
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your 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 China Tobacco International (HK) Company Limited, you should at once hand this circular together with 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.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



中煙國際(香港)有限公司
CHINA TOBACCO INTERNATIONAL (HK) COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 6055)

**PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
PROPOSED FINAL DIVIDEND
PROPOSED RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of China Tobacco International (HK) Company Limited to be held at 3:00 pm on Friday, 24 June 2022 at 17/F, Tower A, China Life Tower, One Harbour Gate, 18 Hung Luen Road, Hung Hom, Kowloon, Hong Kong is set out on pages 16 to 19 of this circular. Whether you are able to attend the AGM or not, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible, and in any event so that it is received not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

PRECAUTIONARY MEASURES FOR THE AGM

Please see pages 1 and 2 of this circular for the precautionary measures to be implemented at the AGM to ensure the safety of the AGM attendees and to prevent the spreading of the COVID-19 pandemic, which include without limitation:

- compulsory body temperature checks and health declarations
- compulsory wearing of surgical face masks
- no provision of refreshments and corporate gifts

Any person who does not comply with the precautionary measures will be denied entry into the AGM venue. All attendees are requested to wear surgical face masks at all times at the AGM venue.

It is possible that Shareholders and/or their proxies may not be able to attend in person at the AGM venue depending on prevailing HKSAR Government regulations. Shareholders are strongly encouraged to appoint the chairman of the AGM as their proxy and to return their proxy forms by the time specified above, instead of attending the AGM or any adjourned meeting in person.

In view of the evolving COVID-19 pandemic situation in Hong Kong, the Company may implement further procedures and precautionary measures and change the AGM arrangements at short notice. Shareholders should visit the Company's website at www.ctihk.com.hk for future announcements and updates on the AGM arrangements.

CONTENTS

	<i>Page</i>
PRECAUTIONARY MEASURES FOR THE AGM	1
DEFINITION	3
LETTER FROM THE BOARD	5
Introduction	5
1. Proposed general mandate to issue shares	6
2. Proposed general mandate to repurchase shares	6
3. Proposed final dividend	7
4. Proposed re-election of directors	7
5. Annual general meeting	8
6. Voting by poll	8
7. Responsibility statement	9
8. Recommendation	9
APPENDIX I EXPLANATORY STATEMENT FOR THE SHARE REPURCHASE MANDATE	10
APPENDIX II DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM	13
NOTICE OF ANNUAL GENERAL MEETING	16

PRECAUTIONARY MEASURES FOR THE AGM

In view of the ongoing COVID-19 pandemic and recent requirements for prevention and control of its spread, the Company will implement the following precautionary measures at the AGM to protect attending Shareholders, staff and other stakeholders from the risk of infection.

PHYSICAL ATTENDANCE

- (i) Compulsory body temperature checks will be conducted on every attending Shareholder, proxy and other attendees at the entrance of the AGM venue. Any person found to be suffering from a fever or otherwise unwell will be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) All attending Shareholders, proxies and other attendees are required to complete and submit at the entrance of the AGM venue a declaration form confirming their names and contact details, and be asked whether (a) they have travelled to, or to their best of knowledge had close contact with any person who has recently travelled to, areas outside of Hong Kong at any time in the preceding 14 days of the AGM; and (b) they are subject to any compulsory quarantine prescribed by the Hong Kong Government. Any person who responds affirmatively to any one of the above questions will be denied entry into the AGM venue or be required to leave the AGM venue.
- (iii) All attendees are requested to wear surgical face masks at the AGM venue at all times, and to maintain a safe distance with other attendees.
- (iv) No refreshments and corporate gifts will be provided.
- (v) Each attendee must comply with the requirements of the venue where the AGM will be held.
- (vi) Any other additional precautionary measures in accordance with the prevailing requirements or guidelines of the HKSAR Government and/or relevant regulatory authorities, or as considered appropriate in light of the development of the COVID-19 pandemic.

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

LIMITING ATTENDANCE IN PERSON AT THE AGM VENUE

The Company will limit attendance in person at the AGM venue in accordance with prevailing requirements or guidelines published by the HKSAR Government and/or relevant regulatory authorities at the time of the AGM. The Company will continue to closely monitor the development of the COVID-19 pandemic situation in Hong Kong and the latest announcement published by the HKSAR Government in respect of the latest social distancing measures and further update on the AGM arrangements.

PRECAUTIONARY MEASURES FOR THE AGM

In the interest of all stakeholders' health and safety and in response to the recent guidelines on prevention and control of COVID-19 pandemic, Shareholders are reminded that **physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. It is possible that Shareholders and/or their proxies may not be able to attend in person at the AGM venue depending on prevailing HKSAR Government regulations. Shareholders are strongly encouraged to appoint the chairman of the AGM as proxy to attend and vote on the relevant resolutions at the AGM by completing form of proxy in accordance with the instructions printed thereon, instead of attending the AGM or any adjourned meeting in person.**

Whether you are able to attend the AGM or not, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, as soon as possible, and in any event so that it is received not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

In view of the evolving COVID-19 pandemic situation in Hong Kong, the Company may implement further procedures and precautionary measures and change the AGM arrangements at short notice. Shareholders should visit the website of the Company at www.ctihk.com.hk for future announcements and updates on the AGM arrangements.

If Shareholders have any question relating to the AGM arrangements, please contact Computershare Hong Kong Investor Services Limited, the Company's share registrar as follows:

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East, Wan Chai, Hong Kong
Tel: 2862 8555
Fax: 2865 0990
Website: www.computershare.com/hk/contact

DEFINITION

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

Term	Definition
“AGM”	the annual general meeting of the Company to be held at 3:00 pm on Friday, 24 June 2022 at 17/F, Tower A, China Life Tower, One Harbour Gate, 18 Hung Luen Road, Hung Hom, Kowloon, Hong Kong or any adjournment thereof
“Articles of Association”	The articles of association of the Company
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“CNTC”	China National Tobacco Corporation* (中國煙草總公司), an enterprise incorporated in the PRC and the ultimate controlling shareholder of the Company
“Company”	China Tobacco International (HK) Company Limited (中煙國際(香港)有限公司), a company incorporated in Hong Kong with limited liability and whose Shares are listed on the Stock Exchange
“CTI”	China Tobacco International Inc.* (中國煙草國際有限公司), a company incorporated with limited liability in the PRC and a wholly-owned subsidiary of CNTC
“CTIG”	China Tobacco International Group Limited (中煙國際集團有限公司), a company incorporated in Hong Kong with limited liability and the controlling shareholder of the Company
“Director(s)”	the director(s) of the Company
“Final Dividend”	the proposed final dividend of HK\$0.17 per Share and payable in Hong Kong dollars
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSAR Government”	The Government of the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITION

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	21 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of the Company
“Share Issue Mandate”	the general mandate to Directors to exercise the power of the Company to allot, issue and deal with Shares not exceeding 20% of the total number of the issued Shares as at the date of passing of the resolution approving such mandate
“Share Repurchase Mandate”	the general mandate to Directors to exercise the power of the Company to repurchase Shares not exceeding 10% of the total number of the issued Shares as at the date of passing of the resolution approving such mandate
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers as approved by the Securities and Futures Commission

In this circular, the English translation of an entity’s or a company’s name in Chinese which is marked with “” is for identification purpose only. If there is any inconsistency between the Chinese names of entities or companies established in the PRC and their English translations, the Chinese names shall prevail.*

LETTER FROM THE BOARD



中煙國際(香港)有限公司
CHINA TOBACCO INTERNATIONAL (HK) COMPANY LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 6055)

Non-Executive Director:
SHAO Yan (*Chairman*)

Executive Directors:
YANG Xuemei
LI Yan
LIANG Deqing
WANG Chengrui

Independent Non-Executive Directors:
CHOW Siu Lui
WANG Xinhua
CHAU Kwok Keung
QIAN Yi

*Headquarters, Registered Office and
Principal Place of Business:*
Room 1002, 10/F, Tower A,
China Life Center,
One Harbour Gate,
18 Hung Luen Road,
Hung Hom, Kowloon,
Hong Kong

28 April 2022

To the Shareholders

Dear Sir or Madam

**PROPOSED GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES
PROPOSED FINAL DIVIDEND
PROPOSED RE-ELECTION OF DIRECTORS
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 AGM regarding (i) the granting to the Directors of general and unconditional mandates for the issue and repurchase of the Shares; (ii) payment of Final Dividend; and (iii) the re-election of retiring Directors.

LETTER FROM THE BOARD

1. PROPOSED GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant a general mandate to Directors to allot, issue and deal with Shares up to 20% of the total number of issued Shares at the date of passing this ordinary resolution. In addition, an ordinary resolution will also be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Share Issue Mandate by adding to the total number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Share Issue Mandate the number of Shares purchased under the Share Repurchase Mandate (referred to in section 2 below), if granted.

As at the Latest Practicable Date, the total number of issued Shares was 691,680,000 Shares. Assuming that there is no change in the total number of issued Shares between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the maximum number of Shares which may be allotted, issued and dealt with pursuant to the Share Issue Mandate at the date of passing the resolution approving the Share Issue Mandate will be 138,336,000 Shares, which represent 20% of the total number of issued Shares at the date of passing the ordinary resolution for Share Issue Mandate.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are respectively set out in Resolutions 5 and 7 in the notice of the AGM set out on pages 17 to 18 of this circular.

The Share Issue Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or by law to be held; and (c) the date on which the authority given under the ordinary resolution approving the Share Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders.

2. PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant a general mandate to Directors to repurchase Shares up to 10% of the total number of issued Shares at the date of passing this ordinary resolution.

As at the Latest Practicable Date, the total number of issued Shares was 691,680,000 Shares. Assuming that there is no change in the total number of issued Shares between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Repurchase Mandate, the maximum number of Shares which may be repurchased pursuant to the Share Repurchase Mandate at the date of passing the resolution approving the Share Repurchase Mandate will be 69,168,000 Shares, which represent 10% of the total number of issued Shares at the date of passing the ordinary resolution for Share Repurchase Mandate.

LETTER FROM THE BOARD

An explanatory statement, giving certain information regarding the Share Repurchase Mandate, is set out in Appendix I to this circular. The Share Repurchase Mandate will expire upon whichever is the earliest of: (a) the conclusion of the next annual general meeting of the Company; (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or by law to be held; and (c) the date on which the authority given under the ordinary resolution approving the Share Repurchase Mandate is revoked or varied by an ordinary resolution of the Shareholders.

3. PROPOSED FINAL DIVIDEND

The Board has recommended the declaration and payment of a final dividend of HK\$0.17 per Share and payable in Hong Kong dollars for the year ended 31 December 2021, subject to the Shareholders' approval at the AGM. As at the Latest Practicable Date, the Company has 691,680,000 Shares in issue. Based on the number of issued Shares as at the Latest Practicable Date, the Final Dividend, if declared and paid, will amount to an aggregate amount of approximately HK\$117,585,600.

For determining the entitlement to the proposed Final Dividend, the register of members of the Company will be closed from Thursday, 30 June 2022 to Tuesday, 5 July 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the proposed Final Dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 29 June 2022. The Final Dividend is expected to be paid on or about Friday, 15 July 2022 to the Shareholders whose name appear on the register of members of the Company on Tuesday, 5 July 2022.

4. PROPOSED RE-ELECTION OF DIRECTORS

In accordance with Article 111 of the Articles of Association, Mr. SHAO Yan, Ms. LI Yan and Mr. QIAN Yi will retire by rotation at the AGM and, being eligible, offer themselves for re-election.

Mr. QIAN Yi was appointed as an independent non-executive Director in December 2018, after review and approval by the Board. Mr. QIAN Yi has 38 years of experience in enterprise management and 12 years of experience in the tobacco industry. With his management expertise, he can contribute to the Board diversity of the Company and is a highly valued and respected member of the Board. The Board believes that Mr. QIAN Yi will make a significant contribution to the Company with his extensive experience. Mr. QIAN Yi has provided the Company with a confirmation of his independence with reference to the factors set out in Rule 3.13 of the Listing Rules, and the Board is of the view that he is independent. Accordingly, the Board is of the view that Mr. QIAN Yi has the character, integrity, independence and expertise to continue to fulfill his role as an independent non-executive Director effectively.

LETTER FROM THE BOARD

On the basis above, the Board is of the view that the re-election of Mr. QIAN Yi as an independent non-executive Director is in the interests of the Company and the Shareholders as a whole, and would recommend Mr. QIAN Yi for re-election as an independent non-executive Director at the AGM.

Details of the Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

5. ANNUAL GENERAL MEETING

A notice convening the AGM is set out on pages 16 to 19 of this circular. A form of proxy for use at the AGM is enclosed, a copy of which can also be obtained via the website of the Company at www.ctihk.com.hk or the website of the Stock Exchange at www.hkexnews.hk. Whether you are able to attend the AGM or not, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible, and in any event so that it is received not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 21 June 2022 to Friday, 24 June 2022, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, non-registered holders for its Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 20 June 2022.

6. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, at any general meeting, a resolution put to the vote of Shareholders shall be taken by poll except where the chairman of the AGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands.

The chairman of the AGM will exercise his power under Article 74 of the Articles of Association to demand for poll voting on all the resolutions as set out in the notice of the AGM.

The results of the poll on all the resolutions as set out in the notice of the AGM in both English and Chinese will be published on the website of the Company at www.ctihk.com.hk and the website of the Stock Exchange at www.hkexnews.hk in accordance with the Listing Rules.

LETTER FROM THE BOARD

7. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

8. RECOMMENDATION

The Directors consider that all the proposed resolutions set out in the notice of the AGM are in the interests of the Company and the Shareholders as a whole, and recommend all Shareholders to vote in favour of all such resolutions to be proposed at the AGM.

Yours faithfully
SHAO Yan
Chairman

This is an explanatory statement required to be given to the Shareholders under the Listing Rules in connection with the proposed Share Repurchase Mandate. This explanatory statement also constitutes the memorandum required under section 239 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

SHARE CAPITAL

As at the Latest Practicable Date, there were 691,680,000 Shares in issue. Subject to the passing of the ordinary resolution approving the Share Repurchase Mandate and on the basis that no further Shares are issued and no Shares are repurchased prior to the AGM, the Directors would be authorised under the Share Repurchase Mandate to repurchase a maximum of 69,168,000 Shares, which represent 10% of the total number of issued Shares at the date of passing the ordinary resolution.

REASONS FOR THE REPURCHASE OF SHARES

The Directors believe that the Share Repurchase Mandate is in the best interests of the Company and the Shareholders. Repurchases may, depending on the circumstances, result in an increase in net assets of the Company and/or earnings per Share. The Directors are seeking the grant of a general mandate to repurchase Shares to give the Company flexibility to do so if and when appropriate. The timing and the number(s), the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.

FUNDING FOR THE REPURCHASE OF SHARES

Repurchases must be made out of funds which are legally available for such purpose in accordance with all applicable laws of Hong Kong and the Articles of Association. It is envisaged that the funds required for any repurchase would be derived from the distributable profits of the Company.

There could be adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the annual report of the Company for the year ended 31 December 2021) in the event that the proposed Share repurchases were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the general mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing level which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Hong Kong.

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company in the event that the Share Repurchase Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell the Shares to the Company, nor has he undertaken not to do so in the event that the Share Repurchase Mandate is approved by the Shareholders.

SHARE PRICES

The highest and lowest prices at which the Shares had been traded on the Stock Exchange during the year ended 31 December 2021 and up to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
January 2021	18.52	14.46
February 2021	21.55	15.14
March 2021	21.50	15.82
April 2021	20.70	17.50
May 2021	18.86	16.52
June 2021	18.80	16.80
July 2021	17.22	14.94
August 2021	16.32	14.50
September 2021	17.50	14.76
October 2021	18.92	15.30
November 2021	19.60	16.68
December 2021	18.16	15.70
January 2022	16.06	14.50
February 2022	15.56	14.42
March 2022	14.74	12.32
April 2022 (up to and including the Latest Practicable Date)	13.90	12.66

TAKEOVERS CODE

Pursuant to Rule 32 of the Takeovers Code, if as a result of a Share repurchase, a Shareholder's proportionate interest in the voting right of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer for the Shares under Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the immediate controlling shareholder of the Company, CTIG, was recorded in the registers required to be kept by the Company under section 336 of the SFO as having an interest in 500,010,000 Shares, representing approximately 72.29% of the number of issued shares of the Company as at that date. In the event that the Share Repurchase Mandate is exercised in full and assuming that there is no change in the number of Shares held by CTIG, the shareholding of CTIG in the Company will be increased to approximately 80.32% of the reduced number of issued shares of the Company immediately after the exercise in full of the Share Repurchase Mandate. Save as disclosed above, the Directors are not aware of any consequences in relation to CTIG which would arise under the Takeovers Code as a result of such share repurchase by the Company. In addition, in exercising the Share Repurchase Mandate (whether in full or otherwise), the Directors will ensure that the Company shall comply with the requirements of the Listing Rules, including the minimum percentage of Shares being held in public hands.

SHARES REPURCHASE MADE BY THE COMPANY

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the year ended 31 December 2021 and up to the Latest Practicable Date.

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

Mr. SHAO Yan (邵岩), aged 57, was appointed as a Director in August 2016 and has been the Chairman of our Board and the non-executive Director since June 2018. Prior to joining the Company, Mr. Shao served as a cadre at Yunnan Tobacco Science Research Institute* (雲南省煙草科學研究所) from July 1991 to October 1995. He then successively served as deputy section chief of tobacco leaves manufacturing division and section chief of the tobacco leaves division in Yunnan Tobacco Company* (雲南省煙草公司) from October 1995 to January 2001. From January 2001 to April 2007, Mr. Shao served at Yunnan Tobacco Monopoly Administration (Company)* (雲南省煙草專賣局(公司)) as a deputy director of the tobacco leaves management division and deputy chief agronomist, successively. He also served as the head of Yunnan Tobacco Science Research Institute* (雲南省煙草科學研究所) from December 2003 to April 2007 and a director of China Tobacco (Southern) Breeding Research Institute* (中國煙草育種研究(南方)中心) from June 2005 to April 2007. From April 2007 to November 2010, Mr. Shao served as a deputy general manager and the general manager at Tian Ze Tobacco Company (PVT) Limited* (天澤煙草有限責任公司), successively. From April 2009 to December 2015, Mr. Shao served as a deputy general manager of Yunnan Tobacco Monopoly Administration (Company)* (雲南省煙草專賣局(公司)). Mr. Shao has been serving as the general manager of CTI since December 2015. Mr. Shao has served as the chairman and general manager of CTIG since January 2021.

Mr. Shao received a bachelor's degree in biology from Hangzhou Normal University in July 1988, and a master's degree in crop cultivation and planting from Yunnan Agricultural University in July 1991. He graduated from Hunan Agricultural University with a doctor's degree in tobacco science and technology engineering in June 2008.

Save as disclosed herein, Mr. Shao does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Shao did not hold any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Shao has entered into a service contract with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Shao is not entitled to receive director's remuneration from the Company.

Save as disclosed herein, there is no information that should be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules and there are no other matters relating to Mr. Shao that need to be brought to the attention of the Shareholders.

Ms. LI Yan (李妍), aged 52, joined us in March 2020 as an executive Director and a Vice General Manager of the Company.

From July 1992 to March 2020, Ms. Li worked at CTI and successively worked at the market development department, overseas business department, tobacco leaf operation department, planning & investment department and compliance office. She served as the deputy director of the planning & investment department from August 2006 to January 2017 and the director of the compliance office from January 2017 to March 2020.

Ms. Li has 13 years of experience in investment management of the overseas tobacco industry. Ms. Li obtained a bachelor's degree in economics from Nankai University (formerly known as Tianjin Foreign Trade Institute) in July 1992 and an MBA degree from Beijing Jiaotong University (formerly known as Northern Jiaotong University) in April 2006.

Ms. Li does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Ms. Li did not hold any interest in the Shares within the meaning of Part XV of the SFO.

Ms. Li has entered into a service contract with the Company for a term of three years. Her directorship is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Ms. Li is not entitled to receive director's remuneration from the Company.

Save as disclosed herein, there is no information that should be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules and there are no other matters relating to Ms. Li that need to be brought to the attention of the Shareholders.

Mr. QIAN Yi (錢毅), aged 68, has been appointed as our independent non-executive Director since 17 May 2019. Mr. Qian has 38 years of experience in enterprise management and 12 years of experience in the tobacco industry. Prior to joining the Company, Mr. Qian successively served as the general manager and then concurrently a director of Nanyang Brothers Tobacco Co., Ltd., a Hong Kong-based cigarettes manufacturer who sells different kinds of cigarettes products in various regions including Hong Kong and Macau and a wholly-owned subsidiary of Shanghai Industrial Holdings Limited (Stock Code: 363), from September 2008 until his retirement in May 2017. He successively served as a deputy chief executive officer, and an executive director and deputy chief executive officer of Shanghai Industrial Holdings Limited in Hong Kong from November 2009 to February 2014. In addition, Mr. Qian served as a director of The Wing Fat Printing Company Limited in Hong Kong from May 2009 to June 2013 and as a director of Shanghai Industrial Investment (Holdings) Co., Ltd. in Hong Kong from July 2012 to February 2014, respectively. Mr. Qian also served as a visiting professor at the University of Shanghai for Science and Technology and Shanghai Publishing and Printing College, respectively, from November 2012. Mr. Qian graduated from a post-secondary program in management engineering at Shanghai Jiaotong University in

January 1983, an undergraduate program in enterprise management at Fudan University in July 1995 and a graduate program in economics at East China Normal University in July 2000. Mr. Qian obtained his qualification as a senior economist granted by Shanghai Municipal Qualification Reform Work Leading Team (上海市職稱改革工作領導小組) in December 1992.

Mr. Qian does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Qian did not hold any interest in the Shares within the meaning of Part XV of the SFO.

Mr. Qian has entered into a service contract with the Company for a term of three years. His directorship is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association. Mr. Qian is entitled to receive a director's fee of HK\$360,000 per annum. His emoluments are determined with reference to his duties and responsibilities in the Company and prevailing market conditions and reviewed by the remuneration committee of the Company.

Save as disclosed herein, there is no information that should be disclosed pursuant to any of the requirements of Rule 13.51(2) of the Listing Rules and there are no other matters relating to Mr. Qian that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



中煙國際(香港)有限公司
CHINA TOBACCO INTERNATIONAL (HK) COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 6055)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) of China Tobacco International (HK) Company Limited (the “**Company**”) will be held at 17/F, Tower A, China Life Tower, One Harbour Gate, 18 Hung Luen Road, Hung Hom, Kowloon, Hong Kong on Friday, 24 June 2022 at 3:00 pm for the following purposes:

1. To receive and consider the Company’s audited financial statements, the report of the directors and the independent auditor’s report for the year ended 31 December 2021.
2. To declare a final dividend for the year ended 31 December 2021.
3. To re-elect directors of the Company (the “**Director(s)**”):
 - (a) To re-elect Mr. SHAO Yan as a Director;
 - (b) To re-elect Ms. LI Yan as a Director; and
 - (c) To re-elect Mr. QIAN Yi as a Director.
4. To re-appoint KPMG as the auditor of the Company and authorise the Directors to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

To consider and if thought fit, to pass with or without modification the following resolutions as Ordinary Resolutions:

5. **“That:**

- (a) subject to paragraph (c), a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to allot, issue and dispose of shares in the Company and to make or grant offers, agreements, options or warrants which would or might require the exercise of such powers;
- (b) the mandate in paragraph (a) shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the mandate in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as defined below), or (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company or (iii) any scrip dividend or similar arrangement pursuant to the articles of association of the Company from time to time, shall not exceed twenty per cent (20%) of the total number of issued shares of the Company at the date of this Resolution; and that this Resolution shall be limited by the applicable rules and requirements of The Stock Exchange of Hong Kong Limited as amended from time to time; and
- (d) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution 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 by law to be held; and
- (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 to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or

NOTICE OF ANNUAL GENERAL MEETING

other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. **“That:**

- (a) a general mandate be and is hereby unconditionally granted to the Directors to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase or otherwise acquire shares of the Company in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, provided that the total number of shares so purchased or otherwise acquired shall not exceed ten per cent (10%) of the total number of issued shares of the Company at the date of this Resolution; and
- (b) for the purpose of this Resolution: “Relevant Period” means the period from the passing of this Resolution until whichever is the 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 by law to be held; and
 - (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.”

7. **“That,** conditional upon the passing of Resolutions 5 and 6 set out in the Notice convening the AGM, the total number of the shares which are purchased or otherwise acquired by the Company pursuant to Resolution 6 shall be added to the total number of the shares which may be issued pursuant to Resolution 5.”

By Order of the Board
SHAO Yan
Chairman

28 April 2022

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. In view of the ongoing COVID-19 pandemic and recent requirements for prevention and control of its spread, the Company will implement precautionary measures at the AGM to protect attending shareholders, staff and other stakeholders from the risk of infection, details of which are set out in the section headed “Precautionary Measures for the Annual General Meeting” of the circular of the Company to its shareholders dated 28 April 2022.

In the interest of all stakeholders’ health and safety and in response to the recent guidelines on prevention and control of COVID-19 pandemic, shareholders are reminded that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. It is possible that shareholders and/or their proxies may not be able to attend in person at the AGM venue depending on prevailing regulations by the government of the Hong Kong Special Administrative Region of the People’s Republic of China. Shareholders are strongly encouraged to appoint the chairman of the AGM as proxy to attend and vote on the relevant resolutions at the AGM by completing form of proxy in accordance with the instructions printed thereon, instead of attending the AGM or any adjourned meeting in person.

2. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 21 June 2022 to Friday, 24 June 2022, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the AGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Monday, 20 June 2022.
3. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 30 June 2022 to Tuesday, 5 July 2022, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Room 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 29 June 2022. The final dividend is expected to be paid on or about Friday, 15 July 2022 to the shareholders whose name appear on the register of members of the Company on Tuesday, 5 July 2022.
4. Any member of the Company entitled to attend and vote at the AGM is entitled to appoint one or, if he/she holds two or more shares, more person(s) as his/her proxy or proxies to attend and vote instead of him/her. A proxy needs not be a member of the Company. Completion and return of the form of proxy will not preclude the members of the Company from attending and voting in person at the AGM or any adjourned meeting should they so wish.
5. The form of proxy for use at the AGM is enclosed with the circular of the Company to its shareholders dated 28 April 2022. The form of proxy can also be downloaded from the website of the Company at www.ctihk.com.hk and the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk. To be valid, the form of proxy must be completed, signed and deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof (as the case may be).
6. In view of the evolving COVID-19 pandemic situation in Hong Kong, the Company may implement further procedures and precautionary measures and change the AGM arrangements at short notice. Shareholders should visit the Company’s website at www.ctihk.com.hk for future announcements and updates on the AGM arrangements.

As at the date of this notice, the board of directors of the Company comprises Mr. Shao Yan, as Chairman and non-executive director of the Company, Ms. Yang Xuemei, Ms. Li Yan, Mr. Liang Deqing and Mr. Wang Chengrui as executive directors of the Company, and Mr. Chow Siu Lui, Mr. Wang Xinhua, Mr. Chau Kwok Keung and Mr. Qian Yi as independent non-executive directors of the Company.