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## THE CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

**If you have sold or transferred** all your shares in Wing Tai Properties Limited, you should at once hand this circular and the enclosed proxy form to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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## WING TAI PROPERTIES LIMITED

永泰地產有限公司

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 369)



### NOTICE OF ANNUAL GENERAL MEETING

### PROPOSALS FOR RE-ELECTION OF DIRECTORS REMUNERATION OF DIRECTORS AND GENERAL MANDATES TO ISSUE NEW SHARES AND TO REPURCHASE SHARES

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A notice convening the annual general meeting of the Company to be held at 27th Floor, AIA Kwoloon Tower, Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong on Friday, 31 May 2019 at 3:00 p.m. is set out in Appendix I to this circular.

Whether or not you will be able to attend the meeting, you are advised to read this circular and to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's Hong Kong Branch Share Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but, in any event, not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

29 April 2019

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held on Friday, 31 May 2019 at 3:00 p.m., notice of which is set out in Appendix I to this circular, or any adjournment thereof;
“Board”	the board of Directors;
“Bye-law(s)”	the bye-law(s) of the Company;
“CG Code”	Corporate Governance Code of the Listing Rules;
“Company”	Wing Tai Properties Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“Directors”	directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	12 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	the share(s) in the capital of the Company with a par value of HK\$0.5 each;
“Share Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot, issue and deal with Shares during the period as set out in the ordinary resolution no. 5 in the notice of the Annual General Meeting up to 20% of the total number of Shares in issue as at the date of passing the resolution;

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## DEFINITIONS

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“Share Repurchase Mandate”	a general mandate to the Directors to exercise the power of the Company to repurchase Shares during the period as set out in the ordinary resolution no. 6 in the notice of the Annual General Meeting up to 10% of the total number of Shares in issue as at the date of passing the resolution;
“Share Repurchase Rules”	the relevant rules set out in the Listing Rules to regulate the repurchase by companies with primary listing of their securities on the Stock Exchange;
“Shareholder(s)”	holder(s) of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong.

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## LETTER FROM THE BOARD

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# WING TAI PROPERTIES LIMITED

## 永泰地產有限公司

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 369)

*Executive Directors:*

Cheng Wai Chee, Christopher *GBS OBE JP (Chairman)*

Cheng Wai Sun, Edward *GBS JP*

*(Deputy Chairman and Chief Executive)*

Cheng Man Piu, Francis

Chow Wai Wai, John

Ng Kar Wai, Kenneth

*Head Office and Principal*

*Place of Business:*

27th Floor

AIA Kowloon Tower

Landmark East

100 How Ming Street

Kwun Tong

Kowloon, Hong Kong

*Non-Executive Directors:*

Kwok Ping Luen, Raymond *JP*

*(Kwok Ho Lai, Edward as his alternate)*

Hong Pak Cheung, William

Ng Tak Wai, Frederick

Chen Chou Mei Mei, Vivien

*Registered Office:*

Canon's Court

22 Victoria Street

Hamilton HM 12

Bermuda

*Independent Non-Executive Directors:*

Simon Murray *CBE*

Yeung Kit Shing, Jackson

Haider Hatam Tyebjee Barma *GBS CBE ISO JP*

Cheng Hoi Chuen, Vincent *GBS OBE JP*

Lam Kin Fung, Jeffrey *GBS JP*

29 April 2019

Dear Shareholders,

**NOTICE OF ANNUAL GENERAL MEETING  
PROPOSALS FOR  
RE-ELECTION OF DIRECTORS  
REMUNERATION OF DIRECTORS  
AND  
GENERAL MANDATES TO ISSUE NEW SHARES  
AND TO REPURCHASE SHARES**

The purpose of this circular is to provide you with information with respect to the following resolutions to be proposed at the Annual General Meeting relating to:

- (a) re-election of Directors who (i) are due to retire at the Annual General Meeting or (ii) should be subject to election at the Annual General Meeting;

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## LETTER FROM THE BOARD

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- (b) the proposed fees payable to certain Directors and committee chairmen;
- (c) grant of Share Issue Mandate to issue, allot and deal with Shares; and
- (d) grant of Share Repurchase Mandate to repurchase Shares and grant of general extension mandate to extend the Share Issue Mandate to include Shares purchased under the Share Repurchase Mandate.

### 1. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at 27th Floor, AIA Kowloon Tower, Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong on Friday, 31 May 2019 at 3:00 p.m. is set out in Appendix I to this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at a general meeting must be taken by poll, except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the meeting will therefore demand a poll for every resolution put to the vote at the Annual General Meeting pursuant to Bye-law 71(i).

An announcement of the poll results of the Annual General Meeting will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company.

A proxy form for use at the Annual General Meeting is enclosed with this circular. Whether or not you will be able to attend the Annual General Meeting, you are advised to read this circular and to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's Hong Kong Branch Share Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned thereof (as the case may be) if you so wish.

### 2. PROPOSED RE-ELECTION OF DIRECTORS

Mr. Cheng Wai Sun, Edward, Mr. Ng Tak Wai, Frederick, Ms. Chen Chou Mei Mei, Vivien, Mr. Haider Hatam Tyebjee Barma and Mr. Cheng Hoi Chuen, Vincent will retire by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election in accordance with Bye-law 100(A) and/or code provision A.4.2 of the CG Code. Mr. Lam Kin Fung, Jeffrey will hold office until the Annual General Meeting and, being eligible, offer himself for re-election in accordance with Bye-law 103(B) and code provision A.4.2 of the CG Code.

The nomination committee of the Company (the "Nomination Committee") made a recommendation to the Board to recommend the proposed re-election of Mr. Cheng Wai Sun, Edward, Mr. Ng Tak Wai, Frederick, Ms. Chen Chou Mei Mei, Vivien, Mr. Haider Hatam Tyebjee Barma, Mr. Cheng Hoi Chuen, Vincent and Mr. Lam Kin Fung, Jeffrey (the "Retiring Directors")

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## LETTER FROM THE BOARD

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at the Annual General Meeting. The recommendation of the Nomination Committee was made after its members had considered the following matters in the light of the board nomination policy and the board diversity policy of the Company:

- a) the skills, knowledge and experience required to discharge competently the Board's duties having regard to the Company's performance, financial position and strategic direction;
- b) the skills, knowledge and experience represented on the Board and whether these skills, knowledge and experience are sufficient to meet the needs of the Company;
- c) strategies for the ongoing effective performance of the Board as a whole;
- d) diversity of the Board; and
- e) compliance with Bye-laws, applicable laws, rules and regulations.

The Board has accepted such recommendation of the Nomination Committee.

Ordinary resolutions will be put forward to the Shareholders for consideration at the Annual General Meeting in relation to the proposed re-election of each of Retiring Directors.

The biographical details (including the number of the other public companies' directorship) of each of the Retiring Directors are set out in Appendix II to this circular in accordance with the relevant requirements under the Listing Rules.

### **Independent Non-Executive Directors of the Company ("INEDs")**

Among the Retiring Directors, Mr. Haider Hatam Tyebjee Barma ("Mr. Barma"), Mr. Cheng Hoi Chuen, Vincent ("Mr. Cheng") and Mr. Lam Kin Fung, Jeffrey ("Mr. Lam") are INEDs (the "Retiring INEDs").

After due consideration to the composition and size of the Board, the desirable skills and experience required for the Board, the requirements of the Listing Rules, the working relationship with the Retiring INEDs and the recommendations of the Nomination Committee, the Board believes that the Retiring INEDs should be re-elected.

Each INED has provided his annual written confirmation of independence to the Company for the year ended 31 December 2018 pursuant to Rule 3.13 of the Listing Rules and has undertaken to inform the Stock Exchange as soon as practicable if there is any subsequent change of circumstances which may affect his independence. The Nomination Committee has reviewed each of such confirmations and has assessed the independence of each INED. The Board considers each INED to be independent.

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## LETTER FROM THE BOARD

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Each INED (including Mr. Cheng and Mr. Lam) has also provided his written confirmation that he has given sufficient time and attention to the affairs of the Company for the year ended 31 December 2018. The Board notes that Mr. Cheng was an independent non-executive director of six (6) listed companies (including the Company) and a non-listed company which was the manager of a listed real estate investment trust as of the Latest Practicable Date and that Mr. Lam was independent non-executive directors of seven (7) listed companies (including the Company) as of the Latest Practicable Date. The Board believes that each of Mr. Cheng and Mr. Lam would be able to give sufficient time and attention to the affairs of the Company in the light of their confirmations as aforesaid as well as their attendance and active and constructive participation in the meetings of the Company.

The Nomination Committee considers, and the Board accepts, that the skills, knowledge and experience of Mr. Cheng and Mr. Lam as described in their respective biographical details set out in Appendix II to this circular fit the Board's requirements and the board diversity policy of the Company.

### 3. DIRECTORS' REMUNERATION

It is proposed that the fees payable to certain Directors and chairmen of the committees for each financial year commencing from 1 January 2019, until otherwise determined by an ordinary resolution of Shareholders, be as follows:

<b>Basic fee</b>	<b>HK\$</b>
Non-executive Director	75,000
Independent Non-executive Director	303,000
<b>Additional fee for committee chairman</b>	
Chairman of the Audit Committee	130,000
Chairman of the Remuneration Committee	65,000
Chairman of the Nomination Committee	65,000

An ordinary resolution will be put forward to the Shareholders for consideration at the Annual General Meeting in relation to this proposal.

### 4. GENERAL MANDATES TO ISSUE NEW SHARES AND REPURCHASE SHARES

At the annual general meeting of the Company held on 6 June 2018, resolutions were passed giving general mandates to the Directors to allot, issue and deal with Shares and to exercise the powers of the Company to repurchase Shares. Such general mandates will expire at the conclusion of the Annual General Meeting. It is therefore proposed to renew these general mandates by ordinary resolutions to be passed at the Annual General Meeting. The relevant resolutions, in summary, are:

- an ordinary resolution to give the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the total number of Shares in issue on the date of passing the resolution approving the Share Issue Mandate; and



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## LETTER FROM THE BOARD

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- an ordinary resolution to give the Directors a general mandate to exercise all the powers of the Company to purchase Shares in the Company not exceeding 10% of the total number of Shares in issue on the date of passing the resolution approving the Share Repurchase Mandate.

The full text of the Share Issue Mandate are set out in the ordinary resolution no. 5 in the Notice of Annual General Meeting. An explanatory statement giving certain information regarding the Share Repurchase Mandate is set out in Appendix III to this circular in accordance with the requirements under the Share Repurchase Rules. The full text of the Share Repurchase Mandate are set out in the ordinary resolution no. 6 in the Notice of Annual General Meeting.

Both the Share Issue Mandate and the Share Repurchase Mandate will expire at the earliest of: a) the conclusion of the next annual general meeting of the Company; b) the expiration of the period within which the next annual general meeting of the Company is required by the laws of Bermuda or Bye-laws to be held; or c) the date on which the authority given under the ordinary resolution is revoked or varied by an ordinary resolution of Shareholders.

Conditional on the passing of the resolution granting the Share Issue Mandate and the resolution granting the Share Repurchase Mandate, an ordinary resolution will also be proposed for Shareholders to consider and, if thought fit, approve the extension of the Share Issue Mandate by adding to the number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Share Issue Mandate the number of Shares purchased under the Share Repurchase Mandate.

The full text of the extension of the Share Issue Mandate are set out in the ordinary resolution no. 7 in the Notice of Annual General Meeting.

### 5. RECOMMENDATION

The Directors consider that the proposed resolutions set out in the Notice of Annual General Meeting are all in the best interests of the Company and Shareholders. The Directors therefore recommend Shareholders to vote in favour of all these resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
For and on behalf of the Board  
**Wing Tai Properties Limited**  
**Cheng Wai Chee, Christopher**  
*Chairman*

**WING TAI PROPERTIES LIMITED****永泰地產有限公司***(Incorporated in Bermuda with limited liability)*

(Stock Code: 369)

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting of Wing Tai Properties Limited (the "Company") will be held at 27th Floor, AIA Kowloon Tower, Landmark East, 100 How Ming Street, Kwun Tong, Kowloon, Hong Kong on Friday, 31 May 2019 at 3:00 p.m. for the following purposes:

**ORDINARY BUSINESS**

1. To receive the audited financial statements, the report of the Auditor thereon and the report of the Directors for the year ended 31 December 2018;
2. To consider and, if thought fit, declare a final dividend for the year ended 31 December 2018;
3. (1) To re-elect Directors;
- (2) To approve revision of annual fees payable to Non-executive Directors, Independent Non-executive Directors, Chairman of Audit Committee, Chairman of Remuneration Committee and Chairman of Nomination Committee to the amounts set out below, such revised annual fees to be applicable to each financial year commencing from 1 January 2019 and to remain the same until otherwise determined by an ordinary resolution of the Shareholders:

<b>Board of Directors</b>	<b>HK\$ per annum</b>
Non-executive Directors	75,000
Independent Non-executive Directors	303,000
<b>Audit Committee</b>	
Chairman	130,000
<b>Remuneration Committee</b>	
Chairman	65,000
<b>Nomination Committee</b>	
Chairman	65,000

4. To re-appoint Auditor and authorize the Directors to fix the Auditor's remuneration;

**SPECIAL BUSINESS**

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

**Ordinary Resolutions**

5. **"THAT:**

- (a) subject to paragraph (c) of this resolution, the exercise by the Directors during the relevant period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the Company and to make or grant offers, agreements and options which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors during the relevant period (as hereinafter defined) to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the relevant period;
- (c) the shares in the Company to be allotted or agreed conditionally or unconditionally to be allotted, whether pursuant to an option or otherwise, and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a rights issue; (ii) any issue of shares in the Company under any option scheme or similar arrangement for the time being adopted for the grant or issue to officers, eligible persons and/or employees of the Company and/or any of its subsidiaries of shares or rights to subscribe for shares in the Company; or (iii) any issue of shares in the Company as scrip dividend or any similar arrangement providing for the allotment of shares in the Company in lieu of the whole or part of a dividend pursuant to the Bye-laws of the Company from time to time, shall not exceed 20% of the total 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 date of 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 laws of Bermuda or the Company's Bye-laws to be held; or

- (iii) the revocation or variation of this resolution by an ordinary resolution in a general meeting of the Company.”

6. **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the relevant period (as hereinafter defined) of all the powers of the Company to purchase its fully paid-up shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with the Rules Governing the Listing of Securities on the Stock Exchange and all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the total number of shares in the Company to be purchased by the Company pursuant to paragraph (a) of this resolution shall be no more than 10% of the total number of shares of the Company in issue as at the date of passing this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution, “relevant period” means the period from the date of 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 laws of Bermuda or the Company’s Bye-laws to be held; or
  - (iii) the revocation or variation of this resolution by an ordinary resolution in a general meeting of the Company.”

7. **“THAT** conditional upon ordinary resolutions no. 5 and no. 6 set out in the notice convening the Annual General Meeting to be held on 31 May 2019 (the “Notice”) being duly passed, the general mandate granted to the Directors pursuant to ordinary resolution no. 5 set out in the Notice be and is hereby extended by the addition thereto of the aggregate number of shares of the Company which may be repurchased by the Company under the authority granted pursuant to ordinary resolution no. 6 set out in the Notice, provided that such amount shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing this resolution.”

By Order of the Board  
**Wing Tai Properties Limited**  
**Chung Siu Wah, Henry**  
*Company Secretary and Group Legal Counsel*

*Notes:*

- (1) A shareholder entitled to attend and vote at the above meeting (or at any adjournment thereof) is entitled to appoint a proxy to attend and, on a poll, vote instead of him. A shareholder holding two or more shares is entitled to appoint more than one proxy. A proxy need not be a shareholder of the Company but must be present in person to represent the shareholder. Completion and return of an instrument appointing a proxy will not preclude a shareholder from attending and voting in person at the above meeting.
- (2) Where there are joint registered holders of any shares, any one of such persons may vote at the above meeting (or at any adjournment thereof), either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders are present at the above meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
- (3) In order to be valid, the proxy form and any power of attorney (if any) or other authority (if any) under which it is signed, or a copy of such authority certified notarially, must be delivered to the Company's Hong Kong Branch Share Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the above meeting or any adjournment thereof (as the case may be).
- (4) The register of members of the Company will be closed from 23 May 2019 to 24 May 2019, both days inclusive. During such period, the registration of transfers of shares of the Company will be suspended. In order to qualify for attending the above meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 22 May 2019.

*In accordance with the Bye-laws and the CG Code, the following Directors shall retire from office at the Annual General Meeting and, being eligible, offer themselves for re-election.*

**Mr. CHENG Wai Sun, Edward** *GBS JP*, aged 63, has been an executive director and Chief Executive since 1994 and Deputy Chairman of the Company since 2007. Mr. Cheng is a member of the Nomination Committee of the Company and a director of certain members of the Group. He is also an independent non-executive director of Standard Chartered Bank (Hong Kong) Limited. Mr. Cheng has a master's degree from Oxford University. He was qualified as a solicitor in England and Wales as well as in Hong Kong.

Mr. Cheng has many years of public service experience in urban renewal, housing, finance, corruption prevention, technology and education. He is a non-executive director of the Securities and Futures Commission and a member of the Chief Executive's Council of Advisers on Innovation and Strategic Development. Mr. Cheng is a Justice of the Peace, and has been awarded the Gold Bauhinia Star by the Government of the HKSAR.

Mr. Cheng is a brother of Dr. Cheng Wai Chee, Christopher and Mr. Cheng Man Piu, Francis.

Mr. Cheng resigned as an independent non-executive director of Orient Overseas (International) Limited with effect from 3 August 2018.

As at the Latest Practicable Date, Mr. Cheng beneficially owned 11,501,231 Shares and was taken or deemed to be interested in (i) 2,165,000 share options granted under the Share Option Plan of the Company and (ii) 462,488,185 Shares via a family trust (together representing approximately 35.20% of the issued share capital of the Company) within the meaning of Part XV of the SFO.

Mr. Cheng is a beneficiary of a family trust whose assets include indirect interests in Wing Tai Holdings Limited, a substantial shareholder of the Company.

Mr. Cheng has entered into a letter of appointment as a director of the Company. Such appointment is subject to retirement by rotation and re-election in accordance with the Bye-Laws and the CG Code.

Details of the remuneration package of Mr. Cheng for the year ended 31 December 2018 are as follows:-

	<i>HK\$'000</i>
1. Fee	25
2. Salaries and allowances	11,837
3. Bonus	5,764
4. Retirement benefits	576
	<hr/>
Total	18,202
	<hr/> <hr/>

In 2018, Mr. Cheng was granted 890,000 share options at the exercise price of HK\$6.10 per share pursuant to the Share Option Plan adopted by the Shareholders on 27 October 2015.

The remuneration package of Mr. Cheng was determined by the Remuneration Committee based on (a) his responsibilities, (b) his performance, (c) performance of the business units headed by him, and (d) the performance of the Group as a whole. In accordance with the terms of reference of the Remuneration Committee, no Director shall be involved in deciding his own remuneration.

**Mr. NG Tak Wai, Frederick**, aged 61, acted as executive director from 1995 and was re-designated as a non-executive director of the Company in April 2011. He graduated from Georgetown University with a BSBA degree, and also graduated from Columbia University with an MBA degree. Mr. Ng held senior management positions in various garment manufacturing and distribution companies affiliated with the Wing Tai Group in Hong Kong. His background is in manufacturing operations and management information systems.

As at the Latest Practicable Date, Mr. Ng was taken to be interested in 1,608,057 Shares of which 1,016,000 Shares were held by his spouse and 278,391 Shares were held by Mr. Ng personally and 313,666 Shares were held by Mr. Ng jointly with his spouse (together representing approximately 0.12% of the issued share capital of the Company) within the meaning of Part XV of the SFO.

Mr. Ng entered into a letter of appointment as a director with the Company for a term of three years commencing from 1 April 2012, renewable or extendable automatically by three years on the expiry of such term and every successive period of three years thereafter. Such appointment is subject to retirement by rotation and re-election in accordance with the Bye-Laws and the CG Code.

Mr. Ng is entitled to receive from the Company a director's fee of HK\$70,000 for the year ended 31 December 2018 which was approved by the shareholders of the Company in general meeting. His director's fee was determined with reference to his responsibilities with the Company.

**Mrs. CHEN Chou Mei Mei, Vivien**, aged 69, has been a non-executive director of the Company since 2012, and joined the Group in 2007. She graduated with a Bachelor of Arts degree from the University of Colorado in the United States of America and has over 30 years' experience in investments, in particular, property related investments. Mrs. Chen is an independent non-executive director of New Silkroutes Group Limited (listed on the Singapore Exchange).

Mrs. Chen is a director of both Farnham Group Limited and Gala Land Investment Company Limited which are substantial shareholders of the Company within the meaning of Part XV of the SFO.

As at the Latest Practicable Date, Mrs. Chen has no interests in shares of the Company within the meaning of Part XV of the SFO.

Mrs. Chen entered into a letter of appointment as a director with the Company for a term of three years commencing from 15 September 2012, renewable or extendable automatically by three years on the expiry of such term and every successive period of three years thereafter. Such appointment is subject to retirement by rotation and re-election in accordance with the Bye-Laws and the CG Code.

Mrs. Chen is entitled to receive from the Company a director's fee of HK\$70,000 for the year ended 31 December 2018 which was approved by the shareholders of the Company in general meeting. Her director's fee was determined with reference to her responsibilities with the Company.

**Mr. Haider Hatam Tyebjee BARMA** *GBS CBE ISO JP*, aged 75, has been an independent non-executive director of the Company since 2012 and joined the Group in 2007. He is a member of both the Nomination Committee and the Audit Committee of the Company. Mr. Barma graduated with a Bachelor of Arts degree from The University of Hong Kong and worked in the Hong Kong government for 30 years. After retiring from the civil service in 1996, he served as Chairman of the Public Service Commission from August 1996 to April 2005. Mr. Barma then served as Chief Executive Officer of the Hong Kong Research Institute of Textiles and Apparel from April 2006 to July 2012.

As at the Latest Practicable Date, Mr. Barma has no interests in shares of the Company within the meaning of Part XV of the SFO.

Mr. Barma entered into a letter of appointment as a director with the Company for a term of three years commencing from 1 September 2012, renewable or extendable automatically by three years on the expiry of such term and every successive period of three years thereafter. Such appointment is subject to retirement by rotation and re-election in accordance with the Bye-Laws and the CG Code.

Mr. Barma is entitled to receive from the Company a director's fee of HK\$280,000 for the year ended 31 December 2018 which was approved by the shareholders of the Company in general meeting. His director's fee was determined with reference to his responsibilities with the Company.



**Mr. CHENG Hoi Chuen, Vincent** *GBS OBE JP*, aged 70, has been an independent non-executive director and Chairman of the Nomination Committee of the Company since February 2013. He graduated with a Bachelor of Social Science degree in Economics from The Chinese University of Hong Kong and a Master's degree of Philosophy in Economics from The University of Auckland. Mr. Cheng is an independent non-executive director of MTR Corporation Limited, Great Eagle Holdings Limited, CLP Holdings Limited, Hui Xian Asset Management Limited (Manager of the publicly listed Hui Xian Real Estate Investment Trust), Shanghai Industrial Holdings Limited and CK Hutchison Holdings Limited.

Mr. Cheng is the former chairman of The Hongkong and Shanghai Banking Corporation Limited and the former chairman of HSBC Bank (China) Limited.

Mr. Cheng was a member of the Executive Council, the Legislative Council of the Hong Kong government and Hong Kong Affairs Adviser to the People's Republic of China.

Mr. Cheng ceased to serve as an independent non-executive director of China Minsheng Banking Corp., Ltd. on 21 June 2018.

As at the Latest Practicable Date, Mr. Cheng has no interests in shares of the Company within the meaning of Part XV of the SFO.

Mr. Cheng entered into a letter of appointment as a director with the Company for a term of three years commencing from 1 February 2013, renewable or extendable automatically by three years on the expiry of such term and every successive period of three years thereafter. Such appointment is subject to retirement by rotation and re-election in accordance with the Bye-Laws and the CG Code.

Mr. Cheng is entitled to receive from the Company a director's fee of HK\$280,000 and a fee of HK\$60,000 for serving as the Chairman of the Nomination Committee for the year ended 31 December 2018 which were approved by the shareholders of the Company in general meeting. His director's fees were determined with reference to his responsibilities with the Company.

**Mr. LAM Kin Fung, Jeffrey**, *GBS JP*, aged 67, has been an independent non-executive director of the Company since June 2018. He holds a bachelor degree in mechanical engineering from Tufts University in the United States and was conferred university fellow of Tufts University and The Hong Kong Polytechnic University. He has over 30 years of experience in toy industry and is currently the managing director of Forward Winsome Industries Limited which is engaged in toy manufacturing.

Mr. Lam is an independent non-executive director of each of C C Land Holdings Limited, China Overseas Grand Oceans Group Limited, CWT International Limited, Chow Tai Fook Jewellery Group Limited, i-CABLE Communications Limited and Wynn Macau, Limited, all of these companies are listed companies in Hong Kong.

Mr. Lam is a member of the National Committee of the Chinese People's Political Consultative Conference. He is a member of the Legislative Council of the Hong Kong Special Administrative Region (the "HKSAR"), a non-official member of the Executive Council of the HKSAR, a member of the Board of The Airport Authority Hong Kong, the Chairman of the Complaints Committee of the Independent Commission Against Corruption, a general committee member of the Hong Kong General Chamber of Commerce and a honorary member of the Court of The Hong Kong Polytechnic University, a director on the board of Heifer International Hong Kong Limited, and a director of the Hong Kong Mortgage Corporation Limited.

Mr. Lam resigned as an independent non-executive director of Bracell Limited in October 2016.

As at the Latest Practicable Date, Mr. Lam has no interests in shares of the Company within the meaning of Part XV of the SFO.

Mr. Lam entered into a letter of appointment as a director with the Company for a term of three years commencing from 6 June 2018, renewable or extendable automatically by three years on the expiry of such term and every successive period of three years thereafter. Such appointment is subject to retirement by rotation and re-election in accordance with the Bye-laws and the CG Code.

For the year ended 31 December 2018 and in line with other independent non-executive directors of the Company ("INED"), Mr. Lam is entitled to receive from the Company a director's fee of HK\$280,000 per annum which was paid to him on a pro-rata basis by reference to his capacity as INED with effect from 6 June 2018. His director's fee was determined with reference to his responsibilities with the Company.

Save as disclosed above, all the above Directors did not hold any directorships in any other listed public companies in Hong Kong or overseas in the last three years and do not have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, there is no other information that needs to be disclosed pursuant to the requirements of the Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the shareholders of the Company in connection with the above Directors' re-election.

*The following is the Explanatory Statement required to be sent to Shareholders under the Listing Rules in connection with the proposed Share Repurchase Mandate. The Listing Rules provide that all share repurchases of a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders in general meeting, either by a general mandate to the directors to make such repurchases or by a specific approval of a particular transaction. The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their fully paid up shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below.*

## **1.      SHARE CAPITAL**

As at the Latest Practicable Date, the total number of Shares in issue was 1,352,619,279.

Subject to the passing of the ordinary resolution granting the Share Repurchase Mandate and on the basis that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 135,261,927 Shares, representing 10% of the total number of Shares in issue as at the date of passing the resolution.

## **2.      REASONS FOR REPURCHASE**

The Directors believe that the Share Repurchase Mandate will provide the Company the flexibility to make such repurchase when appropriate and beneficial to the Company. Repurchase of Shares made under the Share Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the value of Shares and/or the Company's earnings per Share and will only be made when the Directors believe that such repurchase will benefit and be in the best interest of the Company and Shareholders.

## **3.      FUNDING OF REPURCHASE**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, its Bye-laws and the laws of Bermuda.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the latest published audited financial statements of the Company) in the event that the Share Repurchase Mandate were to be exercised in full at any time during the repurchase period. However, the Directors do not propose to exercise the Share Repurchase Mandate to such an extent, as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or gearing level which in the opinion of the Directors is from time to time appropriate to the Company.

#### **4. UNDERTAKING**

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed resolution in relation to the Share Repurchase Mandate in accordance with the Listing Rules and the laws of Bermuda pursuant to which the Company is incorporated.

None of the Directors, and to the best of the knowledge of the Directors having made all reasonable enquiries, none of the close associates (as defined in the Listing Rules) of the Directors have a present intention, in the event that the proposal in relation to the Share Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

No core connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Company is authorized to make repurchases of the Shares.

#### **5. THE TAKEOVERS CODE**

If as a result of the repurchase of Shares by the Company pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase may be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with the Takeovers Code.

Brave Dragon Limited, Crossbrook Group Limited, Wing Tai Retail Pte. Ltd., Bestime Resources Limited, Pofung Investments Limited, Broxbourne Assets Limited, Dr. Cheng Wai Chee, Christopher and Mr. Cheng Wai Sun, Edward (the "Concerted Group") are shareholders of the Company and would be treated as "acting in concert" for the purposes of the Takeovers Code. As at the Latest Practicable Date, to the best knowledge of the Company, the Concerted Group was beneficially interested in 687,442,765 Shares, representing approximately 50.82% of the total number of Shares in issue. On the basis that the total number of Shares in issue remains unchanged on the date of the Annual General Meeting and in the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the Share Repurchase Mandate, the shareholding of the Concerted Group would be increased from 50.82% to approximately 56.47% of the issued Shares. The Directors are not aware of any obligation to make a mandatory offer pursuant to Rule 26 or Rule 32 of the Takeovers Code as a result of such an increase in shareholding.

In the event that the Share Repurchase Mandate is exercised in full, the number of Shares held by the public would not fall below 25%.

#### **6. SHARES PURCHASE BY THE COMPANY**

No purchase of Shares has been made by the Company during the six months prior to the Latest Practicable Date.

**7. SHARE PRICES**

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

	Per Share	
	Highest (HK\$)	Lowest (HK\$)
<b>2018</b>		
April	6.18	5.98
May	6.50	6.05
June	6.99	6.40
July	6.60	6.02
August	6.19	5.93
September	6.09	5.80
October	5.95	5.07
November	5.50	5.03
December	5.52	5.15
<b>2019</b>		
January	6.10	5.40
February	6.15	5.92
March	6.25	5.90
April (up to the Latest Practicable Date)	6.04	5.92