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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.



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

A notice convening the Annual General Meeting of Hong Kong Ferry (Holdings) Company Limited to be held on board the vessel, Harbour Cruise - Bauhinia, North Point (East) Passenger Ferry Pier, North Point, Hong Kong on Friday, 29 May 2020 at 12:00 noon at which the above proposals will be considered is set out on pages 13 to 16 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 54, 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 (accordingly, no later than 12:00 noon on 27 May 2020) (or any adjournment thereof). In calculating the periods for depositing the instrument appointing a proxy, no account is to be taken of any part of a day that is a public holiday. 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.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please refer to page 17 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the Annual General Meeting, including:

- (1) compulsory body temperature checks and health declarations
- (2) compulsory wearing of a surgical face mask for each attendee
- (3) no distribution of gift and no refreshment

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

Hong Kong, 22 April 2020

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board of Directors	
Introduction	3
Proposed re-election of retiring Directors	4
Proposed general mandate to buy back the Company's own shares	5
Proposed general mandate to issue new shares	5
Annual General Meeting	6
Recommendation	6
Appendix I – Details of Retiring Directors Eligible for Re-election	7
Appendix II – Explanatory Statement for General Mandate to Buy Back Shares	9
Notice of Annual General Meeting	13
Precautionary Measures for the Annual General Meeting	17

DEFINITIONS

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 on board the vessel, Harbour Cruise - Bauhinia, North Point (East) Passenger Ferry Pier, North Point, Hong Kong on Friday, 29 May 2020 at 12:00 noon (or any adjournment thereof), notice of which is set out on pages 13 to 16 of this circular;
“Annual Report”	the annual report of the Company for the year ended 31 December 2019;
“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;
“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;

DEFINITIONS

“Latest Practicable Date”	14 April 2020, 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 22 April 2020;
“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.

LETTER FROM THE BOARD OF DIRECTORS



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

Independent Non-executive Directors:

Mr. Ho Hau Chong, Norman
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

22 April 2020

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.

LETTER FROM THE BOARD OF DIRECTORS

PROPOSED RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of eight 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. Ho Hau Chong, Norman, 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, Dr. Lam Ko Yin, Colin, Mr. Lau Yum Chuen, Eddie and Dr. Lee Shau Kee shall retire from the Board by rotation at the Annual General Meeting. Reference is made to the announcement of the Company dated 19 March 2020 that Dr. Lee Shau Kee, being advanced in age, has decided to retire as a Non-executive Director of the Company with effect from the conclusion of the Annual General Meeting and will not offer himself for re-election while other retiring Directors, Dr. Lam Ko Yin, Colin and Mr. Lau Yum Chuen, Eddie, being eligible, offer themselves for re-election. The Nomination Committee has reviewed and considered the Board's composition, nominated Dr. Lam and Mr. Lau to the Board for it to recommend to Shareholders for re-election at the Annual General Meeting.

The Board has considered the recommendation of the Nomination Committee and has reviewed and considered the qualifications, work experience and suitability of Dr. Lam and Mr. Lau; in particular, in respect of their appointment as an Executive Director and a Non-executive Director of the Company respectively. The Board is satisfied that Dr. Lam and Mr. Lau possess the requisite experience and capabilities to assume their respective responsibilities.

The nominations were made in accordance with the Nomination Policy of the Company and the criteria and procedures in making nominations, including but not limited to, skills, experience and professional expertise, diversity, commitment and standing, with due regard for the benefits of diversity, as set out under the Board Diversity Policy of the Company.

The Nomination Committee had also taken into account the respective contributions of Dr. Lam and Mr. Lau to the Board and their commitment to their roles.

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

LETTER FROM THE BOARD OF DIRECTORS

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

At the annual general meeting of the Company held on 29 May 2019, 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 13 to 16 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.

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 29 May 2019, 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 13 to 16 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 of the Company or buy back any existing Shares pursuant to the relevant mandates of the Company.

LETTER FROM THE BOARD OF DIRECTORS

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 13 to 16 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 54, 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.

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) and the Company (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. **Dr. Lam Ko Yin, Colin**, *SBS, FCILT, FHKIoD, DB(Hon)*, aged 68, was appointed on 1 July 1986, is the Chairman of the Company. Dr. Lam has over 46 years' experience in banking and property development. He is also a Vice Chairman of Henderson Land Development Company Limited ("Henderson Land") and Henderson Investment Limited, a non-executive director of The Hong Kong and China Gas Company Limited and an executive director of Miramar Hotel and Investment Company, Limited, all of which are listed public companies. He is also a director of Wiselin Investment Limited ("Wiselin"), Henderson Development Limited ("Henderson Development"), Graf Investment Limited ("Graf"), Mount Sherpa Limited ("Mount"), Paillard Investment Limited ("Paillard"), Hopkins (Cayman) Limited ("Hopkins"), Rimmer (Cayman) Limited ("Rimmer") and Riddick (Cayman) Limited ("Riddick"). Henderson Land, Wiselin, Henderson Development, Graf, Mount, Paillard, Hopkins, Rimmer and Riddick have discloseable interests in the Company under the provisions of Part XV of the Securities and Futures Ordinance. He was awarded the Silver Bauhinia Star (SBS) by the Government of the Hong Kong Special Administrative Region in 2017. Dr. Lam is the Deputy Chairman of The University of Hong Kong Foundation for Educational Development and Research, a Director of Fudan University Education Development Foundation and an honorary Court member of Hong Kong Baptist University. Dr. Lam was awarded an Honorary University Fellowship by The University of Hong Kong in 2008 and an Honorary Fellowship by The Chinese University of Hong Kong in 2019. He was also conferred with a degree of Doctor of Business (Honoris Causa) by Macquarie University in 2015. Dr. Lam is a Fellow of The Chartered Institute of Logistics and Transport in Hong Kong and a Fellow of The Hong Kong Institute of Directors. He is also a director of various subsidiaries of the Company.

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

Dr. Lam was a non-executive director of Smartie Food Services Company Limited ("Smartie Food") from June 1989 to April 1994. Smartie Food was a company incorporated in Hong Kong and engaged in the business of roasted meat. By a court order of 18 May 1994, Smartie Food was put into winding up by the court. Dr. Lam had resigned as a director of Smartie Food before the winding up and did not take part in any matters giving rise to the winding up of Smartie Food. The affairs of Smartie Food had been completely wound up in December 1995.

As at the Latest Practicable Date, Dr. Lam holds 150,000 Shares in the Company within the meaning of Part XV of the Securities and Futures Ordinance. Save as disclosed herein, Dr. Lam has no relationship with any directors, senior management, substantial or controlling shareholders of the Company.

Dr. Lam has not entered into any service contracts with the Company and is subject to retirement by rotation and re-election in accordance with the Articles of Association. He received an annual director's fee of HK\$150,000 for acting as the Chairman and an Executive Director of the Company, HK\$50,000 as a member of the Remuneration Committee for the year ended 31 December 2019, 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, Dr. Lam had not received any other 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 Dr. Lam's re-election.

2. **Mr. Lau Yum Chuen, Eddie**, aged 73, was appointed on 5 May 1988, is a Non-executive Director of the Company. He has over 50 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 2022 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 2019, 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.

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:

		Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019	April	8.95	8.70
	May	8.90	8.72
	June	8.78	8.25
	July	8.57	8.28
	August	8.26	7.52
	September	7.54	7.00
	October	7.13	6.66
	November	7.27	6.88
	December	7.09	6.66
2020	January	7.09	6.65
	February	6.97	6.58
	March	6.93	5.61
	April (up to the Latest Practicable Date)	6.28	5.80

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 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 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:

Substantial Shareholders	Number of shares in which interested	Approximate percentage of the total number of issued shares
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 Shau 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 the 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.

NOTICE OF ANNUAL GENERAL MEETING



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 on board the vessel, Harbour Cruise - Bauhinia, North Point (East) Passenger Ferry Pier, North Point, Hong Kong on Friday, 29 May 2020 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 2019.
- (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;

NOTICE OF ANNUAL GENERAL MEETING

(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;

NOTICE OF ANNUAL GENERAL MEETING

(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, 22 April 2020

NOTICE OF ANNUAL GENERAL MEETING

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 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting (accordingly, no later than 12:00 noon on 27 May 2020) 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. In calculating the periods for depositing the instrument appointing a proxy, no account is to be taken of any part of a day that is a public holiday.
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 Tuesday, 26 May 2020 to Friday, 29 May 2020 (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 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Monday, 25 May 2020.
 - (ii) The register of members of the Company will be closed on Wednesday, 10 June 2020 and Thursday, 11 June 2020, 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 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 9 June 2020.
4. With respect to ordinary resolution of item (3) above regarding re-election of Directors, Dr. Lam Ko Yin, Colin, Mr. Lau Yum Chuen, Eddie and Dr. Lee Shau Kee 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, except for Dr. Lee Shau Kee, 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 and 8 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.
6. Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the Annual General Meeting arrangements at short notice. Shareholders should check the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.hkf.com) for future announcements and updates on the arrangements of the Annual General Meeting. Shareholders are advised to read the leaflet attached to this notice for further detail and monitor the development of COVID-19.

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 and Dr. Lee Shau Kee; and the independent non-executive directors are Mr. Ho Hau Chong, Norman, Ms. Wong Yu Pok, Marina and Mr. Wu King Cheong.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

The health of our shareholders, staff and stakeholders is of paramount importance to us. In view of the spreading of the Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to safeguard the health and safety of attending shareholders, staff and stakeholders from the risk of infection:

- (1) Compulsory body temperature checks will be conducted for every shareholder, proxy or other attendee at the entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius will be denied entry into the meeting venue or be required to leave the meeting venue. Every attendee will be required to submit a Completed Health Declaration Form prior to entry into the Annual General Meeting venue.
- (2) Every attendee will be required to wear a surgical face mask throughout the Annual General Meeting and sit at a safe distance from other attendees. Please note that no masks will be provided at the Annual General Meeting venue and attendees should bring and wear their own masks.
- (3) There will be no gift and no refreshment will be served.
- (4) Any attendee has any flu-like symptoms or subject to any Hong Kong Government prescribed quarantine or has close contact with any person under quarantine will be denied entry into the meeting venue.

In addition, the Company reminds all Shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the Chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the form of proxy. The form of proxy for use at the Annual General Meeting is enclosed and can also be downloaded from the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.hkf.com).