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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 or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold all your shares in China Resources Beer (Holdings) Company Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

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華潤啤酒(控股)有限公司

China Resources Beer (Holdings) Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 291)

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

The notice convening the Annual General Meeting of China Resources Beer (Holdings) Company Limited to be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Thursday, 24 May 2018 at 3:30 p.m. is set out on pages 13 to 17 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion of the proxy form and its return will not preclude you from attending and voting at the Annual General Meeting if you so wish.

Hong Kong, 23 April 2018

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Thursday, 24 May 2018 at 3:30 p.m., notice of which is set out on pages 13 to 17 of this circular
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“Buy-back Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to buy back Shares during the period as set out in the Buy-back Resolution up to a maximum of 10% of the issued Shares at the date of the Buy-back Resolution
“Buy-back Resolution”	the ordinary resolution proposed under item no. 5 of the notice of the Annual General Meeting
“China” or “PRC”	the People’s Republic of China
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	China Resources Beer (Holdings) Company Limited, a company incorporated in Hong Kong with limited liability whose Shares are listed on the Main Board of the Stock Exchange (Stock Code: 291)
“CRC”	China Resources Company Limited (formerly known as China Resources National Corporation), a company incorporated in the PRC, is the ultimate holding company of the Company
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	17 April 2018, 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
“RMB”	Renminbi, the lawful currency of PRC
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of the Company with no par value
“Share Buy-back Rules”	the relevant rules set out in the Listing Rules to regulate the buy-back or purchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers

LETTER FROM THE CHAIRMAN



華潤啤酒(控股)有限公司

China Resources Beer (Holdings) Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 291)

Directors:

Executive Directors:

Mr. CHEN Lang (*Chairman*)

Mr. HOU Xiaohai (*Chief Executive Officer*)

Mr. LAI Po Sing, Tomakin (*Chief Financial Officer*)

Non-executive Directors:

Mr. CHEN Rong

Mr. LAI Ni Hium, Frank

Independent Non-executive Directors:

Mr. HOUANG Tai Ninh

Dr. LI Ka Cheung, Eric

Dr. CHENG Mo Chi, Moses

Mr. Bernard Charnwut CHAN

Mr. SIU Kwing Chue, Gordon

Registered Office:

39th Floor

China Resources Building

26 Harbour Road

Wanchai

Hong Kong

Hong Kong, 23 April 2018

To the Shareholders,

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO BUY BACK SHARES
AND TO ISSUE SHARES**

AND

RE-ELECTION OF RETIRING DIRECTORS

AND

NOTICE OF ANNUAL GENERAL MEETING

GENERAL MANDATE TO BUY BACK SHARES

At the annual general meeting of the Company held on 25 May 2017, a general mandate was given to the Directors to exercise the powers of the Company to buy back Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. It is therefore proposed to seek your approval of the Buy-back Resolution at the Annual General Meeting to give a fresh general mandate to the Directors to exercise the powers of the Company to buy back Shares. An explanatory statement as required under the Share Buy-back Rules to provide the requisite information of the Buy-back Proposal is set out in Appendix I to this circular.

LETTER FROM THE CHAIRMAN

GENERAL MANDATE TO ISSUE SHARES

It will be proposed at the Annual General Meeting two ordinary resolutions respectively granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued Shares at the date of the resolution (i.e. not exceeding 648,835,381 Shares based on 3,244,176,905 Shares in issue as at the Latest Practicable Date and assuming that such issued Shares remain the same at the date of passing the resolution) and adding to such general mandate so granted to the Directors any Shares representing the total number of the Shares bought back by the Company after the granting of the general mandate to buy back up to 10% of the issued Shares at the date of the Buy-back Resolution.

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Executive Directors of the Company are Mr. CHEN Lang, Mr. HOU Xiaohai and Mr. LAI Po Sing, Tomakin; the Non-executive Directors of the Company are Mr. CHEN Rong and Mr. LAI Ni Hium, Frank; and the Independent Non-executive Directors of the Company are Mr. HOUANG Tai Ninh, Dr. LI Ka Cheung, Eric, Dr. CHENG Mo Chi, Moses, Mr. Bernard Charnwut CHAN and Mr. SIU Kwing Chue, Gordon.

Pursuant to Article 110 of the Articles of Association, Mr. HOU Xiaohai, Dr. LI Ka Cheung, Eric, Dr. CHENG Mo Chi, Moses and Mr. Bernard Charnwut CHAN will retire from office at the Annual General Meeting and, being eligible, will offer themselves for re-election.

Dr. LI Ka Cheung, Eric, Dr. CHENG Mo Chi, Moses and Mr. Bernard Charnwut CHAN have served as independent non-executive Directors more than 9 years and their re-election will be subject to separate resolutions to be approved by the Shareholders. As independent non-executive Directors with in-depth understanding of the Company's operations and business, Dr. LI, Dr. CHENG and Mr. CHAN have expressed objective views and given independent guidance to the Company over the years, and they continue demonstrating a firm commitment to their role. The Board considers that the long service of Dr. LI, Dr. CHENG and Mr. CHAN would not affect their exercise of independent judgment and is satisfied that Dr. LI, Dr. CHENG and Mr. CHAN have the required character, integrity and experience to continue fulfilling the role of independent non-executive Directors. The Board considers the re-election of Dr. LI, Dr. CHENG and Mr. CHAN as independent non-executive Directors is in the best interest of the Company and the Shareholders as a whole.

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

LETTER FROM THE CHAIRMAN

ANNUAL GENERAL MEETING

Set out on pages 13 to 17 of this circular is the notice convening the Annual General Meeting.

At the Annual General Meeting, resolutions will be proposed to the Shareholders, including re-election of retiring Directors, the Buy-back Proposal, the general mandate for Directors to issue new Shares and the extension of the general mandate to issue new Shares.

ACTION TO BE TAKEN

A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion of the form of proxy and its return will not preclude you from attending and voting at the Annual General Meeting if you so wish.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the Annual General Meeting will be taken by poll except where 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. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

RECOMMENDATION

The Directors believe that the Buy-back Proposal, the proposed general mandate for Directors to issue new Shares, the proposed extension of the general mandate to issue new Shares and the proposed re-election of retiring Directors are all in the best interest of the Company and the Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of such resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
China Resources Beer (Holdings) Company Limited
CHEN Lang
Chairman

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

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

1. ISSUED SHARES

As at the Latest Practicable Date, the number of issued Shares is 3,244,176,905 Shares.

Subject to the passing of the Buy-back Resolution and on the basis that no further Shares will be issued or bought back prior to the Annual General Meeting, the Company would be allowed under the Buy-back Proposal to buy back a maximum of 324,417,690 Shares representing not more than 10% of the issued Shares as at the Latest Practicable Date.

2. REASONS FOR BUY-BACK

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

3. FUNDING OF BUY-BACK

In buy-back of Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association and the Companies Ordinance. The Companies Ordinance provides that payment in respect of a share buy-back may be made out of the Company's distributable profits and/or out of the proceeds of a fresh issue of Shares made for the purpose of the buy-back.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2017 in the event that the power to buy back Shares pursuant to the Buy-back Proposal was to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the power to buy back Shares pursuant to the Buy-back Proposal to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

4. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before, and the period from 1 April 2018 to, the Latest Practicable Date were as follows:–

	Shares	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
April 2017	19.60	17.58
May 2017	20.70	18.18
June 2017	21.20	19.52
July 2017	20.15	18.68
August 2017	20.80	19.00
September 2017	22.05	19.12
October 2017	23.15	21.05
November 2017	23.55	21.00
December 2017	28.80	20.90
January 2018	35.05	27.30
February 2018	31.80	26.80
March 2018	36.05	29.70
April 2018 (up to the Latest Practicable Date)	38.00	34.15

5. UNDERTAKING

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

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

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Buy-back Proposal is approved by the Shareholders.

6. TAKEOVERS CODE

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

As at the Latest Practicable Date, CRC is interested in 1,684,077,366 Shares (representing approximately 51.91% of the total issued Shares as at the Latest Practicable Date). In the event that the Directors exercise in full the power to buy back Shares under the Buy-back Proposal, then (if the present shareholdings remain the same) the attributable interest of CRC would be increased to approximately 57.68% of the issued Shares.

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any buy-backs made under the Buy-back Proposal. In the event that the Buy-back Proposal is exercised in full, the number of Shares held by the public would not fall below 25%.

7. SHARES BUY-BACK MADE BY THE COMPANY

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

The following are the particulars of the four Directors proposed to be re-elected at the Annual General Meeting to be held on 24 May 2018:

Mr. HOU Xiaohai (*Executive Director and Chief Executive Officer*)

Mr. HOU Xiaohai, aged 49, has been appointed as Executive Director and Chief Executive Officer of the Company in April 2016. He is a member of the executive committee and finance committee of the Company. He was appointed as general manager of China Resources Snow Breweries (China) Co., Ltd. in March 2016 and was the director of its sales and marketing departments from December 2001 to December 2007. He was appointed as general manager and assistant general manager (also a general manager of its distribution headquarter) of the branch of China Resources Snow Breweries (China) Co., Ltd. in Guizhou Province and a general manager of its branch in Sichuan Province from January 2009 to February 2016. Mr. HOU has a Bachelor of Statistics Degree from the People's University of China. He has previously worked in Shougang Corporation, Gallup Poll and Pepsico. Mr. HOU joined China Resources Group in 2001. Save as disclosed above, Mr. HOU did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group. Save as disclosed above, Mr. HOU is and was not connected to any Directors, senior management or substantial or controlling Shareholders of the Company.

There is no service contract between the Company and Mr. HOU. He has no fixed term of service with the Company but will be subject to retirement by rotation and re-election requirements at annual general meeting of the Company pursuant to the Articles of Association. The Directors' fee payable to Mr. HOU shall be determined by the Board under the authority granted by the Shareholders at the annual general meeting with reference to his duties and responsibilities in the Company and the recommendation made by the compensation committee of the Board. The Directors' fee as an Executive Director of the Company for the year ended 31 December 2017 has been determined at HK\$80,000 per annum. As at the Latest Practicable Date, Mr. HOU has personal interest in 768,000 Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. HOU has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Dr. LI Ka Cheung, Eric (*Independent Non-executive Director*)

Dr. LI Ka Cheung, Eric (*F CPA (Practising), GBS, OBE, JP*), aged 64, has been a Director of the Company since March 2003. He is the chairman of the audit committee and a member of the compensation committee and the nomination committee of the Company. He is Senior Partner of Li, Tang, Chen & Co., Certified Public Accountants (Practising), member of the Thirteenth National Committee of the Chinese People's Political Consultative Conference and former member of the Legislative Council of the Hong Kong SAR. Dr. LI holds directorships in a number of listed companies including Sun Hung Kai Properties Limited, Hang Seng Bank Limited, SmarTone Telecommunications Holdings Limited, Transport International Holdings Limited and Wong's International Holdings Limited. Dr. Li was a director of RoadShow Holdings Limited. Save as disclosed above, Dr. LI did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group. Save as disclosed above, Dr. LI is and was not connected to any Directors, senior management or substantial or controlling Shareholders of the Company.

Dr. LI has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association of the Company. As an Independent Non-executive Director, Dr. LI is entitled to the Directors' fee as determined by the Shareholders at the annual general meeting of the Company. At the Company's annual general meeting held on 25 May 2017, it was approved that the Independent Non-executive Directors' fee for the year ended 31 December 2017 be determined at HK\$180,000 per annum. In addition, HK\$10,000 per annum is payable to him for acting as the chairman and member of board committees. Save as disclosed above, Dr. LI did not receive other emoluments for the year ended 31 December 2017. As at the Latest Practicable Date, Dr. LI has personal interest in 271,817 Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Dr. LI has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Dr. CHENG Mo Chi, Moses (*Independent Non-executive Director*)

Dr. CHENG Mo Chi, Moses (*GBM, GBS, OBE, JP*), aged 68, has been a Director of the Company since November 2005. He is a member of the audit committee and the compensation committee of the Company. Dr. CHENG is a practicing solicitor and a consultant of Messrs. P.C. Woo & Co. after serving as its senior partner from 1994 to 2015. Dr. CHENG was a member of the Legislative Council of Hong Kong. He is the founder chairman of the Hong Kong Institute of Directors of which he is now the Honorary President and Chairman Emeritus. He is now also serving as chairman of the Insurance Authority and chairman of the Process Review Panel for the Securities and Futures Commission. Dr. Cheng currently holds directorships in K. Wah International Holdings Limited, China Mobile Limited, Towngas China Company Limited, Kader Holdings Company Limited, Liu Chong Hing Investment Limited, Guangdong Investment Limited and Tian An China Investments Company Limited, all being listed companies in Hong Kong. He was an Independent Non-executive Director of ARA Asset Management Limited, a company whose shares were formerly listed on the Singapore Exchange. Save as disclosed above, Dr. CHENG did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group. Save as disclosed above, Dr. CHENG is and was not connected to any Directors, senior management or substantial or controlling Shareholders of the Company.

Dr. CHENG has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association. As an Independent Non-executive Director, Dr. CHENG is entitled to the Directors' fee as determined by the Shareholders at the annual general meeting of the Company. At the Company's annual general meeting held on 25 May 2017, it was approved that the Independent Non-executive Directors' fee for the year ended 31 December 2017 be determined at HK\$180,000 per annum. In addition, HK\$5,000 per annum is payable to him for acting as the member of board committees. Save as disclosed above, Dr. CHENG did not receive other emoluments for the year ended 31 December 2017. As at the Latest Practicable Date, Dr. CHENG does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Dr. CHENG has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Mr. Bernard Charnwut CHAN (*Independent Non-executive Director*)

Mr. Bernard Charnwut CHAN (*GBS, JP*), aged 53, has been a Director of the Company since November 2006. He is a member of the audit committee and the nomination committee of the Company. He is the Executive Director and President of Asia Financial Holdings Limited and Asia Insurance Company Limited. He acts as an Advisor of Bangkok Bank (China) Company Limited. Apart from the roles in the business community, Mr. CHAN serves as a Hong Kong Deputy to The National People's Congress of the People's Republic of China and the Convenor of the Non-official Members of the Executive Council of the Hong Kong SAR. He is a former member of the Legislative Council of the Hong Kong SAR. Mr. CHAN is the Chairman of the Hong Kong-Thailand Business Council, the Committee on Reduction of Salt and Sugar in Food and the Steering Committee on Restored Landfill Revitalisation Funding Scheme. He also serves as the Chairperson of The Hong Kong Council of Social Service and a council member of the Oxfam Hong Kong. In addition, Mr. CHAN holds directorship in Chen Hsong Holdings Limited and Yau Lee Holdings Limited which are listed in Hong Kong. Mr. CHAN was a Director of City e-solutions Limited. Save as disclosed above, Mr. CHAN did not hold any directorship in other listed public companies in the last three years or any position with the Company or other members of the Group. Save as disclosed above, Mr. CHAN is and was not connected to any Directors, senior management or substantial or controlling Shareholders of the Company.

Mr. CHAN has no fixed term of service with the Company. He will be subject to retirement by rotation and re-election at annual general meeting of the Company pursuant to the Articles of Association. As an Independent Non-executive Director, Mr. CHAN is entitled to the Directors' fee as determined by the Shareholders at the annual general meeting of the Company. At the Company's annual general meeting held on 25 May 2017, it was approved that the Independent Non-executive Directors' fee for the year ended 31 December 2017 be determined at HK\$180,000 per annum. In addition, HK\$5,000 per annum is payable to him for acting as the member of board committees. Save as disclosed above, Mr. CHAN did not receive other emoluments for the year ended 31 December 2017. As at the Latest Practicable Date, Mr. CHAN does not have any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. CHAN has confirmed that there are no other matters relating to his re-election that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



華潤啤酒(控股)有限公司

China Resources Beer (Holdings) Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 291)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at 50th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong on Thursday, 24 May 2018 at 3:30 p.m. for the following purposes:

1. To receive and consider the audited Financial Statements and the Directors' Report and the Independent Auditor's Report for the year ended 31 December 2017.
2. To declare a final dividend.
3.
 - (1) To re-elect Mr. HOU Xiaohai as Director;
 - (2) To re-elect Dr. LI Ka Cheung, Eric as Director;
 - (3) To re-elect Dr. CHENG Mo Chi, Moses as Director;
 - (4) To re-elect Mr. Bernard Charnwut CHAN as Director;
 - (5) To fix the fees for all Directors.
4. To re-appoint Auditor and to authorise the Directors to fix their remuneration.
5. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (b) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares of the Company on The Stock Exchange of Hong Kong Limited (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 of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the total number of shares of the Company which the Directors of the Company are authorised to buy back pursuant to the approval in paragraph (a) above shall not exceed 10% of the issued shares of the Company as at the date of this resolution, provided that if any subsequent consolidation or subdivision of shares of the Company into a different number of shares than the number of shares existing prior to such consolidation and subdivision is effected, the maximum number of shares of the Company that may be bought back under the mandate in paragraph (a) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares shall be adjusted accordingly; and
 - (c) for the purposes of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the 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 law to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”
6. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) subject to paragraph (c) below and pursuant to Sections 140 and 141 of the Companies Ordinance, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company; (iii) an issue of shares upon the exercise of the subscription or conversion rights under the terms of any warrants or any securities of the Company which are convertible into shares of the Company; or (iv) an issue of shares as scrip dividends pursuant to the Articles of Association of the Company from time to time, shall not exceed 20% of the issued shares of the Company as at the date of passing this resolution, provided that if any subsequent consolidation or subdivision of shares of the Company into a different number of shares than the number of shares existing prior to such consolidation and subdivision is effected, the maximum number of shares of the Company that may be allotted and issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares of the Company at the date immediately before and after such consolidation or subdivision shall be the same and such maximum number of shares shall be adjusted 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 law to be held; and

 - (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“**THAT** subject to the passing of the resolution as proposed under items nos.5 and 6 set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to the resolution as proposed under item no.6 set out in the notice convening this meeting be and is hereby extended by the addition thereto of the total number of the shares of the Company bought back by the Company under the authority granted pursuant to the resolution as proposed under item no.5 set out in the notice convening this meeting, provided that such number of shares so bought back shall not exceed 10% of the issued shares of the Company as at the date of the said resolution.”

By Order of the Board
LAI Po Sing, Tomakin
Executive Director,
Chief Financial Officer and Company Secretary

Hong Kong, 23 April 2018

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the registered office of the Company at 39th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
3. The register of members of the Company will be closed from Thursday, 17 May 2018 to Thursday, 24 May 2018, both days inclusive, during which no transfer of shares of the Company will be registered. In order to determine the identity of members who are entitled to attend and vote at the meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's East, Hong Kong not later than 4:30 p.m. on Wednesday, 16 May 2018 for registration.

With regard to item no. 2 in this notice, the Board of Directors of the Company recommends a final dividend of RMB0.07 per ordinary share for the year ended 31 December 2017 payable on or around 15 June 2018 to Shareholders whose names appear on the register of members of the Company on 30 May 2018. The final dividend is to be payable in cash in Hong Kong dollars which will be converted from RMB at the average CNY Central Parity Rate announced by the People's Bank of China for the five business days prior to and including the date of the Annual General Meeting. Subject to the approval of Shareholders at the Annual General Meeting, the proposed final dividend will be payable to Shareholders whose names appear on the register of members of the Company after the close of business at 4:30 p.m. on Wednesday, 30 May 2018 and the register of members of the Company will be closed on Wednesday, 30 May 2018, during which no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all share transfer documents, accompanied by the relevant share certificates lodged with the Company's 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 Tuesday, 29 May 2018 for registration.

4. With regard to item no. 3 in this notice, the Board of Directors of the Company proposes that four retiring Directors, namely Mr. HOU Xiaohai, Dr. LI Ka Cheung, Eric, Dr. CHENG Mo Chi, Moses and Mr. Bernard Charnwut CHAN who shall be eligible for re-election, be re-elected as Directors of the Company. Details of these Directors are set out in Appendix II to the circular to Shareholders dated 23 April 2018. The Board of Directors of the Company recommends to the Shareholders that the Directors' fee for the year ending 31 December 2018 be determined at HK\$120,000 per annum for each Executive and Non-executive Director and HK\$300,000 per annum for each Independent Non-executive Director, pro-rated, where appropriate, and payable in December, 2018. In addition, it is proposed that HK\$10,000 per annum shall be paid to each Independent Non-executive Director for his membership in board committees (whether he is a member of more than one committee) and HK\$10,000 per annum shall be paid to each Independent Non-executive Director for him to act as the chairman of a board committee.