
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 to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CSI Properties 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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CSI PROPERTIES LIMITED 資本策略地產有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 497)

**(1) PROPOSALS FOR RE-ELECTION OF DIRECTORS;
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(3) PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company (the “Annual General Meeting”) to be held at Chatham Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Wednesday, 31 August 2022 at 10:00 a.m. is set out on pages 28 to 32 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend and vote at the Annual General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible to the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjournment thereof if you so desire.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

To safeguard the health and safety of the shareholders of the Company (the “Shareholders”), the following precautionary measures will continue to be implemented at the Annual General Meeting:

- (i) compulsory temperature screening/checks;
- (ii) wearing of surgical face mask; and
- (iii) no provision of refreshments or drinks.

Attendees who do not comply with the precautionary measures referred to in (i) & (ii) above or are subject to any government-prescribed quarantine may be denied entry to the Annual General Meeting venue, at the absolute discretion of the Company as permitted by law.

In light of the continuing risks posed by the 2019 novel coronavirus (“COVID-19”) pandemic, the Company would like to remind the Shareholders that physical attendance in person at the Annual General Meeting is not a must for the purpose of exercising their voting rights and strongly recommends the Shareholders to appoint the Chairman of the Annual General Meeting as their proxy and submit their form of proxy as early as possible. The form of proxy can be downloaded from the Company’s website (www.csigroup.hk) or the Stock Exchange’s website (www.hkexnews.hk).

The Company will keep the evolving COVID-19 situation under review and may implement additional measures to be announced closer to the date of the Annual General Meeting, if necessary.

* For identification purpose only

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Chatham Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Wednesday, 31 August 2022 at 10:00 a.m., or any adjournment thereof
“Board”	the board of Directors
“Bye-laws”	the bye-laws of the Company
“CG Code”	the Corporate Governance Code set out in Appendix 14 of the Listing Rules
“close associate”	has the same meaning as ascribed to it under the Listing Rules
“Company”	CSI Properties Limited, a company incorporated in Bermuda with limited liability which shares are listed on the main board of the Stock Exchange
“core connected person”	has the same meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general and unconditional mandate proposed to be granted to the Directors to allot, issue and deal with Shares up to 20% of the aggregate number of issued Shares as at the date of passing the ordinary resolution in relation thereto
“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”	25 July 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors to repurchase the fully paid up Shares up to 10% of the aggregate number of issued Shares as at the date of passing the ordinary resolution in relation thereto

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	ordinary share(s) of HK\$0.008 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



CSI PROPERTIES LIMITED

資本策略地產有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 497)

Executive Directors:

Mr. Chung Cho Yee, Mico (*Chairman*)
Mr. Kan Sze Man
Mr. Chow Hou Man
Mr. Fong Man Bun, Jimmy
Mr. Ho Lok Fai
Mr. Leung King Yin, Kevin

Independent non-executive Directors:

Dr. Lam Lee G.
Mr. Cheng Yuk Wo
Hon. Shek Lai Him, Abraham, *GBS, JP*
Dr. Lo Wing Yan, William, *JP*

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

*Principal place of business
in Hong Kong:*

31/F., Bank of America Tower
12 Harcourt Road
Central
Hong Kong

29 July 2022

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSALS FOR RE-ELECTION OF DIRECTORS;
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(3) PROPOSED AMENDMENTS TO THE BYE-LAWS OF THE COMPANY;
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purposes of this circular are to provide you with information regarding the resolutions to be proposed at the Annual General Meeting relating to:-

- (i) the re-election of the Directors;
- (ii) the granting to the Directors of (a) the General Mandate; and (b) the Repurchase Mandate;
and
- (iii) the proposed amendments to the Bye-laws.

* For identification purpose only

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

The Board currently consists of ten Directors, namely, Mr. Chung Cho Yee, Mico, Mr. Kan Sze Man, Mr. Chow Hou Man, Mr. Fong Man Bun, Jimmy, Mr. Ho Lok Fai, Mr. Leung King Yin, Kevin, Dr. Lam Lee G., Mr. Cheng Yuk Wo, Hon. Shek Lai Him, Abraham, *GBS, JP* and Dr. Lo Wing Yan, William, *JP*.

Pursuant to Bye-law 99(A) of the Bye-laws, at each annual general meeting, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that each Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years at the annual general meeting.

Pursuant to Bye-law 99(A) of the Bye-laws, Mr. Chung Cho Yee, Mico, Mr. Kan Sze Man, Mr. Chow Hou Man and Dr. Lam Lee G. will retire from office at the Annual General Meeting. All of the aforementioned Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

Pursuant to code provision B.2.3 of the CG Code, as Dr. Lam Lee G. has served as an independent non-executive Director for more than nine years, his re-election will be subject to a separate resolution to be approved by the Shareholders. Despite his length of service, the Board and the nomination committee of the Board still consider Dr. Lam to be independent. He has not held any executive or management position in the Group nor has he throughout such period been under the employment of any member of the Group. There is no evidence that the independence of Dr. Lam, especially in terms of exercising independent judgment and objective challenges to the management, has been or will be in any way compromised or affected. Besides, Dr. Lam has provided an annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. In fact, the Board considers such length of service as an advantage as Dr. Lam is familiar with the management and business of the Group and therefore will be in a better position to understand the operation of the Group and make recommendations leveraging on his own skills and experience.

It is also noted that Dr. Lam holds directorships in more than seven listed companies (including the Company). However, Dr. Lam has been professional in performing his duties as a Director and has attended and actively participated in the Board meetings and various committee meetings. Dr. Lam has also undertaken to devote sufficient time to attend to the affairs of the Company. Taking into account of the above factors, the Board is of the view that notwithstanding the fact that Dr. Lam holds directorships in more than seven listed companies, he would be able to devote sufficient time to fulfill his duties as an independent non-executive Director.

Having considered the above and reviewed the structure, size, composition and diversity of the Board from a number of aspects, in particular the age, length of service, professional experience, skills and expertise of each Director, the Board is of the view that Dr. Lam should be re-elected for a further term at the Annual General Meeting. The Board thus recommends the Shareholders to vote in favour of the resolution to re-elect Dr. Lam as an independent non-executive Director because he has made valuable contribution to the Company by providing his balanced and objective views to the Board.

LETTER FROM THE BOARD

The brief biographical details of the Directors who are standing for re-election at the Annual General Meeting are set out in Appendix I to this circular.

THE GENERAL MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to issue Shares representing up to 20% of the aggregate number of issued Shares as at the date of passing of the resolution. As at the Latest Practicable Date, there were 9,371,729,676 Shares in issue and assuming no further Shares will be issued or repurchased prior to the date of the Annual General Meeting, the Directors will be authorised to issue a maximum of 1,874,345,935 Shares pursuant to the General Mandate.

Subject to the passing of the ordinary resolutions of the General Mandate and Repurchase Mandate, a separate ordinary resolution will also be proposed to authorise the Directors to issue further Shares not exceeding the aggregate number of issued Shares repurchased pursuant to the Repurchase Mandate.

THE REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to grant to the Directors a general and unconditional mandate to exercise all powers of the Company to repurchase issued Shares subject to the criteria set out in this circular. In particular, Shareholders should note that the maximum number of Shares that may be repurchased pursuant to the Repurchase Mandate will be such number which represents 10% of the aggregate number of issued Shares as at the date of passing the resolution pursuant to the Listing Rules.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement which is set out in Appendix II to this circular.

PROPOSED AMENDMENTS TO THE BYE-LAWS

Reference is made to the announcement of the Company dated 1 June 2022. The Board will propose at the Annual General Meeting a special resolution approving the proposed amendments to the Bye-laws in order to bring the Bye-laws in alignment with Appendix 3 to the Listing Rules which has come into effect on 1 January 2022 and to make certain other housekeeping amendments.

The major proposed amendments to the Bye-laws are summarised as follows:

- (i) to provide that the register and branch register of the Shareholders shall be opened for inspection at specific time;
- (ii) to provide that an annual general meeting shall be held in each financial year and within 6 months after the end of the Company's financial year;

LETTER FROM THE BOARD

- (iii) to provide that an annual general meeting of the Company shall be called by notice of not less than 21 clear days and all other general meetings shall be called by notice of not less than 14 clear days, but the Company may convene a general meeting on shorter notice if it is agreed by all the Shareholders entitled to attend and vote at the meeting (in case of an annual general meeting) and by a majority in number of the Shareholders having the right to attend and vote at the meeting, being a majority together holding at least 95% of the total voting rights at the meeting of all the Shareholders (in case of other general meetings);
- (iv) to provide that all the Shareholders have the right to speak and vote at a general meeting except otherwise provided in the Listing Rules;
- (v) to provide that a director appointed by the Board to fill a casual vacancy or as an additional director shall hold office until the next following annual general meeting and shall then be eligible for re-election;
- (vi) to provide that the Company may by ordinary resolution remove a director before the expiration of his/her term of office;
- (vii) to provide that the Company may by ordinary resolution appoint or by extraordinary resolution remove an auditor before the expiration of his/her term of office;
- (viii) to specify that a resolution put to the vote at general meetings of the Company shall be decided by poll except the chairman in good faith decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands; and
- (ix) to make other miscellaneous amendments to update or clarify the provisions of the Bye-laws where it is considered desirable or to better align the wordings with the Listing Rules and the applicable laws of Bermuda.

The proposed amendments to the Bye-laws are set out in Appendix III to this circular. A special resolution will be proposed at the Annual General Meeting to approve the proposed amendments to the Bye-laws. The legal advisers to the Company as to Hong Kong laws have confirmed that the proposed amendments to the Bye-laws comply with the relevant requirements of the Listing Rules and the legal advisers to the Company as to Bermuda laws have confirmed that the proposed amendments to the Bye-laws do not violate the applicable laws of Bermuda. The Company confirms that there is nothing unusual about the proposed amendments to the Bye-laws. Shareholders are advised that the proposed amendments to the Bye-laws are available only in English and the Chinese translation of the proposed amendments to the Bye-laws provided in Appendix III to this circular in Chinese is for reference only. In case of any inconsistency, the English version shall prevail.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

A notice of the Annual General Meeting to be held at Chatham Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Wednesday, 31 August 2022 at 10:00 a.m. is set out on pages 28 to 32 of this circular.

In accordance with Rule 13.39(4) of the Listing Rules, the vote of the Shareholders at the Annual General Meeting will be taken by poll.

A form of proxy for the Annual General Meeting is enclosed with this circular. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy in accordance with the instructions set out therein and return it to the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (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 Annual General Meeting or any adjourned meeting thereof if you so desire.

CLOSURE OF REGISTER

The register of members of the Company will be closed during the following periods:

- (a) for the purpose of determining Shareholders who are entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Friday, 26 August 2022 to Wednesday, 31 August 2022 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 25 August 2022; and
- (b) for the purpose of determining the Shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from Tuesday, 6 September 2022 to Tuesday, 13 September 2022 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 5 September 2022.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Directors consider that the proposals in relation to (i) the re-election of the retiring Directors; (ii) the grant of the General Mandate (and the extension thereof) and the Repurchase Mandate; and (iii) the amendments to the Bye-laws are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of
CSI Properties Limited
Kan Sze Man
Executive Director

The biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

Mr. Chung Cho Yee, Mico, aged 61, Chairman and Executive Director, joined the Company in 2004. He is also a director of certain subsidiaries of the Group. He is also the Chairmen of the Executive Committee and the Nomination Committee, and a member of the Remuneration Committee of the Board. Mr. Chung graduated from University College London in the United Kingdom with a law degree in 1983 and qualified as a solicitor in Hong Kong in 1986. Mr. Chung is currently a non-executive director of HKT Limited and HKT Management Limited, the trustee-manager of the HKT Trust, the shares of which are listed on the Stock Exchange. Mr. Chung was an independent non-executive director of HKC (Holdings) Limited up to January 2020, the shares of which were delisted from the Stock Exchange in June 2021.

Save as disclosed herein, Mr. Chung does not hold any other directorship in any other listed company in the last three years.

Mr. Chung has entered into a service agreement with the Group and receives a monthly emolument of HK\$1,019,750, which was determined by reference to his duties and responsibilities with the Company. For the year ended 31 March 2022, Mr. Chung received emoluments including bonuses under the service agreement amounting to HK\$17,354,000. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

As at the Latest Practicable Date, Mr. Chung, together with corporations controlled by him, were interested in an aggregate of 5,179,192,062 Shares. Save as aforesaid, Mr. Chung does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. Mr. Chung is the brother-in-law of Mr. Kan Sze Man, an Executive Director.

Mr. Kan Sze Man, aged 50, Executive Director and Chief Operating Officer of the Group, joined the Company as Group General Counsel in 2001. He is also a director of certain subsidiaries and associates of the Group and a member of the Executive Committee of the Board. Mr. Kan is a qualified solicitor by profession. He graduated from Wadham College, University of Oxford in the United Kingdom in 1993 and qualified as a solicitor in Hong Kong in 1997. He has worked in the commercial department of a Hong Kong law firm and a U.K. city firm, until joining Hikari Tsushin International Limited (now known as China Oil and Gas Group Limited) as its senior vice president and legal counsel in early 2000. Mr. Kan was a non-executive director of BCI Group Holdings Limited (“BCI”) (a company listed on GEM operated by the Stock Exchange) up to February 2021. The Company ceased to be BCI’s substantial shareholder on 14 December 2020.

Save as disclosed herein, Mr. Kan does not hold any other directorship in any other listed company in the last three years.

Mr. Kan has not entered into any director’s service contract with the Company and there is no designated length of service for his appointment. Mr. Kan is not receiving any director’s fee for his directorship but is receiving a salary for his position as the Chief Operating Officer and Group General Counsel. For the year ended 31 March 2022, Mr. Kan received emoluments (including salaries and bonuses), which was determined by reference to his duties and responsibilities with the Company, amounting to HK\$7,560,000. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

As at the Latest Practicable Date, Mr. Kan had 23,790,500 Shares. Save as aforesaid, Mr. Kan does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. Mr. Kan is the brother-in-law of Mr. Chung Cho Yee, Mico, the Chairman, an Executive Director and a controlling Shareholder.

Mr. Chow Hou Man, aged 51, Executive Director and Chief Financial Officer of the Group, joined the Company in 2001. He is also a director of certain subsidiaries and associates of the Group and a member of the Executive Committee of the Board. Mr. Chow graduated from the Baptist University in Hong Kong and holds a Master of Business Administration degree from the Hong Kong Polytechnic University. He has over 20 years of financial experience in various companies listed in Hong Kong and overseas and an international firm of certified public accountants. He is a member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

Save as disclosed herein, Mr. Chow does not hold any other directorship in any other listed company in the last three years.

Mr. Chow has not entered into any director's service contract with the Company and there is no designated length of service for his appointment. Mr. Chow is not receiving any director's fee for his directorship but is receiving a salary for his position as the Chief Financial Officer of the Group. For the year ended 31 March 2022, Mr. Chow received emoluments (including salaries and bonuses), which was determined by reference to his duties and responsibilities with the Company, amounting to HK\$5,355,000. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

As at the Latest Practicable Date, Mr. Chow did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. Mr. Chow is not related to any Directors, senior management or substantial or controlling shareholders of the Company.

Dr. Lam Lee G., aged 62, an Independent Non-Executive Director, joined the Company in 2001. He is a member of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Board. Dr. Lam has extensive international experience in corporate management, strategy consulting, corporate governance, direct investment, investment banking and asset management. He served as Chairman of Hong Kong Cyberport, a member of the Committee on Innovation, Technology and Re-Industrialization, and the Sir Murray MacLehose Trust Fund Investment Advisory Committee, of the Hong Kong Special Administrative Region Government. He is a member of the Governance Committee of the Hong Kong Growth Portfolio, and the Development Bureau Common Spatial Data Advisory Committee of the HKSAR Government, Convenor of the Panel of Advisors on Building Management Disputes of the HKSAR Government Home Affairs Department, a member of the Court of the City University of Hong Kong, the Metropolitan University of Hong Kong Lee Shau-Kei School of Business and Administration International Advisory Board and the Tencent Finance Academy (Hong Kong) Advisory Board, Chairman of the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) Sustainable Business Network (ESBN), Vice Chairman of Pacific Basin Economic Council (PBEC), and a member of the Hong Kong Trade Development Council Belt and Road and Greater Bay Area Committee.

Dr. Lam is an executive director of Hong Kong Aerospace Technology Group Limited (formerly known as Eternity Technology Holdings Limited, re-designated from non-executive director on 3 January 2022), the shares of which are listed on the Stock Exchange.

He is an independent non-executive director of each of Vongroup Limited, Mei Ah Entertainment Group Limited, Elife Holdings Limited (formerly known as Sino Resources Group Limited), Haitong Securities Co., Ltd. (which is also listed on the Shanghai Stock Exchange), Hang Pin Living Technology Company Limited (formerly known as Hua Long Jin Kong Company Limited), Kidsland International Holdings Limited, Greenland Hong Kong Holdings Limited, Huarong International Financial Holdings Limited and RENHENG Enterprise Holdings Limited, the shares of all of which are listed on the Stock Exchange.

He is also a non-executive director of each of Sunwah Kingsway Capital Holdings Limited, China LNG Group Limited, National Arts Group Holdings Limited (formerly known as National Arts Entertainment and Culture Group Limited) and Mingfa Group (International) Company Limited (re-designated from independent non-executive director on 23 April 2020), the shares of all of which are listed on the Stock Exchange.

He is also an independent non-executive director of Asia-Pacific Strategic Investments Limited (formerly known as China Real Estate Grp Ltd.), Beverly JCG Ltd. (formerly known as JCG Investment Holdings Ltd.), Thomson Medical Group Limited and Alset International Limited (formerly known as Singapore eDevelopment Limited) (re-designated from non-executive director on 2 July 2020), the shares of all of which are listed on the Singapore Exchange.

Dr. Lam is an independent non-executive director of AustChina Holdings Limited (formerly known as Coalbank Limited), whose shares are listed on the Australian Securities Exchange, and TMC Life Sciences Berhad, whose shares are listed on the Bursa Malaysia, and a non-executive director of Jade Road Investments Limited (formerly known as Adamas Finance Asia Limited), whose shares are listed on the London Securities Exchange.

Dr. Lam was a non-executive director of Tianda Pharmaceuticals Limited up to August 2021, China Shandong Hi-Speed Financial Group Limited up to May 2020 and Green Leader Holdings Group Limited up to July 2019, and he was also an independent non-executive director of Aurum Pacific (China) Group Limited up to March 2021 and Glorious Sun Enterprises Limited up to August 2019, the shares of all of which are listed on the Stock Exchange. Dr. Lam was an independent non-executive director of Huarong Investment Stock Corporation Limited (which was privatized on 12 November 2020) up to December 2020 and Hsin Chong Group Holdings Limited up to September 2019 (the shares of which were delisted from the Stock Exchange in December 2019). He was an independent non-executive director of each of Top Global Limited (listed on the Singapore Exchange) up to August 2021 and Sunwah International Limited (listed on the Toronto Stock Exchange) up to June 2021.

Save as disclosed herein, Dr. Lam does not hold any other directorship in any other listed company in the last three years.

Dr. Lam has not entered into any director's service contract with the Company and is receiving a director's fee of HK\$200,000 per annum for his directorship in the Company, which was determined by reference to his duties and responsibilities with the Company. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

As at the Latest Practicable Date, Dr. Lam did not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. Dr. Lam has no relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, there is nothing which needs to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules nor is there anything which needs to be brought to the attention of the Shareholders in connection with the above retiring Directors.

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 9,371,729,676 Shares in issue.

Subject to the passing of the proposed ordinary resolution approving the Repurchase Mandate and assuming no further Shares will be issued or repurchased prior to the date of the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase up to a maximum of 937,172,967 Shares, representing 10% of the aggregate number of issued Shares as at the date of passing of the resolution, during the period from the passing of the resolution granting the Repurchase Mandate up to the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or the applicable laws and requirements of Bermuda to be held, or when revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to have general authority from the Shareholders to enable the Directors to repurchase Shares in the market. Such repurchases may, depending on market condition and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

3. FUNDING OF REPURCHASES

Repurchases pursuant to the Repurchase Mandate would be financed entirely from the Company's available cash flow or working capital facilities. Any repurchase will be made out of funds legally available for such purpose in accordance with the applicable laws of Bermuda and the memorandum of association of the Company and the Bye-laws.

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements of the Company contained in its annual report for the year ended 31 March 2022) in the event that the Repurchase Mandate is exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Group.

4. DISCLOSURE OF INTEREST

None of the Directors or, 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 or its subsidiaries under the Repurchase Mandate if it is approved by the Shareholders.

No core connected persons of the Company have notified the Company that they have a present intention to sell any Shares held by them to the Company, or they have undertaken not to sell any of the Shares held by them to the Company in the event that the Directors are authorised to exercise the Repurchase Mandate.

5. UNDERTAKING OF THE DIRECTORS

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

6. EFFECT OF THE HONG KONG CODE ON TAKEOVERS AND MERGERS

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, 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.

As at the Latest Practicable Date, Mr. Chung Cho Yee, Mico and his close associates held approximately 55.26% of the issued Shares. Assuming that no further Shares are acquired or sold by any of them, in the event that the Directors exercise their power to repurchase the Shares in full pursuant to the Repurchase Mandate, the shareholding of Mr. Chung Cho Yee, Mico, together with his close associates, in the Company will be increased to approximately 61.40% and such increase would not give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

7. SHARE PRICES

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

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2021		
July	0.265	0.240
August	0.260	0.244
September	0.250	0.212
October	0.234	0.221
November	0.228	0.215
December	0.255	0.200
2022		
January	0.225	0.200
February	0.219	0.204
March	0.209	0.182
April	0.206	0.180
May	0.195	0.177
June	0.200	0.176
July (up to the Latest Practicable Date)	0.205	0.180

Note: All rounded up to 3 decimal places.

8. SHARE REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company had repurchased its Shares on the Stock Exchange as follows:

Date of repurchase	Number of Shares repurchased	Highest price paid per Share <i>HK\$</i>	Lowest price paid per Share <i>HK\$</i>
17 January 2022	1,530,000	0.214	0.210
19 January 2022	600,000	0.210	0.209
20 January 2022	1,000,000	0.211	0.210
25 January 2022	1,830,000	0.210	0.209
26 January 2022	250,000	0.210	0.210
7 February 2022	570,000	0.213	0.210
8 February 2022	220,000	0.212	0.210
11 February 2022	1,180,000	0.212	0.211
17 February 2022	10,000	0.210	0.210
22 February 2022	2,830,000	0.212	0.211
24 February 2022	500,000	0.210	0.210
4 March 2022	9,000,000	0.205	0.203
7 March 2022	3,370,000	0.197	0.197
6 July 2022	1,670,000	0.193	0.193
11 July 2022	500,000	0.195	0.195
12 July 2022	100,000	0.195	0.195
14 July 2022	520,000	0.195	0.195
	<u>25,680,000</u>		

9. SHAREHOLDERS' APPROVAL

All the proposed repurchases of the Shares by the Company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by special approval of a particular transaction.

Set out below the proposed amendments to the Bye-laws:-

Bye-law 1

The following amendments be made to the definition of “Registration Office” and the terms “Special Resolution” and “Ordinary Resolution”:

Original bye-law	Proposed amendments
<p>“Registration Office” shall mean in respect of any class of share capital, such place or places in the Relevant Territory or elsewhere where the Directors from time to time determine to keep a branch register of shareholders in respect of that class of share capital and where (except in cases where the Directors otherwise agree) transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.</p>	<p>“Registration Office” shall mean in respect of any class of share capital, such place or places in the Relevant Territory or elsewhere where the Directors from time to time determine to keep a branch register of shareholders <u>members</u> in respect of that class of share capital and where (except in cases where the Directors otherwise agree) transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.</p>
<p>A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or, in the case of such members as are corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 21 days’ notice, specifying (without prejudice to the power contained in these presents to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, if it is so agreed by a majority in number of the members having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. In normal value of the shares giving that right, a resolution may be proposed and passed as a Special Resolution at a meeting of which not less than 21 days’ notice has been given.</p>	<p>A resolution shall be a Special Resolution when it has been passed by a majority of not less than three-fourths of the votes cast by such members as, being entitled so to do, vote in person or, in the case of such members as are corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of which not less than 21 days’ notice, specifying (without prejudice to the power contained in these presents to amend the same) the intention to propose the resolution as a special resolution, has been duly given. Provided that, if it is so agreed by a majority in number of the members having a right to attend and vote at any such meeting, being a majority together holding not less than 95 per cent. In nominal value of the shares giving that right, a resolution may be proposed and passed as a Special Resolution at a meeting of which not less than 21 days’ notice has been given <u>has been duly given in accordance with Bye-Law 63.</u></p>

Original bye-law	Proposed amendments
<p>A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such members as, being entitled so to do, vote in person or, in the case of any member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting held in accordance with these presents and of which not less than 14 days' notice has been duly given.</p>	<p>A resolution shall be an Ordinary Resolution when it has been passed by a simple majority of the votes cast by such members as, being entitled so to do, vote in person or, in the case of any member being a corporation, by its duly authorised representative or, where proxies are allowed, by proxy at a general meeting held in accordance with these presents and of which not less than 14 days' notice has been duly given <u>in accordance with Bye-Law 63.</u></p>

The following term "Extraordinary Resolution" be inserted at the end of Bye-law 1:

"A resolution shall be an Extraordinary Resolution when it has been passed by a majority of not less than two thirds of votes cast by such Members as, being entitled so to do, vote in person or, in the case of such Members as are corporations, by their respective duly authorised representative or, where proxies are allowed, by proxy at a general meeting of which Notice has been duly given in accordance with Bye-Law 63."

Bye-law 14

The following amendments be made to Bye-law 14(B):

Original bye-law	Proposed amendments
<p>(B) Subject to the provisions of the Companies Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a local or branch register at such location outside Bermuda as the Board thinks fit and, while the issued share capital of the Company is, with the consent of the Board, listed on any stock exchange in Hong Kong, the Company shall keep a branch register in Hong Kong.</p>	<p>(B) Subject to the provisions of the Companies Act, if the Board considers it necessary or appropriate, the Company may establish and maintain a local or branch register <u>of members</u> at such location outside Bermuda as the Board thinks fit and, while the issued share capital of the Company is, with the consent of the Board, listed on any stock exchange in Hong Kong, the Company shall keep a branch register <u>of members</u> in Hong Kong.</p>

The following Bye-law 14(C) be inserted immediately after Bye-law 14(B):

“(C) The register and branch register of members, as the case may be, shall be open to inspection between 10 a.m. and 12 noon during business hours by members of the public without charge at the Registered Office or such other place at which the register is kept in accordance with the Companies Act. The register including any overseas or local or other branch register of members may, after notice has been given by advertisement in an appointed newspaper and where applicable, any other newspapers in accordance with the requirements of any Designated Stock Exchange or by any means (electronic or otherwise) in such manner as may be accepted by the Designated Stock Exchange to that effect, be closed at such times or for such periods not exceeding in the whole thirty (30) days in each year as the Board may determine and either generally or in respect of any class of shares.”

Bye-law 60

The following amendments be made to Bye-law 60:

Original bye-law	Proposed amendments
<p>60. The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next unless a longer period would not infringe the Listing Rules. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint.</p>	<p>60. The Company shall in each <u>financial</u> year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it, and not more than fifteen months shall elapse between the date of one such annual general meeting <u>must be held within six (6) months after the end of</u> the Company and that of the next's <u>financial year</u> unless a longer period would not infringe the Listing Rules. The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint.</p>

Bye-law 62

The following amendments be made to Bye-law 62:

Original bye-law	Proposed amendments
<p>62. The Board may whenever it thinks fit call special general meetings, and members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act.</p>	<p>62. The Board may whenever it thinks fit call special general meetings, and members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business <u>or resolution</u> specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act.</p>

Bye-law 63

The following amendments be made to Bye-law 63:

Original bye-law	Proposed amendments
<p>63. An annual general meeting and a meeting called for the passing of a Special Resolution shall be called by at least twenty-one days' notice in writing, and a meeting of the Company other than an annual general meeting or a meeting for the passing of a Special Resolution shall be called by at least fourteen days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Bye-Laws, entitled to receive such notices from the Company, provided that, subject to the provisions of the Companies Act, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called if it is so agreed:-</p> <p>(i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and</p> <p>(ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the shares giving that right.</p>	<p>63. An annual general meeting and a meeting called for the passing of a Special Resolution shall be called by at leastnotice of not less than twenty-one <u>clear</u> days' notice in writing, and a meeting of the Company other than an annual. All other general meetings (including a special general meeting or a meeting for the passing of a Special Resolution) shall be called by at leastnotice of not less than fourteen <u>clear</u> days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day and the hour of meeting and, in case of special business, the general nature of that business, and shall be given in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Bye-Laws, entitled to receive such notices from the Company, provided that, subject to the provisions of the Companies Act, a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Bye-Law be deemed to have been duly called if it is so agreed:-</p> <p>(i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and</p> <p>(ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than ninety-five per cent. in nominal value of the total voting rights at the meeting of all the shares giving that right<u>members.</u></p>

Bye-law 70

The following amendments be made to Bye-law 70:

Original bye-law	Proposed amendments
<p>70. At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of a poll is required by the rules of the Designated Stock Exchange or a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded:—</p> <p>(i) by the Chairman of the Meeting; or</p> <p>(ii) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being, entitled to vote at the meeting; or</p>	<p>70. At any general meeting a resolution put to the vote of the meeting shall be decided <u>by way of or</u> a show of hands unless voting <u>poll save that the chairman of the meeting may in good faith, allow a resolution which relates purely to a procedural or administrative matter to be voted on by way</u> a show of a poll hands in which case every member present in person (or being a corporation, is required <u>present by the rules of the Designated Stock Exchange or a poll</u> a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Bye-law, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its members; and (ii) relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all members a reasonable opportunity to express their views.</p> <p><u>Where a show of hands is (allowed, before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for, a poll) may be demanded:—</u></p> <p>(i) by the Chairman of the Meeting; or</p> <p>(ii) by at least three members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy for the time being, entitled to vote at the meeting; or</p>

<p>(iii) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or</p> <p>(iv) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or</p> <p>(v) if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.</p> <p>A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a member.</p> <p>Unless a poll be so demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes or the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.</p>	<p>(iii) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or</p> <p>(iv) by any member or members present in person (or, in the case of a member being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right; or</p> <p>(v) if required by the rules of the Designated Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.</p> <p>A demand by a person as proxy for a member or in the case of a member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by a member.</p> <p>Unless a poll be so demanded and the demand is not withdrawn, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes or the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.</p>
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BYE-LAW 80

The following amendments be made to Bye-law 80(C):

Original bye-law	Proposed amendments
#(C) Where any member is, under the rules of the stock exchange in Hong Kong, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.	#(C) Where <u>the Company has knowledge that</u> any member is, under the rules of the stock exchange in Hong Kong <u>Listing Rules</u> , required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

The following Bye-law 80(D) be inserted immediately after Bye-law 80(C):

“(D) All members shall have the right to (a) speak at a general meeting; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.”

Bye-law 97

The following amendments be made to Bye-law 97(A):

Original bye-law	Proposed amendments
<p>97. (A) A Director shall vacate his office:</p> <p>(i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;</p> <p>(ii) if he becomes a lunatic or of unsound mind;</p> <p>(iii) if he absents himself from the meetings of the Board during a continuous period of six month, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;</p> <p>(iv) if he becomes prohibited by law from acting as a Director;</p> <p>(v) if by notice in writing delivered to the Company at its Registered Office or at the Head Office he resigns his office;</p> <p>(vi) if he shall be removed from office by a Special Resolution of the Company under Bye-Law 104.</p>	<p>97. (A) A Director shall vacate his office:</p> <p>(i) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;</p> <p>(ii) if he becomes a lunatic or of unsound mind;</p> <p>(iii) if he absents himself from the meetings of the Board during a continuous period of six month, without special leave of absence from the Board, and his alternate Director (if any) shall not during such period have attended in his stead, and the Board passes a resolution that he has by reason of such absence vacated his office;</p> <p>(iv) if he becomes prohibited by law from acting as a Director;</p> <p>(v) if by notice in writing delivered to the Company at its Registered Office or at the Head Office he resigns his office;</p> <p>(vi) if he shall be removed from office by a Special <u>Ordinary</u> Resolution of the Company under Bye-Law 104.</p>

Bye-law 102

The following amendments be made to Bye-law 102(B):

Original bye-law	Proposed amendments
<p>※(B) The Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the maximum number of Directors so appointed shall not exceed the number determined from time to time by the Members in general meeting. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number), and shall then be eligible for re-election at the meeting, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.</p>	<p>※(B) The Directors shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the maximum number of Directors so appointed shall not exceed the number determined from time to time by the Members in general meeting. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to their number), and shall then be eligible for re-election at the meeting, but shall not be taken into account in determining the Directors who are to retire by rotation at such meeting.</p>

Bye-law 104

The following amendments be made to Bye-law 104:

Original bye-law	Proposed amendments
<p>104. The Company may by Special Resolution at a special general meeting called for the purpose remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Bye-Laws or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company).</p>	<p>104. The Company may by Special<u>Ordinary</u> Resolution at a special<u>any</u> general meeting called for the purpose<u>convened and held in accordance with these Bye-laws</u> remove any Director (including a Managing Director or other Executive Director) before the expiration of his period of office notwithstanding anything in these Bye-Laws or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company).</p>

Bye-law 163

The following Bye-law 163(C) be inserted immediately after Bye-law 163(B):

“(C) The shareholders may, at any general meeting convened and held in accordance with these Bye-laws, by Extraordinary Resolution remove the Auditors at any time before the expiration of their term of office and shall by ordinary resolution at that meeting appoint another Auditors in their stead for the remainder of their term.”

Bye-law 167

The following amendments be made to Bye-law 167:

Original bye-law	Proposed amendments
<p>167. Any notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange), whether or not, to be given or issued under these Bye-laws from the Company to a member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the member or may also be served by advertisement in appointed newspapers (as defined in the Companies Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the stock exchange in Hong Kong or, to the extent permitted by the applicable laws, by placing it on the Company’s website and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.</p>	<p>167. Any notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules of the Designated Stock Exchange<u>Listing Rules</u>), whether or not, to be given or issued under these Bye-laws from the Company to a member shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any member either personally or by sending it through the post in a prepaid envelope addressed to such member at his registered address as appearing in the register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the member or may also be served by advertisement in appointed newspapers (as defined in the Companies Act) or in newspapers published daily and circulating generally in the territory of and in accordance with the requirements of the stock exchange in Hong Kong or, to the extent permitted by the applicable laws, by placing it on the Company’s website and giving to the member a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the member by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.</p>

NOTICE OF ANNUAL GENERAL MEETING



CSI PROPERTIES LIMITED **資本策略地產有限公司***

(Incorporated in Bermuda with limited liability)

(Stock Code: 497)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of CSI Properties Limited (the “Company”) will be held at Chatham Room, Level 7, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Wednesday, 31 August 2022 at 10:00 a.m. for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolutions:

AS ORDINARY BUSINESS

- (1) To receive and consider the audited financial statements and the reports of the directors and auditors of the Company for the year ended 31 March 2022.
- (2) To declare a final dividend of 0.42 Hong Kong cent per share for the year ended 31 March 2022.
- (3) To re-elect, each as a separate resolution, the following retiring directors:-
 - (a) to re-elect Mr. Chung Cho Yee, Mico as an executive director of the Company;
 - (b) to re-elect Mr. Kan Sze Man as an executive director of the Company;
 - (c) to re-elect Mr. Chow Hou Man as an executive director of the Company; and
 - (d) to re-elect Dr. Lam Lee G. as an independent non-executive director of the Company.
- (4) To authorise the board of directors of the Company to fix the directors’ remuneration.
- (5) To re-appoint the auditors and to authorise the board of directors of the Company to fix their remuneration.

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS

ORDINARY RESOLUTIONS

- (6) To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT

- (a) subject to paragraph 6(c) below, the exercise by the directors of the Company during the Relevant Period (defined below) of all the powers of the Company to purchase issued shares of the Company subject to and in accordance with all applicable laws and requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 6(a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the directors;
- (c) the aggregate number of shares which is authorised to be purchased by the directors of the Company pursuant to the approval under paragraph 6(a) above shall not exceed 10% of the aggregate number of shares of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes 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 bye-laws of the Company or any applicable law to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- (7) To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT

- (a) subject to paragraph 7(c) below, the exercise by the directors of the Company during the Relevant Period (defined below) 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, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 7(a) shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph 7(a) above, otherwise than pursuant to a Rights Issue (defined below) or the exercise of subscription rights under any share option scheme or an issue of shares upon the exercise of the subscription rights attached to any existing warrants, bonds, debentures, notes, deeds or other securities which are convertible into shares or any scrip dividend scheme or similar arrangement in accordance with the bye-laws of the Company, shall not exceed 20% of the aggregate number of shares of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the 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 bye-laws of the Company or any applicable law to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

NOTICE OF ANNUAL GENERAL MEETING

“Rights Issue” means an offer of shares of the Company or issue of options, warrants or other securities giving the right to subscribe for shares of the Company open for a period fixed by the directors of the Company to holders of shares whose names appear on the register 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 to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of, any recognised regulatory body or any stock exchange in any territory).”

- (8) To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of the ordinary resolutions numbered (6) and (7) above, the general mandate granted to the directors of the Company pursuant to resolution numbered (7) above be and is hereby extended by the addition thereto of the aggregate number of shares of the Company purchased by the Company under the authority granted pursuant to resolution numbered (6) above, provided that such number shall not exceed 10% of the aggregate number of issued shares of the Company as at the date of passing this resolution.”

SPECIAL RESOLUTION

- (9) To consider and, if thought fit, pass the following resolution as a special resolution of the Company:

“**THAT** the bye-laws of the Company be and are hereby amended as detailed in Appendix III to the circular of the Company dated 29 July 2022 of which this notice forms part; and any one or more of the directors of the Company be and is/are hereby authorised to execute all such documents and do all such other acts and things as he/she/they may, in his/her/their absolute discretion, consider necessary, desirable or expedient to effect the proposed amendments to the bye-laws of the Company and any of the foregoing.”

By Order of the Board
CSI Properties Limited
Kan Sze Man
Company Secretary

Hong Kong, 29 July 2022

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (1) Any member 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 member who is the holder of two or more shares of the Company may appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- (2) A form of proxy for use at the meeting is enclosed.
- (3) The form of proxy must be signed by you or your attorney duly authorised in writing or, in the case of a corporation, must be under its seal or the hand of an officer, attorney or other person duly authorised.
- (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 thereof must be lodged at the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be) and in default, the proxy shall not be treated as valid. Completion and return of the form of proxy shall not preclude members from attending and voting in person at the Annual General Meeting or at any adjourned meeting thereof if they so desire.
- (5) Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, the vote of that one of the said persons so present whose name stands first on the register of members in respect of such share shall be accepted to the exclusion of the votes of the other joint holders.
- (6) The register of members of the Company will be closed during the following periods:
 - (a) for the purpose of determining shareholders who are entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Friday, 26 August 2022 to Wednesday, 31 August 2022 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 25 August 2022; and
 - (b) for the purpose of determining the shareholders' entitlement to the proposed final dividend, the register of members of the Company will be closed from Tuesday, 6 September 2022 to Tuesday, 13 September 2022 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 5 September 2022.
- (7) As at the date hereof, the executive directors of the Company are Mr. Chung Cho Yee, Mico (Chairman), Mr. Kan Sze Man, Mr. Chow Hou Man, Mr. Fong Man Bun, Jimmy, Mr. Ho Lok Fai and Mr. Leung King Yin, Kevin; and the independent non-executive directors of the Company are Mr. Cheng Yuk Wo, Dr. Lam Lee G., Hon. Shek Lai Him, Abraham, *GBS, JP* and Dr. Lo Wing Yan, William, *JP*.