



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

(Incorporated in Hong Kong with limited liability 於香港註冊成立的有限公司)

(Stock Code 股份代號: 00045)

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

股東周年大會通告、  
重選行將屆滿退任的董事及  
發行及回購股份的一般性授權

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR  
IMMEDIATE ATTENTION

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

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

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The notice convening the Annual General Meeting of the Company to be held at The Peninsula Hong Kong, Salisbury Road, Kowloon, Hong Kong on Friday, 10 May 2019 at 12:00 noon is set out on pages 2 to 4 of this circular. Shareholders are advised to read the notice and to complete and return the attached proxy form in accordance with the instructions printed thereon as soon as possible and in any event so that it arrives not less than 24 hours before the time of the meeting.

One gift set will be given to each person present in person (no matter how many shares he or she represents or as the proxy for other shareholders).

29 March 2019

此乃要件 請即處理

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本公司將於2019年5月10日（星期五）正午12時假座香港九龍梳士巴利道香港半島酒店舉行股東周年大會，召開大會的通告載於本通函第12至14頁。務請各股東細閱通告並儘速按照所列印的指示填妥及交回隨附的代表委任表格，惟無論如何不得遲於大會舉行時間24小時前交回。

每位親身出席（不論本人或代表其他股東出席所持有的股份數目多少）之人士將會獲贈一份禮品。

2019年3月29日



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

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

## Directors

*Non-Executive Chairman*

**The Hon. Sir Michael Kadoorie**

*Non-Executive Deputy Chairman*

**Andrew Clifford Winawer Brandler**

## Executive Directors

*Managing Director and Chief Executive Officer*

**Clement King Man Kwok**

*Chief Operating Officer*

**Peter Camille Borer**

*Chief Financial Officer*

**Matthew James Lawson**

## Registered Office

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

## Dear Shareholders,

On behalf of the Board, it is my pleasure to invite you to our annual general meeting to be held at The Peninsula Hong Kong, Salisbury Road, Kowloon, Hong Kong on Friday, 10 May 2019 at 12:00 noon (the "AGM").

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

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

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

Yours faithfully,  
**The Hon. Sir Michael Kadoorie**  
Chairman  
29 March 2019

## Non-Executive Directors

**William Elkin Mocatta**

**John Andrew Harry Leigh**

**Nicholas Timothy James Colfer**

**James Lindsay Lewis**

**Philip Lawrence Kadoorie**

## Independent Non-Executive Directors

**Dr the Hon. Sir David Kwok Po Li**

**Patrick Blackwell Paul**

**Pierre Roger Boppe**

**Dr William Kwok Lun Fung**

**Dr Rosanna Yick Ming Wong**

**Dr Kim Lesley Winser**

**Ada Koon Hang Tse**

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of shareholders of The Hongkong and Shanghai Hotels, Limited (the “Company”) will be held at The Peninsula Hong Kong, Salisbury Road, Kowloon, Hong Kong on Friday, 10 May 2019 at 12:00 noon (the “AGM”) for the following purposes:

1. To receive and consider the audited financial statements and the reports of the Directors and independent auditor for the year ended 31 December 2018.
2. To declare a final dividend.
3. To re-elect retiring Directors.
4. To re-appoint the auditor and authorise the Directors to fix their remuneration.

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

5. **“THAT:**

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

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

(d) for the purpose of this Resolution:

‘Relevant Period’ means the period from the passing of this Resolution until whichever is the earlier of:

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

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

6. **“THAT:**

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

(b) for the purpose of this Resolution:

‘Relevant Period’ means the period from the passing of this Resolution until whichever is the earlier of:

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

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

By Order of the Board  
**Christobelle Liao**  
Company Secretary  
29 March 2019

Notes:

1. A shareholder may appoint separate proxies to attend, speak and vote in his/her stead at the AGM provided that each proxy is appointed to represent the respective number of shares held by the shareholder as specified in the relevant proxy forms. The proxy does not need to be a shareholder of the Company.
2. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
3. In order to be valid, the proxy form together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, at least 24 hours before the time appointed for holding the AGM.
4. The register of members of the Company will be closed during the following periods:–
  - (i) from Tuesday, 7 May 2019 to Friday, 10 May 2019, both days inclusive, for the purpose of ascertaining shareholders’ entitlement to attend, speak and vote at the AGM. In order to be entitled to attend, speak and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, for registration no later than 4:30pm on Monday, 6 May 2019.
  - (ii) from Friday, 17 May 2019 to Tuesday, 21 May 2019, both days inclusive, for the purpose of ascertaining shareholders’ entitlement to receive the final dividend. In order to be entitled to receive the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited for registration at the address as set out in sub-paragraph (i) above no later than 4:30pm on Thursday, 16 May 2019.

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

5. Subject to the passing of the necessary resolution at the AGM, the final dividend will be payable on 21 June 2019, to shareholders whose names appear on the register of members on 21 May 2019. Shareholders will be given the option to receive their dividend in the form of scrip rather than cash.

## NOTICE OF ANNUAL GENERAL MEETING

6. The retiring Directors are The Hon. Sir Michael Kadoorie, Mr Peter Borer, Mr Matthew Lawson, Mr Patrick Paul, Dr Rosanna Wong and Dr Kim Winser who will retire at the AGM and, being eligible, have agreed to offer themselves for re-election. The re-election of these retiring Directors will be voted on individually by shareholders. Details of the Directors proposed to be re-elected at the AGM are set out in Appendix I of the circular to the shareholders dated 29 March 2019.
7. Detailed information on other business to be transacted at the AGM is set out in the circular to the shareholders dated 29 March 2019.
8. At the AGM, the Chairman will demand each of the above resolutions to the vote by way of a poll in accordance with Article 58 of the Articles of Association of the Company. The results of the poll will be posted on the websites of the Company and the Stock Exchange after the market closes on the day of the AGM.
9. In the event that a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning signal is in force in Hong Kong at any time between 9:00am and 12:00 noon on the day of the AGM, the AGM may be postponed to a later date and/or time as determined by the Company.

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

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

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

10. **One gift set** will be given to each person present in person (no matter how many shares he or she represents or as the proxy for other shareholders).

# BUSINESS OF ANNUAL GENERAL MEETING

## Resolution 1 – Receiving the Audited Financial Statements

The audited financial statements of the Company and the reports of the Directors and independent auditor for the year ended 31 December 2018 are set out in the 2018 Annual Report which is available in English and Chinese on the Company's website at [www.hshgroup.com](http://www.hshgroup.com) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

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

## Resolution 2 – Declaration of Final Dividend

The Board has recommended a final dividend of 16 HK cents per share (2017: 16 HK cents per share) for the year ended 31 December 2018. Subject to the approval by shareholders at the AGM, such dividend will be payable on 21 June 2019 to shareholders whose names appear on the register of members on 21 May 2019.

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

A circular containing details of this scrip dividend scheme will be dispatched to shareholders together with an election form for the scrip dividend on 24 May 2019.

## Resolutions 3(a) to (f) – Re-Election of Retiring Directors

In accordance with the Articles of Association of the Company, The Hon. Sir Michael Kadoorie, Mr Peter Borer, Mr Matthew Lawson, Mr Patrick Paul, Dr Rosanna Wong and Dr Kim Winser will retire at the AGM and, being eligible, have agreed to offer themselves for re-election. Mr Paul, Dr Wong and Dr Winser will seek re-election as Independent Non-Executive Directors ("INEDs").

In nominating the INEDs, the Nomination Committee (the "Committee") has considered, among other things, the perspectives, skills and experience of the three INEDs seeking re-election and their contribution to the diversity of the Board. Mr Paul is a highly-valued and experienced INED and the Chairman of Audit Committee and Remuneration Committee. His finance, accounting and tax experience have helped the Company in the financial review, compliance and internal control framework. Dr Wong provides invaluable and independent advice to the Board through her extensive knowledge and over three decades of experience in the political and nonprofit arenas and from sitting on Boards in the private sector. She is particularly skilled in public sector, people, project, change and risk management. Dr Winser brings a wide spectrum of expertise and experience in E-commerce, luxury retail and international business which is relevant to the group's businesses. The wide breadth of knowledge and diversity of their experiences make each of the retiring INEDs an invaluable member of, and active contributor to, the Board.

In addition, the Committee has assessed and reviewed the independence of Mr Paul, Dr Wong and Dr Winser based on the independence guidelines set out in rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Committee does not believe that it is appropriate to apply an arbitrary period of service beyond which a director is assumed to have lost his or her independence. In the case of Mr Paul, for instance, the Committee is of the view that although he has been on the Board for over

## BUSINESS OF ANNUAL GENERAL MEETING

nine years, this does not and would not affect his independent judgement. Mr Paul has consistently brought value to the Board as he maintains an independent mindset and brings great experience and is prepared to challenge the Board in a constructive fashion. It is noted that Dr Wong and Sir Michael (with Mr William Mocatta as his alternate director) are INEDs of CK Hutchison Holdings Limited in which Dr Wong does not hold any shares. Saved as disclosed, none of the retiring INEDs hold any cross-directorships or have significant links with other Directors through involvements in other companies or bodies that could give rise to conflicts of interests in the role of INED of the Company and which could likely affect their independent judgement. Based on the above, the Committee has affirmed that the retired INEDs are all remain independent. Furthermore, the Board has also reviewed the time spent for performing their duties and considered that they are able to devote sufficient time and attention to the Company's affairs.

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

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

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

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

The Audit Committee has assessed the performance and remuneration of the external auditor, KPMG, and recommended to the Board (which endorsed the view) that, subject to shareholders' approval at the AGM, KPMG be re-appointed as the external auditor of the Company for 2019 and Directors be authorised to fix their remuneration.

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

At the annual general meeting of the Company held on 9 May 2018, ordinary resolutions were passed giving general mandates to Directors (i) to allot, issue and otherwise deal with shares equal to 20% of the total number of shares of the Company in issue at 9 May 2018, plus the aggregate number of shares bought back by the Company and (ii) to buy back shares of the Company on the Stock Exchange up to 10% of the total number of shares of the Company in issue as at 9 May 2018.

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

Based on the 1,613,242,006 shares in issue as at 25 March 2019, being the latest practicable date prior to the printing of this circular (the "Latest Practicable Date") (and assuming that there is no change in respect of the total number of shares of the Company in issue after the Latest Practicable Date and up to the passing of the relevant resolution), the Directors will be authorised under the general mandate to issue a maximum of 322,648,401 shares, subject to adjustment in the case of any subdivision and consolidation of shares after the AGM.

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

# APPENDIX I

## Details of retiring Directors proposed for re-election

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

### **The Hon. Sir Michael Kadoorie**

*GBS, LL.D. (Hon), DSc (Hon), Commandeur de la Légion d'Honneur, Commandeur de l'Ordre des Arts et des Lettres, Commandeur de l'Ordre de la Couronne, Commandeur de l'Ordre de Leopold II*

The Hon. Sir Michael Kadoorie is the Non-Executive Chairman, the Chairman of the Nomination Committee and Executive Committee of the Company. He was appointed a Director in November 1964 and elected Chairman in 1985, Sir Michael is a substantial shareholder of the Company within the meaning of the Securities and Futures Ordinance. He is a Director of a subsidiary of the Company. He is also Chairman of CLP Holdings Limited, an Independent Non-Executive Director of CK Hutchison Holdings Limited, a Director of Sir Elly Kadoorie & Sons Limited, and he holds a number of other directorships. He was an Alternate Director of Hong Kong Aircraft Engineering Company Limited until May 2016. In addition, Sir Michael acts as a trustee for a number of notable local charitable organisations. He is the father of Mr Philip Lawrence Kadoorie, and the brother-in-law of the Honorary Life President, Mr Ronald James McAulay. He is 77 years old.

### **Peter Camille Borer**

Mr Peter Camille Borer is an Executive Director and the Chief Operating Officer of the Company. He was appointed to the Board in April 2004. Mr Borer is a Director of the majority of the group's entities. He joined the group in 1981 and was appointed General Manager of The Peninsula Hong Kong in 1994, taking on additional regional responsibility in 1999. He was appointed as Chief Operating Officer in April 2004. Mr Borer is a graduate of the Ecole hôtelière de Lausanne, Switzerland and is now a member of the International Advisory Board of the school. He is also a member of the Advisory Board of the School of Hotel and Tourism Management of The Chinese University of Hong Kong. He is 65 years old.

### **Matthew James Lawson**

Mr Matthew James Lawson is an Executive Director, Chief Financial Officer and a member of the Finance Committee of the Company. He was appointed to the Board in May 2016. Mr Lawson is also a Director of the majority of the group's entities. Over the course of his career Mr Lawson has had extensive experience with hospitality and real estate transactions, investments and financing, including joint venture negotiations and structuring. He began his career with Arthur Andersen Corporate Finance in Sydney in 1998 and subsequently joined Deutsche Bank AG in Sydney in 2001 where he worked across Equity Capital Markets and Real Estate Investment Banking. Mr Lawson joined JPMorgan in Asia in 2006, where he held senior positions in Hong Kong and Singapore. Prior to his departure he was Managing Director and Head of JPMorgan's Real Estate, Gaming and Lodging investment banking practice in Asia. He is a member of CNBC Global CFO Council. He holds a Bachelor of International Business Relations from Griffith University and a Bachelor of Commerce from The University of Queensland. Mr Lawson has also completed various postgraduate studies in China, including at the Hopkins-Nanjing Center for Chinese and American Studies. He is 45 years old.

### **Patrick Blackwell Paul, CBE**

Mr Patrick Blackwell Paul is an Independent Non-Executive Director and is also the Chairman of Audit Committee and Remuneration Committee of the Company. He was appointed to the Board in February 2004, Mr Paul began his career with Price Waterhouse in London in 1969. A resident of Hong Kong since 1980, he was Chairman and a senior partner of PricewaterhouseCoopers in Hong Kong from 1994 until 2001. He is an Independent Non-Executive Director of Johnson Electric Holdings Limited and Pacific Basin Shipping Limited. He is also the Chairman of the Supervisory Board of the British Chamber of Commerce in Hong Kong. He is a Fellow of the Institute of Chartered Accountants in England and Wales. He is 71 years old.

### **Dr Rosanna Yick Ming Wong, DBE, JP**

Dr Rosanna Yick Ming Wong is an Independent Non-Executive Director and a member of the Remuneration Committee of the Company. She was appointed to the Board in February 2013. Dr Wong is a member of the National Committee of the Chinese People's Political Consultative Conference. She is an Independent Non-

## APPENDIX I

Executive Director of CK Hutchison Holdings Limited and Hutchison Telecommunications Hong Kong Holdings Limited. Dr Wong is also a Steward of The Hong Kong Jockey Club. In addition, she is Honorary Chairman of World Vision Hong Kong, a Global Advisor to Mars, Incorporated and the Senior Advisor to The Hong Kong Federation of Youth Groups. She is a member of The Hong Kong University of Science and Technology Business School Advisory Council. Dr Wong has extensive knowledge and over three decades of experience in the political and nonprofit arenas and from sitting on Boards in the private sector. She is particularly skilled in public sector, people, project, change and risk management. Dr Wong holds a Doctor of Philosophy degree in Sociology from University of California, Davis and has been awarded Honorary Doctorates from The Chinese University of Hong Kong, The Hong Kong Polytechnic University, The University of Hong Kong, The Hong Kong Institute of Education and The University of Toronto. She is 66 years old.

### Dr Kim Lesley Winser, OBE

Dr Kim Lesley Winser is an Independent Non-Executive Director of the Company. She was appointed to the Board in January 2016. Dr Winser has substantive experience and expertise in the consumer and retail industries. She began her career with Marks & Spencer plc in the UK and became its first female commercial divisional board director as well as its youngest director in the 1990s. She went on to successfully deliver turnarounds for the iconic British heritage brands Pringle of Scotland as Chief Executive Officer and Aquascutum as President and Chief Executive Officer. She became a senior adviser to 3i, a leading private equity firm in the UK, for its investments in the consumer and retail industries and became Chairman of one of their brands, Agent Provocateur. Dr Winser has also previously served as an adviser to Natalie Massenet at online retailer Net-a-Porter and a Non-Executive Director of The Edrington Group Limited. Dr Winser is the Founder and Chief Executive Officer of Winser London Limited, an online womenswear business. Appointed by the British Prime Minister, Dr Winser is a member of the Board of Trustees and the Chairwoman of Commercial Advisory Committee of the Natural History Museum in the UK. Dr Winser was awarded an Order of the British Empire (OBE) by Her Majesty The Queen and a Doctorate from Heriot-Watt University for her work on British business. Her former name was Kim Lesley Haresign and she is 60 years old.

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

1. Unless otherwise disclosed in the individual retiring Directors' information, they i) do not hold any other position with the Company or its subsidiaries; ii) have not held any directorships in any listed companies in Hong Kong or overseas in the last three years; and iii) do not have any relationships with any Directors, members of senior management or substantial or controlling shareholders of the Company.
2. Among the six retiring Directors, The Hon. Sir Michael Kadoorie, Mr Peter Borer and Mr Matthew Lawson have interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance as at 31 December 2018. Their interests are disclosed in "Interests of Directors" in the Directors' Report of the Company's 2018 Annual Report and have remained unchanged as at the Latest Practicable Date.
3. The Company has entered into service contracts with Mr Peter Borer and Mr Matthew Lawson and letters of appointments with the remaining retired Directors. The terms of appointment are detailed in their respective service contracts and letters of appointment. After they have been re-elected at the AGM, they are subject to retirement at the conclusion of the third annual general meeting following their appointments and to re-election at the annual general meetings of the Company in accordance with the Articles of Association of the Company.
4. The Directors' remuneration paid for the year ended 31 December 2018 to the retiring Directors are set out in the Remuneration Committee Report of the Company's 2018 Annual Report. Their remuneration was reviewed by the Remuneration Committee with reference to market benchmarks and taking into account relevant responsibilities and workload.
5. Save for the information set out above, there are no other matters relating to the retiring Directors that need to be brought to the attention of the shareholders of the Company and there is no other information which is required to be disclosed pursuant to rule 13.51(2) of the Listing Rules.

# APPENDIX II

## Explanatory Statement

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

- (a) It is proposed that up to 10% of the total number of Shares in issue at the date of passing of the resolution to approve the general mandate may be bought back (subject to adjustment in the case of any subdivision and consolidation of Shares after the passing of the relevant resolution). As at the Latest Practicable Date for determining such figures, the total number of Shares of the Company in issue was 1,613,242,006. On the basis of such figures (and assuming no further Shares are bought back or issued after the Latest Practicable Date and up to the date of passing such resolution) the Directors would be authorised to buy back Shares up to a limit of 161,324,200 Shares, subject to adjustment in the case of any subdivision and consolidation of Shares after the passing of the relevant resolution.
- (b) The Directors believe that the ability to buy back Shares is in the interests of the Company and its shareholders. Buy-backs may, depending on the circumstances, result in an increase in net assets and/or earnings per share. The Directors are seeking the grant of a general mandate to buy back Shares to give the Company the flexibility to do so if and when appropriate. The timing and the number(s), the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.
- (c) It is envisaged that the funds required for any buy-back would be derived from the distributable profits of the Company being funds legally available for such buy-back in accordance with the Company’s Articles of Association and the laws of Hong Kong.
- (d) There could be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited financial statements) in the event that the proposed Share buy-backs were to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the general mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.
- (e) There are no Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any close associates (as defined in the Listing Rules) of Directors of the Company who have a present intention, in the event that the general mandate is granted by shareholders, to sell Shares to the Company.
- (f) The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the general mandate in accordance with the Listing Rules and the laws of Hong Kong.
- (g) The Directors are not aware of any consequences which would arise under the Code on Takeovers and Mergers as a result of any buy-backs pursuant to the general mandate. As at the Latest Practicable Date, approximately 59.44% of the total number of Shares in issue was held by controlling shareholders and, assuming full exercise of the buy-back mandate given to the Directors, approximately 66.05% will be held by such shareholders.
- (h) No core connected persons (as defined in the Listing Rules) of the Company have notified the Company of a present intention to sell Shares of the Company to the Company and no such persons have undertaken not to sell any such Shares to the Company in the event that the general mandate is granted by shareholders.

## APPENDIX II

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

	Highest (HK\$)	Lowest (HK\$)
<b>2018</b>		
March	13.38	11.66
April	12.48	11.60
May	12.88	11.78
June	13.48	10.92
July	11.52	10.52
August	11.50	10.00
September	11.40	10.82
October	11.20	10.42
November	12.50	10.70
December	12.32	10.60
<b>2019</b>		
January	11.22	10.88
February	11.88	11.04
1 March to 25 March (Latest Practicable Date)	11.88	11.16

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