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If you are in any doubt as to any aspect of this circular or as to the action you should take, 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 SHK Hong Kong Industries Limited, you should at once hand this circular and the accompanying proxy form 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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SHK 新工投資有限公司
Hong Kong Industries Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 666)

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

A notice convening an annual general meeting of SHK Hong Kong Industries Limited (the "Company") to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Tuesday, 21st May, 2019 at 10:00 a.m. is set out on pages 13 to 17 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the share registrar of the Company, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjournment thereof if you so wish.

Hong Kong, 16th April, 2019

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Tuesday, 21st May, 2019 at 10:00 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“Buy-back Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to buy back during the period as set out in the Buy-back Resolution for Shares up to a maximum of 10% of the total number of issued Shares as at the date of the Buy-back Resolution
“Buy-back Resolution”	the proposed ordinary resolution as referred to in item 4(I) of the notice of Annual General Meeting
“CG Code”	Corporate Governance Code and Corporate Governance Report set out in Appendix 14 of the Listing Rules
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong
“Company”	SHK Hong Kong Industries Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	9th April, 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share Buy-back Rules”	the relevant rules set out in the Listing Rules to regulate the buy-back by companies with primary listing on the Stock Exchange of their own securities on the Stock Exchange
“Share(s)”	ordinary share(s) of the Company with no par value
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers

LETTER FROM THE BOARD

SHK 新工投資有限公司
Hong Kong Industries Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 666)

Executive Directors:

Warren Lee Wa Lun (*Chairman*)

Mark Wong Tai Chun

Non-Executive Director:

Arthur George Dew

Independent Non-Executive Directors:

Albert Ho

Peter Lee Yip Wah

Louie Chun Kit

Registered Office:

Room 1801, 18th Floor

Allied Kajima Building

138 Gloucester Road

Wanchai, Hong Kong

16th April, 2019

To Shareholders

Dear Sir or Madam,

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

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting relating to, among other things, (i) the re-election of retiring Directors; and (ii) the granting to the Directors of general mandate to issue Shares up to 20% of the total number of issued Shares and general mandate to buy back Shares up to 10% of the total number of issued Shares as at the date of the passing of such resolutions.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of six Directors, namely Mr. Warren Lee Wa Lun, Mr. Mark Wong Tai Chun, Mr. Arthur George Dew, Mr. Albert Ho, Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit.

In accordance with Article 101 of the Articles of Association, Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit will retire by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting.

Further, pursuant to the code provision of A.4.3 of the CG Code, if an independent non-executive director serves more than nine (9) years, his further appointment should be subject to a separate resolution to be approved by shareholders.

Mr. Peter Lee Yip Wah ("Mr. Lee") has served as an Independent Non-Executive Director for more than nine (9) years since his appointment as Director in December 1998. The Company has received from Mr. Lee an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. Mr. Lee had or has not had any management role in the Group nor have any relationship with any Director, senior management of the Company, substantial or controlling Shareholder. The Board therefore recommends the re-election of Mr. Lee as Independent Non-Executive Director notwithstanding his length of service with the Company exceeding nine (9) years. Mr. Lee shall retire from office by rotation and, being eligible, offer himself for re-election by way of a separate resolution to be approved by the Shareholders at the Annual General Meeting.

Details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out in the Appendix I of this circular.

GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 21st May, 2018, a general mandate was given to the Directors to exercise the powers of the Company to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. The Directors propose to seek your approval of the Buy-back Resolution to be proposed at the Annual General Meeting for buy-back of Shares. An explanatory statement as required under the Share Buy-back Rules to provide the requisite information of the Buy-back Proposal is set out in the Appendix II of this circular.

GENERAL MANDATE TO ISSUE SHARES

It will also be proposed at the Annual General Meeting two ordinary resolutions as referred to in items 4(II) and 4(III) of the notice of Annual General Meeting respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the total number of issued Shares as at the date of the resolution and adding to such general mandate so granted to the Directors any Shares representing the total number of Shares bought back by the Company after the granting of the general mandate to buy back up to 10% of the total number of issued Shares as at the date of the Buy-back Resolution.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the total number of issued Shares is 4,111,704,320 Shares.

Subject to the passing of the ordinary resolution as referred to in item 4(II) of the notice of Annual General Meeting and on the basis that no further Shares are issued or bought back prior to the Annual General Meeting, the Company would be allowed to allot, issue and deal with a maximum of 822,340,864 Shares representing not more than 20% of the total number of issued Shares at the Latest Practicable Date.

ANNUAL GENERAL MEETING

At the Annual General Meeting, resolutions will be proposed to the Shareholders in respect of the ordinary business of the Company to be considered at the Annual General Meeting, being the approval and adoption of the audited consolidated financial statements for the year ended 31st December, 2018, the Directors' report and the independent auditor's report, the re-election of retiring Directors and authorisation of the board to fix the remuneration of Directors, and the re-appointment of auditor and fixing its remuneration, and the special business of the Company to be considered at the Annual General Meeting, being the proposed grant of the Buy-back Proposal, the general mandate for Directors to issue new Shares and extension of general mandate to issue Shares. The notice of Annual General Meeting is set out on pages 13 to 17 of this circular.

Pursuant to the Listing Rules, any vote of Shareholders taken at the Annual General Meeting to approve the above resolutions proposed must be taken by poll.

The register of members of the Company will be closed from Thursday, 16th May, 2019 to Tuesday, 21st May, 2019, during which period no transfer of Shares will be registered. To be eligible to attend and vote at the Annual General Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 15th May, 2019.

ACTION TO BE TAKEN

A proxy form for use at the Annual General Meeting is enclosed herein. Whether or not you are able to attend the Annual General Meeting, you are recommended to complete the proxy form and return it to the share registrar of the Company, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the proxy form will not preclude Shareholders from attending and voting at the Annual General Meeting if they so wish.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors believe that all resolutions set out in the notice of Annual General Meeting are in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions set out in the notice of Annual General Meeting as the Directors intend to do so themselves in respect of their own holdings.

Yours faithfully,
For and on behalf of the Board
SHK Hong Kong Industries Limited
Warren Lee Wa Lun
Chairman

The following are the particulars of the two retiring Directors proposed to be re-elected at the Annual General Meeting of the Company:

1. Mr. Peter Lee Yip Wah (“Mr. Lee”) – Independent Non-Executive Director

Mr. Lee, aged 76, joined the Group in 1998 as an Independent Non-Executive Director and was re-designated as a Non-Executive Director in September 2004 and then was re-designated as an Independent Non-Executive Director in June 2015. He is also a member of audit committee, remuneration committee and nomination committee of the Company. He was the company secretary of the Company during the period from November 1990 to August 2009. Mr. Lee is a retired solicitor in Hong Kong. He is also an independent non-executive director of China Merchants Port Holdings Company Limited, a company listed on the main board of the Stock Exchange. He was an independent non-executive director of Sinotrans Shipping Limited and ceased to act as its independent non-executive director following the delisting of its shares from the Stock Exchange on 16th January, 2019.

Mr. Lee was a graduate of the University of Hong Kong. He was a practicing solicitor and was a consultant of Messrs. Woo Kwan Lee & Lo. He was admitted as a solicitor in Hong Kong in 1971, in England in 1974 and in Singapore in 1995. He was appointed as a China Appointed Attesting Officer in Beijing in 1993. He has over 35 years’ experience in the management and company secretarial fields.

Save as disclosed above, at the Latest Practicable Date, Mr. Lee had not acted as director in any other listed company in the past three years and he did not hold any other position with the Company and other members of the Group nor had any other relationship with any Director, senior management of the Company or substantial or controlling Shareholder. As at the Latest Practicable Date, he had personal interest in 3,410,000 Shares within the meaning of Part XV of the SFO.

In considering Mr. Lee’s re-election, the Board, with the assistance and recommendation from the nomination committee of the Company, has reviewed the structure, size, composition and diversity of the Board from a number of aspects, including but not limited to age, gender, nationality, length of service, and the professional experience, skills and expertise Mr. Lee can provide. The Board is of the view that during his tenure as an Independent Non-Executive Director, Mr. Lee has made positive contributions to the Company’s strategy, policies and performance with his independent advice, comments, judgment from the perspective of his legal background coupled with his general understanding of business of the Group. He also contributes to the diversity of the Board particularly because of his expertise. Holding not more than seven listed company directorship, he is able to devote sufficient time and attention to perform the duties as an Independent Non-Executive Director. In view of the above, Mr. Lee’s re-election is considered to be of benefit to the Company.

Mr. Lee is appointed for a term of one year and subject to retirement by rotation and re-election in accordance with the Articles of Association. His Director's fee is discretionary to be reviewed by the remuneration committee of the Company and determined by the Board with reference to his duties and responsibilities in the Company, the Company's performance and the prevailing market situation and to be approved by Shareholders at any annual general meeting. For the year ended 31st December, 2018, Mr. Lee is proposed to entitle to a Director's fee amounting to HK\$80,000 subject to Shareholders' approval at the Annual General Meeting.

Save as disclosed above, in relation to the re-election of Mr. Lee as an Independent Non-Executive Director, there is no information which is discloseable nor is/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 which needs to be brought to the attention of Shareholders.

2. Mr. Louie Chun Kit ("Mr. Louie") – Independent Non-Executive Director

Mr. Louie, aged 54, was appointed as an Independent Non-Executive Director of the Company in August 2010. He is also a member of audit committee, remuneration committee and nomination committee of the Company. He is a practising accountant. He is a fellow member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He spent over 10 years as the chief accountant in Yu Ming Investment Management Limited, the investment manager of the Company and around 5 years in the audit practice with an international accounting firm in Hong Kong. He holds a diploma in accounting from Lingnan College in 1988 and a master degree in business systems from Monash University of Australia in 2005. From June 2010 to April 2012, he was also an independent non-executive director of Eagle Legend Asia Limited (formerly known as Manta Holdings Company Limited), a company listed on the main board of the Stock Exchange.

Save as disclosed above, at the Latest Practicable Date, Mr. Louie had not acted as director in any other listed companies in the past three years and he did not hold any other position with the Company and other members of the Group nor had any other relationship with any Director, senior management of the Company or substantial or controlling Shareholder. As at the Latest Practicable Date, he had no interest in Shares within the meaning of Part XV of the SFO.

In considering Mr. Louie's re-election, the Board, with the assistance and recommendation from the nomination committee of the Company, has reviewed the structure, size, composition and diversity of the Board from a number of aspects, including but not limited to age, gender, nationality, length of service, and the professional experience, skills and expertise Mr. Louie can provide. The Board is of the view that during his tenure as an Independent Non-Executive Director, Mr. Louie has made positive contributions to the Company's strategy, policies and performance with his independent advice, comments, judgment from the perspective of his financial background coupled with his general understanding of business of the Group. He also contributes to the diversity of the Board particularly because of his expertise. He is able to

devote sufficient time and attention to perform the duties as an Independent Non-Executive Director as he does not at present hold any other listed company directorship. In view of the above, Mr. Louie's re-election is considered to be of benefit to the Company.

Mr. Louie is appointed for a term of one year and subject to retirement by rotation and re-election in accordance with the Articles of Association. His Director's fee is discretionary and to be reviewed by the remuneration committee of the Company and determined by the Board with reference to his duties and responsibilities in the Company, the Company's performance and the prevailing market situation and to be approved by Shareholders at any annual general meeting. For the year ended 31st December, 2018, Mr. Louie is proposed to entitle to a Director's fee amounting to HK\$80,000 subject to Shareholders' approval at the Annual General Meeting.

Save as disclosed above, in relation to the re-election of Mr. Louie as an Independent Non-Executive Director, there is no information which is discloseable nor is/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 which needs to be brought to the attention of Shareholders.

This appendix serves as an explanatory statement, as required by the Share Buy-back Rules, to provide requisite information to you for your consideration of the proposal to permit the buy-back of Shares up to a maximum of 10% of the issued Shares as at the date of the Buy-back Resolution.

This appendix also constitutes the memorandum required under Section 239(2) of the Companies Ordinance.

1. SHARES OF THE COMPANY

As at the Latest Practicable Date, the number of issued Shares was 4,111,704,320 fully paid Shares.

Subject to the passing of the Buy-back Resolution and on the basis that no further Shares are issued or bought back before the Annual General Meeting, the Company will be allowed to buy back a maximum of 411,170,432 Shares during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by law or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

2. REASONS FOR BUY-BACK

The Directors believe that the Buy-back Proposal is in the best interests of the Company and its Shareholders. Such buy-back may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share of the Company and will only be made when the Directors believe that such a buy-back will benefit the Company and its Shareholders.

3. FUNDING OF BUY-BACKS

Buy-back to be made pursuant to the proposed mandate to buy back Shares of the Company would be financed out of funds legally available for such purpose in accordance with the Company's Articles of Association and the applicable laws of Hong Kong and the Listing Rules. Such funds include, but are not limited to, profits available for distribution.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31st December, 2018 in the event that the general mandate pursuant to the Buy-back Proposal was 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 pursuant to the Buy-back Proposal 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.

4. SHARE PRICE

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the printing of this circular were as follows:

	Share Prices	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
April, 2018	0.310	0.200
May, 2018	0.270	0.236
June, 2018	0.255	0.216
July, 2018	0.240	0.210
August, 2018	0.239	0.200
September, 2018	0.210	0.185
October, 2018	0.210	0.188
November, 2018	0.209	0.183
December, 2018	0.200	0.177
January, 2019	0.255	0.169
February, 2019	0.210	0.180
March, 2019	0.218	0.173
April, 2019 (up to the Latest Practicable Date)	0.185	0.174

5. UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make buy-backs pursuant to the Buy-back Resolution and in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company under the Buy-back Proposal if such is approved by the Shareholders.

No other core connected persons (as defined in the Listing Rules) 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 Proposal is approved by the Shareholders.

6. TAKEOVERS CODE

If on the exercise of the power to buy back Shares pursuant to the Buy-back Proposal, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, Allied Group Limited ("AGL") is interested in 3,082,889,606 Shares, representing approximately 74.97% of issued Shares, as recorded in the register of interests and short positions kept under Part XV of the SFO. These 3,082,889,606 Shares are held by Bright Clear Limited ("Bright Clear") which is an indirect wholly-owned subsidiary of AGL. AGL was therefore deemed to have an interest in these Shares in which Bright Clear was interested.

As at the Latest Practicable Date, Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controlled approximately 74.95% interest of the issued shares of AGL (inclusive of Mr. Lee Seng Hui's personal interests) and was therefore deemed to have an interest in the Shares in which AGL was interested.

Based on such interest in the Shares and in the event that the Directors exercise in full the power to buy back Shares under the Buy-back Proposal and assuming that no further Shares are issued or bought back prior to the Annual General Meeting, the interest of Lee and Lee Trust and the parties acting in concert with it (including AGL) will be increased to approximately 83.31% of the issued Shares.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any buy-backs made under the Buy-back Proposal. The Directors have no present intention to exercise the power to buy back Shares pursuant to the Buy-back Proposal to such extent as would result in such takeover obligation. The Directors have no immediate intention to buy back Shares to the extent that will result in the amount of Shares held by the public being reduced to 25% if the Buy-back Proposal is approved at the Annual General Meeting.

7. SHARE BUY-BACK MADE BY THE COMPANY

The Company has not bought back any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING

SHK 新工投資有限公司
Hong Kong Industries Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 666)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of SHK Hong Kong Industries Limited (“the Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Tuesday, 21st May, 2019 at 10:00 a.m. for the following purposes:

1. To receive and adopt the audited consolidated financial statements and the report of the directors and independent auditor’s report for the year ended 31st December, 2018.
2. (i) To re-elect the following retiring directors:–
 - (a) to re-elect Mr. Peter Lee Yip Wah as an independent non-executive director;
 - (b) to re-elect Mr. Louie Chun Kit as an independent non-executive director; and
- (ii) To fix directors’ fee for all directors of the Company for the year ended 31st December, 2018 at HK\$430,000, such sum to be divided among the directors in such proportion and in such manner as the board of directors of the Company (“the Board”) may approve.
3. To re-appoint BDO Limited as auditor of the Company and to authorise the Board to fix the remuneration of auditor.

NOTICE OF ANNUAL GENERAL MEETING

4. As special business, to consider and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

- (I) “THAT:
- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and 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 the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
 - (b) the aggregate number of shares of the Company to be bought back by the Company pursuant to the approval in paragraph (a) above shall not exceed 10% of the issued shares of the Company at the date of passing this Resolution, provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be bought back pursuant to the approval in paragraph (a) above as a percentage of the total number of issued shares of the Company immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted accordingly; and
 - (c) for the purposes 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 set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

(II) "THAT:

- (a) subject to paragraph (c) below and pursuant to Section 141 of the Companies Ordinance, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of share allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue, (ii) an issue of share upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into share of the Company; or (iii) an issue of shares as scrip dividends pursuant to the Articles of Association of the Company from time to time, shall not exceed 20% of the total number of issued shares of the Company at the date of passing this Resolution, provided that if any subsequent consolidation or subdivision of shares of the Company is effected, the maximum number of shares of the Company that may be issued pursuant to the approval in paragraph (a) above as a percentage of the total number of issued shares of the Company immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares of the Company shall be adjusted accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(d) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the 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 set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions 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 applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

- (III) “**THAT** subject to the passing of the ordinary resolutions referred to in items 4(I) and 4(II) of the notice convening this meeting, the general mandate granted to the directors of the Company to allot, issue and deal with additional shares of the Company pursuant to ordinary resolution referred to in item 4(II) of the notice convening this meeting be and is hereby extended by the addition thereto of a number representing the aggregate number of shares of the Company bought back by the Company under the authority granted pursuant to the ordinary resolution referred to in item 4(I) of the notice convening this meeting, provided that such number of shares of the Company so bought back shall not exceed 10% of the total number of issued shares of the Company at the date of the said ordinary resolution referred to in item 4(I) (such number of shares of the Company to be subject to adjustment in the case of any consolidation or subdivisions of any of shares of the Company into a smaller or larger number of shares of the Company after the passing of this Resolution).”

By Order of the Board
SHK Hong Kong Industries Limited
Lo Tai On
Company Secretary

Hong Kong, 16th April, 2019

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more (if a member holds more than one share) proxies to attend and to speak and vote in his stead at the above meeting (or at any adjournment thereof) provided that each proxy is appointed to represent the respective number of shares of the Company held by the member as specified in the relevant proxy forms. A proxy need not be a member of the Company but must attend the meeting in person to represent you.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the share registrar of the Company, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
3. With regard to item no. 2 in this notice, details of the retiring directors are set out in Appendix I to the circular to shareholders of the Company dated 16th April, 2019.
4. The register of members of the Company will be closed from Thursday, 16th May, 2019 to Tuesday, 21st May, 2019, during which period no transfer of shares of the Company will be registered. To be eligible to attend and vote at the Annual General Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 15th May, 2019.