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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold** all your shares in Hong Kong Ferry (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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**HONG KONG FERRY (HOLDINGS) COMPANY LIMITED**

**香港小輪(集團)有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 50)**

**PROPOSALS FOR  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
GENERAL MANDATES TO BUY BACK THE COMPANY'S  
OWN SHARES AND TO ISSUE NEW SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the Annual General Meeting of Hong Kong Ferry (Holdings) Company Limited to be held at The Ballroom, 18th Floor, The Mira Hong Kong, 118-130 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 25 May 2017 at 12:00 noon at which the above proposals will be considered is set out on pages 15 to 18 of this circular.

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

Hong Kong, 20 April 2017

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## CONTENTS

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	<i>Page</i>
<b>Definitions</b> .....	1
 <b>Letter from the Board of Directors</b>	
Introduction .....	3
Proposed re-election of retiring Directors .....	4
Proposed general mandate to buy back the Company's own shares .....	4
Proposed general mandate to issue new shares .....	5
Annual General Meeting .....	5
Recommendation .....	6
<b>Appendix I – Details of Retiring Directors Eligible for Re-election</b> .....	7
<b>Appendix II – Explanatory Statement for General Mandate                   to Buy Back Shares</b> .....	11
<b>Notice of Annual General Meeting</b> .....	15

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## DEFINITIONS

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*In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:*

“Annual General Meeting”	the annual general meeting of the Company to be held at The Ballroom, 18th Floor, The Mira Hong Kong, 118-130 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 25 May 2017 at 12:00 noon (or any adjournment thereof), notice of which is set out on pages 15 to 18 of this circular;
“Annual Report”	the annual report of the Company for the year ended 31 December 2016;
“Articles of Association”	the articles of association of the Company;
“Board”	the board of Directors of the Company;
“Buy Back Mandate”	the general mandate to exercise the power of the Company to buy back Shares not exceeding 10% of the total number of issued shares in the Company as at the date of passing of the resolution approving the Buy Back Mandate;
“Chairman”	the chairman presiding at any meeting of members or of the board of Directors;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and any amendments thereto;
“Company”	Hong Kong Ferry (Holdings) Company Limited 香港小輪 (集團) 有限公司, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 50);
“Director(s)”	the director(s) 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;

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## DEFINITIONS

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“Issue Mandate”	the general and unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the total number of issued shares in the Company as at the date of passing of the resolution approving the Issue Mandate;
“Latest Practicable Date”	10 April 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Notice”	the notice convening the Annual General Meeting dated 20 April 2017;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any amendments thereto;
“Share(s)”	the share(s) in the share capital of the Company;
“Shareholder(s)”	registered holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers; and
“%”	per cent.

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LETTER FROM THE BOARD OF DIRECTORS

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HONG KONG FERRY (HOLDINGS) COMPANY LIMITED  
香港小輪(集團)有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 50)

*Executive Directors:*

Dr. Lam Ko Yin, Colin (*Chairman*)  
Mr. Li Ning

*Non-executive Directors:*

Mr. Au Siu Kee, Alexander  
Mr. Lau Yum Chuen, Eddie  
Dr. the Hon. Lee Shau Kee  
Mr. Wong Man Kong, Peter

*Independent Non-executive Directors:*

Mr. Ho Hau Chong, Norman  
Mr. Leung Hay Man  
Ms. Wong Yu Pok, Marina  
Mr. Wu King Cheong

*Registered Office:*

98 Tam Kon Shan Road  
TYTL 102  
Ngau Kok Wan  
North Tsing Yi  
New Territories  
Hong Kong

20 April 2017

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
GENERAL MANDATES TO BUY BACK THE COMPANY'S  
OWN SHARES AND TO ISSUE NEW SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with notice of the Annual General Meeting and information regarding the re-election of retiring Directors, the general mandates to buy back the Company's own shares and to issue new shares and to seek your approval at the Annual General Meeting in connection with, *inter alia*, such matters.

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## LETTER FROM THE BOARD OF DIRECTORS

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### PROPOSED RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of ten Directors, namely Dr. Lam Ko Yin, Colin, Mr. Li Ning, Mr. Au Siu Kee, Alexander, Mr. Lau Yum Chuen, Eddie, Dr. Lee Shau Kee, Mr. Wong Man Kong, Peter, Mr. Ho Hau Chong, Norman, Mr. Leung Hay Man, Ms. Wong Yu Pok, Marina and Mr. Wu King Cheong.

Pursuant to Article 103(A) of the Articles of Association and the Corporate Governance Code as set out in Appendix 14 to the Listing Rules, Mr. Lau Yum Chuen, Eddie, Mr. Wong Man Kong, Peter, Mr. Leung Hay Man and Ms. Wong Yu Pok, Marina shall retire by rotation from office at the Annual General Meeting and shall be eligible and offer themselves for re-election. The Nomination Committee has also recommended to the Board that they are eligible for re-election. Details of retiring Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

Ms. Wong Yu Pok, Marina, who was appointed as Independent Non-executive Director of the Company since May 2008, had served as Independent Non-executive Director for more than nine years. Ms. Wong is also a member of Audit Committee, Remuneration Committee and Nomination Committee of the Company.

Ms. Wong has met the independence guidelines set out in Rule 3.13 of the Listing Rules and has also given an annual confirmation of her independence to the Company. Ms. Wong has served in this capacity for more than nine years. Notwithstanding her long-term service, given her extensive commercial and financial experiences, the Nomination Committee and the Board are of the opinion that she continues to bring independent and objective perspectives to the Company's affairs and provides valuable insights to the management. The Nomination Committee also considered that Ms. Wong has continuously contributed to the Company and the Board with her relevant experience and knowledge throughout her years of service. The Nomination Committee and the Board, therefore, recommended her to be re-elected. Ms. Wong shall retire by rotation in accordance with the Articles of Association at the Annual General Meeting. Her further appointment should be subject to a separate resolution to be approved by Shareholders at the Annual General Meeting.

### PROPOSED GENERAL MANDATE TO BUY BACK THE COMPANY'S OWN SHARES

At the annual general meeting of the Company held on 23 May 2016, a general mandate was given to the Directors to exercise the powers of the Company to buy back Shares up to a maximum of 10% of the total number of issued shares of the Company as at the date of the ordinary resolution granting the general mandate. Such mandate will lapse at the conclusion of the Annual General Meeting.

Your attention is drawn to Ordinary Resolution (6) as set out in the Notice on pages 15 to 18 of this circular. Such Ordinary Resolution proposes to grant the Buy Back Mandate to the Directors to buy back, at any time until the conclusion of the next annual general meeting of the Company following the passing of the relevant resolution or such earlier period as stated therein, shares up to a maximum of 10% of the total number of issued shares in the Company as at the date of passing of such Ordinary Resolution which is equivalent to a maximum of 35,627,388 Shares on the basis that no further shares are issued or bought back prior to the Annual General Meeting.

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## LETTER FROM THE BOARD OF DIRECTORS

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An explanatory statement, as required under the relevant rules set out in the Listing Rules regulating the buy back by companies with primary listings on the Stock Exchange of their own shares on the Stock Exchange and under the Companies Ordinance, to provide the requisite information for your consideration of the Buy Back Mandate is set out in the Appendix II to this circular.

### **PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES**

At the annual general meeting of the Company held on 23 May 2016, a general and unconditional mandate was given to the Directors to exercise the powers of the Company to allot, issue and deal with Shares up to a maximum of 20% of the total number of issued shares of the Company as at the date of the ordinary resolution granting the general mandate. Such mandate will lapse at the conclusion of the Annual General Meeting.

It will be proposed at the Annual General Meeting Ordinary Resolutions (5) and (7) respectively as set out in the Notice on pages 15 to 18 of this circular for granting to the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the total number of issued shares in the Company as at the date of passing of that Ordinary Resolution (5) which is equivalent to a maximum of 71,254,776 Shares on the basis that no further Shares are issued or bought back prior to the Annual General Meeting and extending the Issue Mandate by adding to it the number of Shares bought back by the Company under the Buy Back Mandate, being a maximum of 10% of the total number of issued shares in the Company as at the date of passing the Ordinary Resolution (6). The Issue Mandate will expire at the conclusion of the next annual general meeting of the Company following the passing of the relevant resolution or such earlier period as stated therein.

The Board wishes to state that, as at the date hereof, they have no immediate plans to issue any new Shares or buy back any existing Shares pursuant to the relevant mandates.

### **ANNUAL GENERAL MEETING**

The Board has resolved to convene the Annual General Meeting to consider and, if thought fit, by the Shareholders, to approve the proposed resolutions as set out in the Notice on pages 15 to 18 of this circular. Whether or not you are able to attend, speak and vote at the Annual General Meeting, you are requested to complete and return the enclosed form of proxy to the Company's Share Registrar, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting (or any adjournment thereof). Completion and return of the form of proxy will not preclude you from subsequently attending, speaking and voting in person at the Annual General Meeting (or any adjourned meeting) should you so wish.

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## LETTER FROM THE BOARD OF DIRECTORS

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Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must 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. Accordingly, the Company will procure that the Chairman of the Annual General Meeting shall exercise his power under Article 74 of the Articles of Association to demand voting on all resolutions set out in the Notice be taken by way of poll. Article 80 of the Articles of Association provides that on a poll, every member present in person or by proxy shall have one vote for every share held by that member. The poll results will be published on the websites of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.hkf.com](http://www.hkf.com)) on the date of the Annual General Meeting.

In accordance with Article 91 of the Articles of Association, any corporation which is a member of the Company may, by resolution of its directors or other governing body or by power of attorney, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of members of the Company, and the person so authorised shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could exercise if it was an individual member of the Company.

### RECOMMENDATION

The Directors believe that all the above-mentioned resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions set out in the Notice.

Yours faithfully,  
**Dr. Lam Ko Yin, Colin**  
*Chairman*



The following are the particulars of the retiring Directors standing for re-election at the Annual General Meeting:

1. **Mr. Lau Yum Chuen, Eddie**, aged 70, was appointed on 5 May 1988, is a Non-executive Director of the Company. He has over 45 years of experience in banking, finance and investment. Mr. Lau is also an Executive Director of Henderson Land Development Company Limited (“Henderson Land”) and Miramar Hotel and Investment Company, Limited, both are listed public companies. Henderson Land has discloseable interests in the Company under the provisions of Part XV of the Securities and Futures Ordinance. He resigned as a director of HYFCO Travel Agency Limited with effect from 6 October 2016.

Save as disclosed above, Mr. Lau has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Lau does not hold any Shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed herein, Mr. Lau has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Mr. Lau has not entered into any service contract with the Company. He was appointed for a specific term until 31 December 2019 but is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Lau received an annual director’s fee of HK\$100,000 for acting as a Non-executive Director of the Company for the year ended 31 December 2016, which is determined by reference to his duties and responsibilities. His other remuneration (if any) shall from time to time be determined by the Board by reference to his duties and responsibilities. Save as disclosed above, Mr. Lau will not be receiving any bonus payments (whether fixed or discretionary in nature) from the Company.

Save as disclosed herein, there is nothing required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Lau’s re-election.

2. **Mr. Wong Man Kong, Peter**, *BBS, JP, BSc, FCILT, MRINA*, aged 68, was appointed on 9 March 1992, is a Non-executive Director of the Company. Mr. Wong was the President and Chief Executive Officer of the Company from 1992 to 1995. Mr. Wong has over 44 years of industrial, commercial and public service experience, having served as Director of Kowloon-Canton Railway Corporation and a member in Hong Kong Government's Transport Advisory Board, Industry Development Board and Trade Advisory Board. He was also a member of the Hong Kong Special Administrative Region Preparatory Committee in 1996/1997 and a member of the Election Committee of the Second Chief Executive of the Hong Kong Special Administrative Region in 2002. He is serving as a deputy to the 12th National People's Congress of the People's Republic of China. Mr. Wong is the Chairman of M.K. Corporation Limited and North West Development Limited. Currently he holds directorship of Glorious Sun Enterprises Limited, China Travel International Investment Hong Kong Limited, Chinney Investments, Limited, Sun Hung Kai & Co. Limited, Sino Hotels (Holdings) Limited, Far East Consortium International Limited, New Times Energy Corporation Limited and MGM China Holdings Limited, all of which are listed public companies.

Save as disclosed above, Mr. Wong has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Wong holds 1,051,000 Shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed herein, Mr. Wong has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Mr. Wong has not entered into any service contract with the Company. He was appointed for a specific term until 31 December 2019 but is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Wong received an annual director's fee of HK\$100,000 for acting as a Non-executive Director of the Company for the year ended 31 December 2016, which are determined by reference to his duties and responsibilities. His other remuneration (if any) shall from time to time be determined by the Board by reference to his duties and responsibilities. Save as disclosed above, Mr. Wong will not be receiving any bonus payments (whether fixed or discretionary in nature) from the Company.

Save as disclosed herein, there is nothing required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Wong's re-election.

3. **Mr. Leung Hay Man**, *FRICS, FCI Arb, FHKIS*, aged 82, was appointed on 15 December 1981 and was re-designated as an Independent Non-executive Director of the Company on 15 October 2012. He is a Chartered Surveyor. Mr. Leung was also re-designated as an Independent Non-executive Director of Henderson Land Development Company Limited (“Henderson Land”) and Henderson Investment Limited on 22 August 2012 and is an Independent Non-executive Director of The Hong Kong and China Gas Company Limited, all of which are listed public companies. Henderson Land has discloseable interests in the Company under the provisions of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, Mr. Leung has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Mr. Leung holds 2,250 Shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed herein, Mr. Leung has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Mr. Leung has not entered into any service contracts with the Company. He was appointed for a specific term until 31 December 2019 but is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Leung received an annual director’s fee of HK\$100,000 for acting as an Independent Non-executive Director of the Company, HK\$150,000 as a member of the Audit Committee and HK\$50,000 as a member of the Remuneration Committee for the year ended 31 December 2016, which are determined by reference to his duties and responsibilities. His other remuneration (if any) shall from time to time be determined by the Board by reference to his duties and responsibilities. Save as disclosed above, Mr. Leung will not be receiving any bonus payments (whether fixed or discretionary in nature) from the Company.

Save as disclosed herein, there is nothing required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Leung’s re-election.

4. **Ms. Wong Yu Pok, Marina, JP**, aged 68, was appointed on 8 May 2008, is an Independent Non-executive Director of the Company. Ms. Wong joined PricewaterhouseCoopers in 1968 and was responsible for the development of the firm's business in Mainland China since 1980. After her retirement as a partner from PricewaterhouseCoopers in July 2004, she joined Tricor Services Limited as a director from September 2004 to February 2006. Ms. Wong is a member of a number of Government advisory and other bodies in Hong Kong, including The Dental Council of Hong Kong and was the Chairman of The Applied Research Council up to February 2017. Ms. Wong is the Vice-Chairman of the Hong Kong Federation of Women and a director of China Tibetan Children Health & Education Fund. An accountant by training, Ms. Wong is a Fellow of the Hong Kong Institute of Certified Public Accountants and a Fellow of the Association of Chartered Certified Accountants. She is also an Independent Non-Executive Director of Kerry Properties Limited, Luk Fook Holdings (International) Limited and Kerry Logistics Network Limited, all of which are listed public companies in Hong Kong. She ceased to act as an independent director of China World Trade Center Co. Ltd on 23 November 2016, a company listed on the Shanghai Stock Exchange.

Save as disclosed above, Ms. Wong has not held any other directorships in listed public companies in the last three years.

As at the Latest Practicable Date, Ms. Wong does not hold any Shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance. Ms. Wong has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Ms. Wong has not entered into any service contract with the Company. She was appointed for a specific term until 31 December 2019 but is subject to retirement by rotation and re-election in accordance with the Articles of Association. Ms. Wong will receive an annual director's fee of HK\$100,000 for acting as an Independent Non-executive Director of the Company, HK\$150,000 as a member of the Audit Committee and HK\$50,000 as a member of the Remuneration Committee for the year ended 31 December 2016, which are determined by reference to her duties and responsibilities. Her other remuneration (if any) shall from time to time be determined by the Board by reference to her duties and responsibilities. Save as disclosed above, Ms. Wong will not be receiving any bonus payments (whether fixed or discretionary in nature) from the Company.

Save as disclosed herein, there is nothing required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Ms. Wong's re-election.

This explanatory statement constitutes the memorandum required under Section 239(2) of the Companies Ordinance and contains all the information required under the Listing Rules for you to consider the Buy Back Mandate.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the total number of issued shares of the Company was 356,273,883 Shares.

Subject to the passing of Ordinary Resolution (6) as set out in the Notice and on the basis that no further Shares are issued or bought back prior to the date of the Annual General Meeting, the Company would be allowed under the Buy Back Mandate to buy back a maximum of 35,627,388 Shares.

### **2. REASONS FOR BUY BACK**

The Directors believe that the Buy Back Mandate affords the Company the flexibility and ability in pursuing the best interests of the Company and its Shareholders. Such buy back may, depending on market conditions and funding arrangements at the time, be beneficial to the Shareholders by enhancing the net asset value of the Company 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 buying back 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 the amount of capital repaid in connection with a share buy back by a listed company may only be paid from the distributable profits of the Company or the proceeds of a new issue of shares made for the purpose of the buy back.

The Directors propose that the buying back of Shares would be appropriately financed by the Company's internal resources. No material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited financial statements contained in the Annual Report) will occur even in the event that the Buy Back Mandate is to be exercised in full at any time during the proposed buy back period.

**4. SHARE PRICES**

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

		<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
2016	April	8.99	8.72
	May	9.09	8.72
	June	8.88	8.40
	July	8.90	8.60
	August	9.20	8.86
	September	9.37	8.85
	October	9.20	8.98
	November	9.15	8.80
	December	9.20	8.76
2017	January	9.04	8.75
	February	9.06	8.84
	March	8.94	8.84
	April (up to the Latest Practicable Date)	8.99	8.89

**5. UNDERTAKING AND DISCLOSURE OF INTERESTS**

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make buy back pursuant to the Buy Back Mandate only in accordance with the Listing Rules, the Companies Ordinance and any other applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company under the Buy Back Mandate if the same 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 the Shares to the Company, or have undertaken not to do so, in the event that the Buy Back Mandate is approved by the Shareholders.

**6. TAKEOVERS CODE AND SHARE BUY BACK**

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to buy back Shares pursuant to the Buy Back Mandate, pursuant to Rule 32 of the Takeovers Code such increase will be treated as an acquisition of voting rights for the purpose 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 Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the following persons and corporations (together the Substantial Shareholders (within the meaning of the Listing Rules)) held interests of 10% or more of the total number of issued shares of the Company:

<b>Substantial Shareholders</b>	<b>Number of shares in which interested</b>	<b>Approximate percentage of the total number of issued shares</b>
Henderson Land Development Company Limited ( <i>Note 1</i> )	119,017,090	33.41%
Pataca Enterprises Limited ( <i>Note 1</i> )	119,017,090	33.41%
Wiselin Investment Limited ( <i>Note 1</i> )	48,817,090	13.70%
Henderson Development Limited ( <i>Note 2</i> )	119,017,090	33.41%
Hopkins (Cayman) Limited ( <i>Note 3</i> )	119,017,090	33.41%
Rimmer (Cayman) Limited ( <i>Note 3</i> )	119,017,090	33.41%
Riddick (Cayman) Limited ( <i>Note 3</i> )	119,017,090	33.41%
Mr. Li Ning ( <i>Note 4</i> )	119,017,090	33.41%
Dr. Lee Chau Kee ( <i>Note 5</i> )	119,816,310	33.63%

*Notes:*

1. These 119,017,090 shares included the 48,817,090 shares, 23,400,000 shares, 23,400,000 shares and 23,400,000 shares respectively beneficially owned by Wiselin Investment Limited, Graf Investment Limited, Mount Sherpa Limited and Paillard Investment Limited, all of which were subsidiaries of Pataca Enterprises Limited which in turn was a subsidiary of Henderson Land Development Company Limited ("HLD").
2. These 119,017,090 shares are duplicated in the interests described in Note 1. Henderson Development Limited ("HD") beneficially owned more than one-third of the total number of issued shares of HLD.

3. These 119,017,090 shares are duplicated in the interests described in Notes 1 and 2. Rimmer (Cayman) Limited and Riddick (Cayman) Limited as trustees of respective discretionary trusts held units in a unit trust (the "Unit Trust"). Hopkins (Cayman) Limited as trustee of the Unit Trust owned all the issued ordinary shares, which carry the voting rights in the share capital of HD.
4. By virtue of the SFO, Mr. Li Ning was taken to be interested in these 119,017,090 shares as Mr. Li's spouse was one of the discretionary beneficiaries of two discretionary trusts holding units in the Unit Trust. These 119,017,090 shares are duplicated in the interests described in Notes 1, 2 and 3.
5. As at the Latest Practicable Date, Dr. Lee Shau Kee beneficially owned all the issued share capital of Rimmer (Cayman) Limited, Riddick (Cayman) Limited and Hopkins (Cayman) Limited. By virtue of the SFO, Dr. Lee Shau Kee was taken to be interested in 119,017,090 shares which are duplicated in the interests described in Notes 1, 2 and 3. Together with his personal shareholding of 799,220 shares, Dr. Lee Shau Kee was taken to be interested in 119,816,310 shares (approximately 33.63% of the total number of issued shares of the Company).

Based on the above shareholding interest of Dr. Lee Shau Kee and parties regarded as acting in concert with him, and in the event that the Buy Back Mandate is exercised in full by the Company and assuming that Dr. Lee Shau Kee and parties regarded as acting in concert with him do not dispose of any of their Shares, their percentage shareholding in the Company will be increased to approximately 37.37% of the total number of issued shares. Accordingly, under Rule 26 of the Takeovers Code, an obligation to make a general offer to Shareholders will arise as a result of an exercise of the Buy Back Mandate in full. The Directors have no present intention to buy back Shares to such an extent as would result in takeover obligations.

## **7. SHARE BUY BACK MADE BY THE COMPANY**

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.



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## NOTICE OF ANNUAL GENERAL MEETING

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# HONG KONG FERRY (HOLDINGS) COMPANY LIMITED 香港小輪(集團)有限公司

*(Incorporated in Hong Kong with limited liability)*

(Stock Code: 50)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Annual General Meeting of Hong Kong Ferry (Holdings) Company Limited (the “Company”) will be held at The Ballroom, 18th Floor, The Mira Hong Kong, 118-130 Nathan Road, Tsimshatsui, Kowloon, Hong Kong on Thursday, 25 May 2017 at 12:00 noon for the following purposes:

- (1) To receive and consider the audited financial statements and the reports of the Directors and Auditor for the year ended 31 December 2016.
- (2) To declare a final dividend.
- (3) To re-elect retiring Directors and to authorise the Board of Directors to fix the emolument of the Directors.
- (4) To re-appoint KPMG as Auditor and to authorise the Directors to fix their remuneration.

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

### **Ordinary Resolutions**

- (5) “**THAT:**
  - (a) subject to paragraph (c) of this Resolution and pursuant to sections 140 and 141 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), 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 in the capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

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## NOTICE OF ANNUAL GENERAL MEETING

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(c) the total number of shares in 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 approval in paragraph (a) of this Resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), or (ii) an issue of shares in the Company upon the exercise of the subscription rights under any securities which are convertible into shares of the Company, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company, shall not exceed 20% of the total number of issued shares of the Company as at the date of passing this Resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) to be held; and

(iii) the date upon which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in any general meeting of the Company.

“Rights Issue” means an offer of shares in the capital of the Company open for a period fixed by the Directors of the Company to holders of shares of the Company whose names appear on the register of members of the Company 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).”

(6) **“THAT:**

(a) subject to paragraph (b) of this Resolution, 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 its own shares subject to the conditions set out in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby approved generally and unconditionally;

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## NOTICE OF ANNUAL GENERAL MEETING

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(b) the total number of shares in the Company which may be bought back by the Directors of the Company pursuant to the approval in paragraph (a) of this Resolution shall not exceed 10% of the total number of issued shares in the Company as at the date of passing of this Resolution and the said approval shall be limited 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 the Articles of Association of the Company or the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) to be held; and

(iii) the date upon which the authority set out in this Resolution is revoked or varied by way of ordinary resolution in any general meeting of the Company.”

(7) “**THAT** conditional upon the passing of Ordinary Resolutions (5) and (6) as set out in the notice of this meeting of which this Resolution forms part, the total number of shares in the Company which shall have been bought back by the Company after the date hereof pursuant to and in accordance with the said Ordinary Resolution (6) shall be added to the total number of shares in the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to the general mandate to allot, issue and deal with additional shares in the Company granted to the Directors of the Company by the said Ordinary Resolution (5).”

By Order of the Board  
**Yuen Wai Kuen**  
*Company Secretary*

Hong Kong, 20 April 2017

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. A member of the Company entitled to attend, speak and vote at the meeting is entitled to appoint one or more proxies to attend, speak and on a poll, to vote for him or her provided that each proxy is appointed to represent the respective number of shares held by such member as specified in the relevant form of proxy. A proxy need not be a member of the Company. Form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be lodged with the Company's 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 meeting or any adjournment thereof (as the case may be) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting (as the case may be) at which the person named in such form of proxy proposes to vote or, in the case of a poll taken more than 48 hours after it was demanded, not less than 24 hours before the time appointed for the taking of the poll.
2. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
3. (i) The register of members of the Company will be closed from Monday, 22 May 2017 to Thursday, 25 May 2017 (both days inclusive), during which period no requests for transfer of shares will be accepted. In order to determine members who are entitled to attend, speak and vote at the meeting, all 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 Road East, Hong Kong, for registration no later than 4:30 p.m. on Friday, 19 May 2017.  
  
(ii) The register of members of the Company will be closed on Monday, 5 June 2017 and Tuesday, 6 June 2017, during which period no requests for transfer of shares will be accepted. In order to qualify for the proposed final dividend for the year, all 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 Road East, Hong Kong, for registration no later than 4:30 p.m. on Friday, 2 June 2017.
4. With respect to ordinary resolution of item (3) above regarding re-election of Directors, Mr. Lau Yum Chuen, Eddie, Mr. Wong Man Kong, Peter, Mr. Leung Hay Man and Ms. Wong Yu Pok, Marina shall retire by rotation pursuant to Article 103(A) of the Articles of Association of the Company and the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited at the Annual General Meeting and, being eligible, offer themselves for re-election as Directors. The details and interests in the shares of the Company of the said Directors to be re-elected at the Annual General Meeting are set out on pages 7 to 10 of this circular.
5. With respect to ordinary resolutions of items (5) and (6) above, the Directors wish to state that they have no immediate plan to issue any new shares of the Company or to buy back any existing shares of the Company.

**As at the date of this notice, the executive directors of the Company are Dr. Lam Ko Yin, Colin (Chairman) and Mr. Li Ning; the non-executive directors are Mr. Au Siu Kee, Alexander, Mr. Lau Yum Chuen, Eddie, Dr. Lee Shau Kee and Mr. Wong Man Kong, Peter; and the independent non-executive directors are Mr. Ho Hau Chong, Norman, Mr. Leung Hay Man, Ms. Wong Yu Pok, Marina and Mr. Wu King Cheong.**