 Mr CHA Mou Sing Payson *JP, DSSc (Hons) (Aged 76)*

Positions held and length of service

Mr CHA was appointed Executive Director and the Chairman in 1989 and 2007 respectively. He is also the Chairman of the Nomination Committee and a director of some subsidiaries of the Company.

Experience

Mr CHA has over 50 years extensive experience in property development and investment. He is the chairman and non-executive director (“NED”) of Hanison Construction Holdings Limited (“Hanison”), executive chairman of Mingly Corporation (“Mingly”), independent non-executive director (“INED”) of each of New World Development Company Limited (“NWD”), Eagle Asset Management (CP) Limited, manager of Champion Real Estate Investment Trust (“CREIT”) and Hongkong International Theme Parks Limited. Mr CHA ceased as an INED of Munsun Capital Group Limited (“Munsun”) effective from 23 December 2016. Hanison, NWD, CREIT and Munsun are listed on the Stock Exchange. Mingly is under the control of members of the Cha Family (as referred to page 22 of this circular). He is a member of One Country Two Systems Research Institute Limited, governing board member of China-United States Exchange Foundation, board member of the Real Estate Developers Association of Hong Kong, the chairman of Qiu Shi Science & Technologies Foundation, trustee of Sang Ma Trust Fund (“Sang Ma”) and honorary trustee of Oregon State University Foundation. Save as disclosed above, Mr CHA did not hold any directorships in other listed public companies in the past three years.

Relationships with Directors, senior management, substantial or controlling Shareholders of the Company

Mr CHA is a sibling to Ms Madeline WONG, Mr Victor CHA and Mr Johnson CHA who are also Directors.

Mr CHA is a member of certain classes of discretionary beneficiaries of certain but not identical discretionary trusts of which CCM Trust (Cayman) Limited (“CCM Trust”) and LBJ Regents Limited (“LBJ Regents”), both are substantial shareholders of the Company within the meaning of Part XV of the SFO, are the corporate trustees. Mr CHA is also a director of CCM Trust and LBJ Regents.

Interests in shares

As at the Latest Practicable Date, Mr CHA was interested in 638,875,574 Shares and 7,900,000 Options within the meaning of Part XV of the SFO.

Director's remuneration and term of office

Mr CHA was not appointed for a specific term and his directorship is subject to retirement by rotation and re-election at the AGMs at least once every three years in accordance with article 116 of the Articles and code provision of A.4.2 of the CG Code.

The total remuneration paid to Mr CHA under his employment contract as an executive of the Company for the year ended 31 March 2018 amounted to approximately HK\$10,300,000 which was determined with reference to the prevailing market situation, his duties and responsibilities in the Group and was subject to his individual's and the Group's performance.

In relation to the re-election of Mr CHA as an Executive Director, save as disclosed above, there is no information which is discloseable nor is or was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter concerning Mr CHA that needs to be brought to the attention of the Shareholders.

2 Mr CHA Mou Zing Victor BA, MBA (Aged 68)**Positions held and length of service**

Mr CHA was appointed Executive Director, the Managing Director and the Deputy Chairman in 1989, 2001 and 2007 respectively. He is a member of the Remuneration Committee and director of some subsidiaries of the Company. Mr CHA is responsible for the overall and day-to-day management of the Group.

Experience

Mr CHA has over 35 years extensive experience in real estate development and textile manufacturing. He is an INED of SOHO China Limited and alternate INED of NWD, both companies are listed on the Stock Exchange, and NED of Mingly. Mr CHA is the chairman of each of the Hong Kong-Japan Business Co-operation Committee of Hong Kong Trade Development Council and Hong Kong Arts Festival Society Limited and is also a member of the board of trustees of The Better Hong Kong Foundation and trustee of Sang Ma. Save as disclosed above, Mr CHA did not hold any directorships in other listed public companies in the past three years.

Relationships with Directors, senior management, substantial or controlling Shareholders of the Company

Mr CHA is a sibling to Ms Madeline WONG, Mr Payson CHA and Mr Johnson CHA who are also Directors.

Mr CHA is a member of certain classes of discretionary beneficiaries of certain but not identical discretionary trusts of which CCM Trust and LBJ Regents, both are substantial shareholders of the Company within the meaning of Part XV of the SFO, are the corporate trustees.

Interests in shares

As at the Latest Practicable Date, Mr CHA was interested in 630,638,636 Shares and 7,900,000 Options within the meaning of Part XV of the SFO.

Director's remuneration and term of office

Mr CHA was not appointed for a specific term and his directorship is subject to retirement by rotation and re-election at the AGMs at least once every three years in accordance with article 116 of the Articles and code provision of A.4.2 of the CG Code.

The total remuneration paid to Mr CHA under his employment contract as an executive of the Company for the year ended 31 March 2018 amounted to approximately HK\$22,700,000 which was determined with reference to the prevailing market situation, his duties and responsibilities in the Group and was subject to his individual's and the Group's performance.

In relation to the re-election of Mr CHA as an Executive Director, save as disclosed above, there is no information which is discloseable nor is or was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter concerning Mr CHA that needs to be brought to the attention of the Shareholders.

3 Ms WONG CHA May Lung Madeline (Aged 78)**Positions held and length of service**

Ms WONG joined the Board in 1989 and was re-designated as Non-executive Director in December 2004. She is also a director of some subsidiaries of the Company.

Experience

Ms WONG is the deputy chairman of Mingly and also director or NED of a number of public and private companies in Hong Kong and overseas. She retired as a NED of Chinney Investments, Limited, which is listed in the Stock Exchange, in August 2015. Ms WONG is the chairwoman and a trustee of Sang Ma. Save as disclosed above, she did not hold any directorships in other listed public companies in the past three years.

Relationships with Directors, senior management, substantial or controlling Shareholders of the Company

Ms WONG is a sibling to Mr Payson CHA, Mr Victor CHA and Mr Johnson CHA who are also Directors.

Ms WONG is a member of certain classes of discretionary beneficiaries of certain but not identical discretionary trusts of which CCM Trust and LBJ Regents, both are substantial shareholders of the Company within the meaning of Part XV of the SFO, are the corporate trustees. She is also the founder and member of the classes of discretionary beneficiaries under two separate discretionary trusts of which CCM Trust and LBJ Regents are the corporate trustees. Ms WONG is also a director of CCM Trust and LBJ Regents.

Interests in shares

As at the Latest Practicable Date, Ms WONG was interested in 627,487,463 Shares and 2,700,000 Options within the meaning of Part XV of the SFO.

Director's remuneration and term of office

Ms WONG was appointed for a specific term of three years commencing as of 24 August 2016 subject to retirement by rotation and re-election at the AGMs at least once every three years in accordance with article 116 of the Articles and code provision of A.4.2 of the CG Code.

The total remuneration paid to Ms WONG for the year ended 31 March 2018 amounted to HK\$100,000 which was approved by the Board in pursuance of the resolution passed by the Shareholders at last AGM held in September 2017.

In relation to the re-election of Ms WONG as a Non-executive Director, save as disclosed above, there is no information which is discloseable nor is or was she involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter concerning Ms WONG that needs to be brought to the attention of the Shareholders.

4 Mr FAN Hung Ling Henry BA, LLB, SBS, JP (Aged 70)

Positions held and length of service

Mr FAN was appointed Independent Non-executive Director in November 2017. He is also a member of the Remuneration Committee of the Company.

Experience

Mr FAN has over 30 years experience in business management. He is currently an INED of Sun Hung Kai Properties Limited, a company listed on the Stock Exchange and the managing director of Hong Kong Glory Limited, a family investment company. Mr FAN also served as a director and then managing director of CITIC Pacific Limited (now known as CITIC Limited) from 1990 and 1992 respectively to 2009 and the deputy chairman of Cathay Pacific Airways Limited from 1997 to 2009.

Mr FAN has a long record of public services in Hong Kong and is currently a member of the Chief Executive's Council of Advisers on Innovation and Strategic Development, the Financial Services Development Council and the Task Force on Review of Self-financing Post-secondary Education. He was also a non-official member of the Executive Council of Hong Kong, chairman of the Mandatory Provident Fund Schemes Authority, NED of Securities and Futures Commission of Hong Kong and INED of Hong Kong Exchanges and Clearing Limited. Mr FAN is an Attorney-at-Law in the State of California, U.S.A. and Barrister-at-Law in Hong Kong and England and Wales. Save as disclosed above, Mr FAN did not hold any directorships in other listed public companies in the past three years.

Based on the information available to the Board, and by reference to the rule 3.13 of the Listing Rules which sets out certain criteria on independence of the independent non-executive directors, the Board considers that Mr FAN is independent. Further, in the view of the extensive knowledge and experience of Mr FAN, the Board believes that his re-election is in the best interests of the Company and the shareholders as a whole.

Relationships with Directors, senior management, substantial or controlling Shareholders of the Company

Mr FAN is not related to any Directors, senior management, substantial or controlling Shareholders of the Company.

Interests in shares

As at the Latest Practicable Date, Mr FAN did not have any interests in the shares within the meaning of Part XV of the SFO.

Director's remuneration and term of office

Mr FAN was appointed for a specific term of three years commencing as of 1 November 2017 subject to retirement and re-election at the 2018 AGM in accordance with article 99 of the Articles. Upon re-election, Mr FAN is subject to retirement and re-election at the AGMs at least once every three years in accordance with articles 116 of the Articles and code provision of A.4.2 of the CG Code.

The total remuneration paid to Mr FAN for the year ended 31 March 2018 amounted to HK\$82,740 which was approved by the Board in pursuance of the resolution passed by the Shareholders at last AGM held in September 2017.

In relation to the re-election of Mr FAN as an Independent Non-executive Director, save as disclosed above, there is no information which is discloseable nor is or was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter concerning Mr FAN that needs to be brought to the attention of the Shareholders.

5 Ms HO Pak Ching Loretta *FCIH (retired) (Aged 71)***Positions held and length of service**

Ms HO was re-designated as Independent Non-executive Director with effect from April 2010. Prior to her re-designation, she was appointed as Executive Director in 1994 and re-designated as Non-executive Director in April 2008 upon her retirement from all executive roles in the Group. Ms HO is also a member of both of the Audit Committee and Nomination Committee of the Company.

Experience

Ms HO is a retired member of the Chartered Institute of Housing Asian Pacific Branch and has over 45 years extensive experience in property development, property investment and management. She did not hold any directorships in other listed public companies in the past three years.

Based on the information available to the Board, and by reference to rule 3.13 of the Listing Rules which sets out certain criteria on independence of the independent non-executive directors, the Board considers that Ms HO is independent. Further, in the view of the extensive knowledge and experience of Ms HO, the Board believes that her re-election is in the best interests of the Company and the Shareholders as a whole.

Relationships with Directors, senior management, substantial or controlling Shareholders of the Company

Ms HO is not related to any Directors, senior management, substantial or controlling Shareholders of the Company.

Interests in shares

As at the Latest Practicable Date, Ms HO was interested in 85,600 Shares and 1,500,000 Options within the meaning of Part XV of the SFO.

Director's remuneration and term of office

Ms HO was appointed for a specific term of three years commencing as of 1 April 2016 subject to retirement by rotation and re-election at the AGMs at least once every three years in accordance with article 116 of the Articles and code provision of A.4.2 of the CG Code.

The total remuneration paid to Ms HO for the year ended 31 March 2018 amounted to HK\$350,000 which was approved by the Board in pursuance of the resolution passed by the Shareholders at last AGM held in September 2017.

In relation to the re-election of Ms HO as an Independent Non-executive Director, save as disclosed above, there is no information which is discloseable nor is or was she involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter concerning Ms HO that needs to be brought to the attention of the Shareholders.

This appendix serves as an explanatory statement, as required under the Listing Rules, to provide Shareholders with requisite information reasonably necessary for them to make an informed decision as to whether to vote for or against the ordinary resolution to be proposed at the 2018 AGM in connection with the Buy-back Mandate.

1 SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$337,568,591.75 divided into 1,350,274,367 fully paid Shares.

Subject to the passing of the ordinary resolution numbered 5(2) set out in the 2018 AGM Notice for approving the Buy-back Mandate and on the basis that no further shares will be issued or bought back prior to the 2018 AGM, the Company would be allowed under the Buy-back Mandate to buy back shares up to a maximum of 135,027,436 Shares during the period in which the Buy-back Mandate remains in force.

2 REASONS FOR BUY-BACKS

The Directors believe that the proposed grant of the Buy-back Mandate is in the interests of the Company and the Shareholders as a whole. The Buy-back Mandate will give the Company the flexibility to buy back shares as and when the Company deems appropriate. Such buy-backs may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net assets and/or earnings per share or may otherwise be in the interests of the Company. The Directors will decide on the number of shares to be bought back on each occasion and the price and other terms upon which the same is bought back at the relevant time having regard to the circumstances then pertaining and they will do so only when they believe that such buy-backs will benefit the Company and the Shareholders. At present, the Directors have no intention to buy back any shares.

3 FUNDING OF BUY-BACKS

In buying back the shares, the Company may only apply funds legally available for such purpose in accordance with its M&A and the laws of the Cayman Islands.

The Company is empowered by its M&A to buy back shares. M&A and the applicable laws of the Cayman Islands provide that, subject to solvency, the purchase price of the shares may be paid out of the profits available for distribution, the Company's capital and share premium account.

The Directors do not propose to exercise the Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing position of the Company which in the opinion of the Directors is from time to time appropriate for the Company. However, based on the audited consolidated financial statements for the year ended 31 March 2018 of the Company (being the date to which the latest published consolidated financial statements of the Company were made up), there

might be a material adverse impact on the working capital or gearing position of the Company in the event that the Buy-back Mandate is exercised in full.

4 UNDERTAKING

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same be applicable, it will exercise the powers of the Company to make buy-backs pursuant to the Buy-back Mandate in accordance with the Listing Rules, M&A and the applicable laws of the Cayman Islands.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Buy-back Mandate is approved by the Shareholders.

5 EFFECT OF THE TAKEOVERS CODE

If, as a result of a buy-back of shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code.

For the purpose of the Takeovers Code, CCM Trust and LBJ Regents (both being substantial shareholders of the Company within the meaning of the SFO) and Mr Payson CHA, Mr Victor CHA, Mr Johnson CHA and Ms Madeline WONG (all being Directors and discretionary beneficiaries of certain trusts relating to Shares held directly and/or indirectly by the above-mentioned substantial Shareholders) are taken as parties acting in concert and collectively treated as a single controlling Shareholder of the Company under the term "Cha Family". As at the Latest Practicable Date, the Cha Family had an aggregate interest in 673,169,146 Shares, representing approximately 49.85% of the issued share capital of the Company. Among them, 560,153,905 Shares were held by CCM Trust, 91,894,801 Shares were held by LBJ Regents, 19,980,187 Shares were held as personal and corporate interests by Mr Payson CHA and 1,140,253 Shares were held as personal interests by Mr Victor CHA. In addition, the long-held interests of certain other relatives and family-controlled charitable foundations (representing, in aggregate, approximately 2.65% of the issued share capital of the Company) would also be treated as concert party interests attributable to the Cha Family for Takeovers Code purposes. In the event that the Directors exercise in full the powers to buy back shares pursuant to the Buy-back

Mandate, then (if the present shareholdings otherwise remained the same) the aggregate attributable shareholdings of the said parties would increase to approximately 58.33% of the issued share capital of the Company. In the opinion of the Directors, such increase would not give rise to an obligation for the Cha Family to make a mandatory offer under rule 26 of the Takeovers Code.

6 SHARE PRICES

The highest and lowest prices at which Shares were traded on the Stock Exchange during each of the previous twelve calendar months before and the period up to the Latest Practicable Date were as follows:

	Price per share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2017		
July	4.37	4.15
August	4.74	4.31
September	5.60	4.75
October	5.18	4.96
November	5.09	4.68
December	4.99	4.50
2018		
January	5.18	4.81
February	5.16	4.70
March	4.90	4.61
April	4.79	4.60
May	5.07	4.68
June	5.32	4.71
July (up to the Latest Practicable Date)	4.88	4.70

7 SHARE BUY-BACK MADE BY THE COMPANY

The Company did not buy back any of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.



香港興業國際集團有限公司
HKR International Limited

*(Incorporated in the Cayman Islands with limited liability and
registered under the Companies Ordinance of Hong Kong)*

(Stock Code: 00480)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of HKR International Limited (the “Company”) will be held at Grand Azure, Ground Floor, Auberge Discovery Bay Hong Kong, 88 Siena Avenue, Discovery Bay, Lantau Island, Hong Kong on Wednesday, 22 August 2018 at 11:00 a.m. for the following purposes:

1. To receive the audited consolidated financial statements and the reports of the Directors and the Independent Auditor of the Company for the year ended 31 March 2018.
2. To declare a final dividend for the year ended 31 March 2018.
3. To re-elect retiring Directors of the Company and to authorise the Board of Directors of the Company to fix the Directors’ fees:
 - (1) To re-elect Mr CHA Mou Sing Payson as an Executive Director;
 - (2) To re-elect Mr CHA Mou Zing Victor as an Executive Director;
 - (3) To re-elect Ms WONG CHA May Lung Madeline as a Non-executive Director;
 - (4) To re-elect Mr FAN Hung Ling Henry as an Independent Non-executive Director;
 - (5) To re-elect Ms HO Pak Ching Loretta as an Independent Non-executive Director;and
- (6) To authorise the Board of Directors of the Company to fix the fees of all Directors of the Company (the “Directors”) (including any new Director who may be appointed) for the year ending 31 March 2019.
4. To re-appoint Messrs Deloitte Touche Tohmatsu as the Independent Auditor of the Company for the ensuing year and to authorise the Board of Directors of the Company to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions of the Company:

(1) **“THAT:**

(a) subject to paragraph (c) of this resolution numbered 5(1) and all applicable laws (and regulations, including the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”)), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional securities in the capital of the Company and to make, issue or grant offers, agreements and options including bonds, debentures, notes and other securities which carry rights of subscription for or conversion into shares of the Company, be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) of this resolution numbered 5(1) shall authorise the Directors during the Relevant Period to make, issue or grant offers, agreements and options including bonds, debentures, notes and other securities which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate number of securities allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this resolution numbered 5(1), otherwise than pursuant to or in consequence of:

(i) a Rights Issue (as hereinafter defined); or

(ii) the exercise of any share options under any share option scheme or similar arrangement for the time being adopted by the Company in accordance with the Listing Rules for the grant or issue of shares in the Company or rights to acquire shares in the Company; or

(iii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities issued by the Company; or

(iv) any scrip dividend or similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend on shares in the Company in accordance with the articles of association of the Company from time to time; or

(v) a special authority granted by the shareholders of the Company in general meeting;

NOTICE OF ANNUAL GENERAL MEETING

shall not exceed the aggregate of twenty per cent (20%) of the number of shares of the Company in issue at the date of the passing of this resolution numbered 5(1), and the said approval shall be limited accordingly; and

(d) for the purpose of this resolution numbered 5(1):

“Relevant Period” means the period from (and including) the date of the passing of this resolution numbered 5(1) until whichever is the earliest of:

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

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable laws to be held; and

(iii) the revocation or variation of the authority given under this resolution numbered 5(1) by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities which carry rights to subscribe for or purchase shares of the Company, open for a period fixed by the Directors to holders of shares of the Company on the registers of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities) (subject in all cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any jurisdiction or territory outside Hong Kong).”

(2) **“THAT:**

(a) subject to paragraph (b) of this resolution numbered 5(2) and all applicable laws, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase or buy back shares of all classes and securities which carry a right to subscribe for or purchase shares issued, either directly or indirectly by the Company on the Stock Exchange or on any other stock exchange on which the shares or securities of the Company may be listed and is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(b) the aggregate number of shares of all classes and securities which carry a right to subscribe for or purchase shares issued by the Company which may be purchased or bought back by the Company pursuant to the approval in paragraph (a) of this resolution numbered 5(2) shall not exceed the aggregate of ten per cent (10%) of the number of shares of the Company in issue at the date of the passing of this resolution numbered 5(2), and the said approval shall be limited accordingly; and

(c) for the purpose of this resolution numbered 5(2):

“Relevant Period” means the period from (and including) the date of the passing of this resolution numbered 5(2) until whichever is the earliest of:

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

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any other applicable laws to be held; and

(iii) the revocation or variation of the authority given under this resolution numbered 5(2) by an ordinary resolution of the shareholders of the Company in general meeting.”

(3) “**THAT** conditional upon the passing of resolutions numbered 5(1) and 5(2) set out in the notice of this meeting, the general mandate granted to the Directors pursuant to resolution numbered 5(1) set out in the notice of this meeting and for the time being in force to exercise the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional securities in the capital of the Company and to make, issue or grant offers, agreements and options including bonds, debentures, notes and other securities which carry rights of subscription for or conversion into shares of the Company be and is hereby extended by the addition thereto of an amount representing the aggregate number of shares of the Company purchased or bought back by the Company under the authority granted by resolution numbered 5(2) set out in the notice of this meeting, provided that such extended amount shall not exceed ten per cent (10%) of the aggregate number of shares of the Company in issue at the date of the passing of this resolution.”

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

“**THAT** conditional upon the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Bonus Shares (as defined in paragraph (1) of this resolution):

(1) an amount standing to the credit of the share premium account of the Company as shall be required to be applied in paying up in full at par new shares of par value HK\$0.25 each in the capital of the Company, such shares, credited as fully paid, to be allotted,

NOTICE OF ANNUAL GENERAL MEETING

issued and distributed among members of the Company whose names appear on the registers of members of the Company on Friday, 31 August 2018 (the “Record Date”) on the basis of one (1) new share (“Bonus Share”) for every ten (10) existing shares of the Company then held by a Qualifying Shareholder (as defined in the circular of the Company dated 13 July 2018), be capitalised and applied in such manner and the Directors be and are hereby authorised to allot, issue and distribute such Bonus Shares;

(2) in the case where the address of any holder of shares in the Company as shown on the registers of members of the Company on the Record Date is outside Hong Kong (the “Overseas Shareholders”) and upon making relevant enquiries, the Directors consider the exclusion of such Overseas Shareholders is necessary or expedient on account of local legal or regulatory reasons, the Bonus Shares shall not be issued to such Overseas Shareholders (the “Non-Qualifying Shareholders”) but shall be aggregated and sold in the market as soon as practicable after dealings in the Bonus Shares commence, on the basis that any net proceeds of sale, after deduction of the related expenses, will be distributed in Hong Kong dollars to the relevant Non-Qualifying Shareholders, if any, pro-rata to their respective shareholdings and remittances therefor will be posted to them, at their own risk, unless the amount falling to be distributed to any such person is less than HK\$100.00, in which case it will be retained for the benefit of the Company;

(3) the Bonus Shares to be allotted, issued and distributed pursuant to paragraph (1) of this resolution shall be subject to the memorandum and articles of association of the Company and laws of the Cayman Islands and shall rank *pari passu* in all respects with the existing issued shares on the Record Date, except that they will not entitle their holders to receive the Bonus Shares mentioned in this resolution, or the final dividend for the year ended 31 March 2018;

(4) no fractional Bonus Shares shall be allotted and issued as aforesaid, but the fractional entitlements (if any) will be aggregated and disposed of for the benefit of the Company; and

(5) the Directors be and are hereby authorised, at their absolute discretion, to do all acts and things as may be necessary and expedient in connection with the allotment and issue of the Bonus Shares, including, but not limited to, determining the amount to be capitalised out of the share premium account of the Company and the number of Bonus Shares to be allotted, issued and distributed in the manner referred to in paragraph (1) of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

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

“THAT:

(1) the authorised share capital of the Company be increased from HK\$500,000,000 divided into 2,000,000,000 ordinary shares of par value HK\$0.25 each to HK\$1,000,000,000 divided into 4,000,000,000 ordinary shares of par value HK\$0.25 each by the creation of an additional 2,000,000,000 ordinary shares of par value HK\$0.25 each in the share capital of the Company (the “Increase in Authorised Share Capital”), such new shares to rank pari passu with the existing ordinary shares in the share capital of the Company; and

(2) any one or more of the Directors be and is/are hereby authorised to do all such acts and things, including but without limitation to the execution of all such documents under seal where applicable, as he/she/they may in his/her/their discretion consider necessary, expedient or desirable for the purpose of, or in connection with, the implementation of and giving effect to the Increase in Authorised Share Capital.”

By order of the Board
LEUNG Wai Fan
Company Secretary

Hong Kong, 13 July 2018

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1 Any member of the Company entitled to attend and vote at the annual general meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.

2 In case of joint registered holders of any share in the Company, any one of such persons may vote at the annual general meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the annual general meeting personally or by proxy, that one of the said persons so present whose name stands first on the registers of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

3 To determine the entitlement to attend and vote at the 2018 annual general meeting, the main and branch registers of members of the Company will be closed from Friday, 17 August to Wednesday, 22 August 2018 (both days inclusive), during which period no transfer of shares will be registered. To determine the entitlement for the proposed final dividend and the Bonus Shares, the main and branch registers of members of the Company will be closed from Wednesday, 29 August to Friday, 31 August 2018 (both days inclusive), during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the 2018 annual general meeting and to qualify for the proposed final dividend and the Bonus Shares, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 16 August and Tuesday, 28 August 2018 respectively.

4 The form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or other authority, shall be deposited at the Investor Centre of the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude a member from attending and voting in person at the annual general meeting or any adjournment thereof should he so wish.

5 With regard to the proposed resolution numbered 3 of this notice, the Board of Directors of the Company recommends that the retiring Directors, namely Mr CHA Mou Sing Payson, Mr CHA Mou Zing Victor, Ms WONG CHA May Lung Madeline, Mr FAN Hung Ling Henry and Ms HO Pak Ching Loretta be re-elected as Directors of the Company.

6 With regard to the proposed resolutions numbered 5(1) to 5(3) of this notice, the Directors of the Company wish to state that they have no immediate plans to issue any new shares or buy back any shares of the Company pursuant to the general mandates referred to thereunder.

7 If a Typhoon Signal No. 8 or above is hoisted or expected to be hoisted on the date of the annual general meeting as announced by the Hong Kong Observatory, the Company will, as appropriate, post an announcement on the websites of the Company (www.hkri.com) and the Stock Exchange (www.hkexnews.hk) to notify shareholders of the Company for arrangements of the annual general meeting in response to the signal issued.

8 Registration of the annual general meeting will start at 10:15 a.m. on Wednesday, 22 August 2018. To ensure that the meeting can start on time, shareholders or their proxies are requested to arrive at the venue for registration at least 15 minutes before the meeting starts.