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

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**If you are in any doubt** as to any aspect about 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 or transferred** all your shares in Asia Standard Hotel Group Limited, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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**ASIA STANDARD HOTEL GROUP LIMITED****泛海酒店集團有限公司\****(Incorporated in Bermuda with limited liability)***(Stock Code: 292)****MAJOR TRANSACTION  
IN RELATION TO  
DISPOSAL OF NOTES**

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A letter from the Board of Asia Standard Hotel Group Limited is set out on pages 4 to 7 of this circular.

\* *For identification purposes only*

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## DEFINITIONS

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*In this circular (including in the Appendices), unless the context otherwise requires, the following expressions have the following meanings:*

“Announcement”	the joint announcement of AO, ASI and the Company dated 31st October 2019 in relation to, among other things, the Disposal
“AO”	Asia Orient Holdings Limited (stock code: 214), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board
“ASH Noteholder”	Greatime Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“ASI”	Asia Standard International Group Limited (stock code: 129), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board
“ASI Group”	ASI together with its subsidiaries, including the Company
“Board”	the board of Directors
“CAD\$”	Canadian dollars, the lawful currency of Canada
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Company”	Asia Standard Hotel Group Limited (stock code: 292), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“consideration ratio”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules

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## DEFINITIONS

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“Director(s)”	the director(s) of the Company, including the independent non-executive director(s)
“Disposal”	the disposal of Disposed Notes by ASH Noteholder through open market
“Disposed Notes”	the Note(s) disposed of by ASH Noteholder, in the aggregate principal amount of US\$30.096 million
“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 PRC
“Independent Third Party(ies)”	person(s) or company(ies) which is/are third party(ies) independent of the Company and its connected persons
“Issuer”	Ronshine China Holdings Limited (stock code: 3301), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board
“Latest Practicable Date”	10th December 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the main board of Stock Exchange
“Note(s)”	the 11.25% senior note(s) due 2021 in an aggregate principal amount of US\$600 million issued by the Issuer, which are listed on Singapore Exchange Securities Trading Limited
“PRC”	the People’s Republic of China and for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)

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## DEFINITIONS

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“Share(s)”	the ordinary share(s) of HK\$0.02 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the same meaning ascribed to it under the Listing Rules
“The Sai Group”	The Sai Group Limited, a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of ASI and the immediate holding company of the Company
“US\$”	United States dollars, the lawful currency of United States of America
“%”	per cent

*In this circular, amounts denominated in US\$ are converted into HK\$ at the rate of US\$1.00 = HK\$7.81. Such conversion rate is for illustration purpose only and should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.*

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LETTER FROM THE BOARD

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**ASIA STANDARD HOTEL GROUP LIMITED**

**泛海酒店集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 292)**

*Executive Directors:*

Mr. Poon Jing (*Chairman*)

Dr. Lim Yin Cheng

*(Deputy Chairman and Chief Executive)*

Mr. Poon Hai

Mr. Poon Yeung, Roderick

Mr. Fung Siu To, Clement

Mr. Woo Wei Chun, Joseph

*Independent non-executive Directors:*

Mr. Ip Chi Wai

Mr. Leung Wai Keung, *JP*

Mr. Hung Yat Ming

*Registered Office:*

Victoria Place

5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

*Head office and principal place  
of business in Hong Kong:*

30th Floor

YF Life Tower

33 Lockhart Road

Wanchai

Hong Kong

13th December 2019

*To the Shareholders*

Dear Sirs/Madams,

**MAJOR TRANSACTION  
IN RELATION TO  
DISPOSAL OF NOTES**

**INTRODUCTION**

Reference is made to the Announcement.

On 24th October 2019, 29th October 2019 and 30th October 2019, the Group, via ASH Noteholder, disposed of the Notes in an aggregate principal amount of US\$30.096 million (equivalent to approximately HK\$235.0 million) on open market at a total consideration of US\$31.92 million (equivalent to approximately HK\$249.30 million).

\* *For identification purposes only*

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## LETTER FROM THE BOARD

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The Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules. The purpose of this circular is to provide you with, among other things, (i) information of the Disposal; and (ii) other information as required under the Listing Rules.

### THE DISPOSAL

On 24th October 2019, 29th October 2019 and 30th October 2019, the Group, via ASH Noteholder, disposed of the Notes in an aggregate principal amount of US\$30.096 million (equivalent to approximately HK\$235.0 million) on open market at a total consideration of US\$31.92 million (equivalent to approximately HK\$249.30 million), details of which are set out below:

<b>Date</b>	<b>Principal amount of the Notes disposed of</b>	<b>Consideration</b>
24th October 2019	US\$10.000 million	US\$10.59 million
29th October 2019	US\$10.000 million	US\$10.61 million
30th October 2019	US\$10.096 million	US\$10.72 million
Total	US\$30.096 million	US\$31.92 million

As the Disposal was conducted through open market, the Company is not aware of the identities of the purchasers of the Disposed Notes. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the purchasers of the Disposed Notes and their respective ultimate beneficial owners are Independent Third Parties.

### INFORMATION OF THE NOTES

The Notes were issued by the Issuer on 22nd February 2019 with an aggregate principal amount of US\$600 million (equivalent to approximately HK\$4,686 million). The Notes are denominated in US\$, carry a fixed coupon rate of 11.25% per annum, payable semi-annually in arrears, and mature on 22nd August 2021.

The Issuer is a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board (stock code: 3301). As at the Latest Practicable Date, the Issuer is principally engaged in property development business in the PRC.

As at 31st March 2019, the carrying value of the Disposed Notes, according to the audited accounts of the Company for the financial year ended 31st March 2019, was HK\$249.2 million.

The net profits (both before and after taxation) attributable to the Disposed Notes to the Company for the financial year ended 31st March 2019 was HK\$1.54 million.

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## LETTER FROM THE BOARD

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### FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

It is expected that the Group will record gains of approximately HK\$14.3 million in the current financial year, as a result of the Disposal, subject to audit. The gains represent the difference between the consideration and the cost of the Disposed Notes, plus the written back of expected credit loss of the Disposed Notes provided in prior years as of 31st March 2019.

Having taken into account of the net proceeds from the Disposal and the total assets of the Group, it is estimated that, except the estimated gains as mentioned above, the Disposal would not have any significant impact on the overall financial position of the Group.

The Directors intend to use the proceeds from the Disposal for general working capital.

### REASONS FOR AND BENEFITS OF THE DISPOSAL

The Disposal forms part of the investment activities of the Group, which are in its ordinary and usual course of business. As part of its principal business, the Group monitors the performance of its securities portfolio and makes adjustment to it (with regards to the types and/or amounts of the securities) from time to time. In general, the Group will consider a number of factors in respect of its investment decision of adjusting its securities portfolio, including, among others, the diversity, risk profile, return, yield, etc., of the securities held by it and in the market.

The Board considers that the Disposal provides the Group with a good opportunity to unlock the value of its investment in the Disposed Notes at fair market value, and free up some cash so that the Group may re-allocate resources for other reinvestment opportunities when they arise.

Given that the Disposal was conducted through open market, the Directors believe that the terms of the Disposal are fair and reasonable and the Disposal is in the interests of the Company and its Shareholders as a whole.

### INFORMATION ON THE COMPANY AND ASH NOTEHOLDER

The Company is a member of ASI Group and a limited liability company incorporated in Bermuda whose shares are listed on the Main Board. As at the Latest Practicable Date, the principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company consist of holding and operating hotels, property development and securities investments.

ASH Noteholder is a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company. As at the Latest Practicable Date, it is principally engaged in securities investment.



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## LETTER FROM THE BOARD

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### LISTING RULES IMPLICATIONS

As the consideration ratio in respect of the Disposal is more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules. Given that none of the Shareholders has a material interest in the Disposal, none of them would be required to abstain from voting if a general meeting of the Company were to be convened to approve the Disposal. Pursuant to Rule 14.44 of the Listing Rules, on 29th October 2019, the Company had obtained a written approval from The Sai Group (holding 1,298,709,227 Shares, representing approximately 64.35% of the issued share capital of the Company, as at the date of the Announcement) to approve the Disposal. The Sai Group is a wholly-owned subsidiary of ASI. Therefore, no general meeting of the Company will be convened to approve the Disposal.

### RECOMMENDATION

Given that the Disposal was conducted through open market, the Directors believe that the terms of the Disposal are fair and reasonable and the Disposal is in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders should vote in favour of the resolutions approving the Disposal.

The above statement is for Shareholders' reference only given that the Company has already obtained the written approval from The Sai Group for the Disposal and hence pursuant to Rule 14.44 of the Listing Rules, no general meeting of the Company will be convened to approve the Disposal.

### ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices I and II to this circular.

Yours faithfully,  
For and on behalf of  
**Asia Standard Hotel Group Limited**  
**Lim Yin Cheng**  
*Deputy Chairman and Chief Executive*

**1. FINANCIAL INFORMATION OF THE GROUP FOR THE THREE YEARS ENDED 31ST MARCH 2019 AND THE SIX MONTHS ENDED 30TH SEPTEMBER 2019**

The audited consolidated financial statements of the Group,

- (i) for the year ended 31st March 2019 is disclosed in the annual report of the Company for the year ended 31st March 2019 published on 30th July 2019, from pages 60 to 144 as published on the website of the Stock Exchange (<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/0730/ltn20190730169.pdf>);
- (ii) for the year ended 31st March 2018 is disclosed in the annual report of the Company for the year ended 31st March 2018 published on 30th July 2018, from pages 54 to 132 as published on the website of the Stock Exchange (<https://www1.hkexnews.hk/listedco/listconews/sehk/2018/0730/ltn20180730604.pdf>); and
- (iii) for the year ended 31st March 2017 is disclosed in the annual report of the Company for the year ended 31st March 2017 published on 27th July 2017, from pages 54 to 128 as published on the website of the Stock Exchange (<https://www1.hkexnews.hk/listedco/listconews/sehk/2017/0727/ltn20170727409.pdf>).

The unaudited condensed consolidated results of the Group for the six months ended 30th September 2019 is disclosed in the interim results announcement of the Company for the six months ended 30th September 2019, as published on the website of the Stock Exchange (<https://www1.hkexnews.hk/listedco/listconews/sehk/2019/1128/2019112801265.pdf>).

All of the abovementioned annual reports and the interim results announcement have also been published on the website of the Company ([www.asiastandardhotelgroup.com](http://www.asiastandardhotelgroup.com)).

**2. INDEBTEDNESS STATEMENT**

As at the close of business on 31st October 2019, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this circular, the Group had approximately HK\$6,327 million outstanding indebtedness comprising the following debts:–

- (i) HK\$4,793 million bank borrowings were guaranteed, and were secured by the Group's certain property, plant and equipment, properties under development for sale and financial investments;
- (ii) HK\$1,318 million bank borrowings were guaranteed and unsecured;
- (iii) HK\$207 million convertible notes liabilities were unguaranteed and unsecured; and
- (iv) lease liabilities of HK\$9 million relating to premises leased by the Group as lessee.

The carrying values of the Group's assets pledged to secure its borrowings amounted to approximately HK\$5,229 million as at 31st October 2019.

As at close of business on 31st October 2019, the Group had contingent liabilities of HK\$378 million in respect of financial guarantees given to the financial institutions for the banking and loan facilities extended to the Group's joint ventures.

Save as aforesaid and apart from intra-group liabilities and normal trade payables, as at the close of business on 31st October 2019, the Group did not have any debt securities issued and outstanding, and authorised or otherwise created but unissued, or term loans, bank overdrafts, liabilities under acceptances (other than normal trade bills) or acceptance credits, hire purchase commitments or other borrowings, mortgages, charges, guarantees or contingent liabilities.

### **3. WORKING CAPITAL**

The Directors are of the opinion that, after taking into account the effects of the Disposal, in the absence of any unforeseen circumstances and after taking into account (i) the internal resources of the Group; and (ii) the Group's presently available banking facilities, the Group will have sufficient working capital for its present requirements and for at least the next twelve months from the date of this circular.

### **4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

The Group is principally engaged in hotel operation, property development and securities investments.

#### **Hotel operation**

During the six months ended 30th September 2019, the Group's hotel operation in Hong Kong was negatively impacted by the local political events. The occupancy rate and average room rate had dropped by 13% and 17%, respectively, which led to a decline in gross profit when compared to the corresponding period in 2018. This adverse effect was partially offset by a continued healthy ramp up of Empire Prestige in Tsim Sha Tsui, which opened in December 2018.

The cumulative arrivals between April 2019 and September 2019 for all visitors to Hong Kong and those who stayed overnight were 29 million and 12 million, respectively, the former had a 8% decrease and the latter had a 14% decrease. Mainland China continued to dominate the overnight visitor arrivals with a 69% of the total share, despite this market recorded a 15% decrease from the same period in 2018.

As of September 2019, the total Hong Kong hotel room supply was approximately 83,100 rooms, increased by 3% from the same period in 2018.

**Property development**

In Vancouver, the demolition work of the Empire Landmark Hotel located close in the downtown commercial core on Robson Street is now substantially completed, and the shoring and excavation work will follow shortly. As at 30th September 2019, a total of approximately CAD\$140 million contracted sales of residential units in this development has been achieved from the project sales launch at the beginning of 2018.

The other developable property located next to the Empire Landmark Hotel is still in the planning stage for development.

The Group's joint venture residential development on Alberni Street is on course to obtain the development and building permits from the local authority, in which it has received the Prior to Letter detailing out the conditions for approval by the local city council in June 2019 for the issuance of development permit.

Another joint venture development that is also located at Alberni Street in downtown Vancouver is in the planning stage for development into premium residential units for sale. The rezoning resubmission package is scheduled to be submitted to the city council in early 2020.

**Securities investments**

As at 30th September 2019, the Group's financial investment portfolio consisted almost entirely of listed securities amounted to HK\$6,395 million (31st March 2019: HK\$6,987 million). The decrease in value of the portfolio during the period was mainly attributable to a net disposal of securities coupled with a mark to market fair value loss during the period.

Approximately 96% of the Group's investment portfolio comprised of listed debt securities that were issued mostly by companies operating real estate business in China, approximately 3% comprised listed equity securities, and 1% comprised unlisted funds. They were denominated in Hong Kong dollars 3% and United States dollars 97%.

During the six months ended 30th September 2019, a total of HK\$422 million (2018: HK\$266 million) in interest and dividend income were generated from the investment portfolio. The increase in interest and dividend income was due to an enlarged debt portfolio from additional investments. A net investment gain of HK\$18 million (2018: a net loss of HK\$56 million) was credited to profit and loss account while the mark-to-market valuation loss on listed debt securities of HK\$229 million were recognised in the investment reserve account.

**FUTURE PROSPECTS**

For the Group's hotel operation in Hong Kong, the management continues to take actions of both short term and longer term to control costs and drive efficiency as the tourism sentiment may take some time to improve. This negative impact would be more than offset by the strong recurrent earnings and cash flow generated from the Group's fixed income financial investment portfolio.

The property market in Vancouver, Canada, as supported by solid economic performance and population growth, is expected to remain attractive.

While China's economic outlook remained uncertain amid ongoing trade tension, continued supportive fiscal and monetary policies by the PRC government, coupled with a healthy labour market, will provide some buffer to avert the slowdown of its economic growth.

The management, while continuously monitoring macroeconomic developments and risks to the outlook, remains cautiously optimistic towards the performance of the Group in the rapidly changing environment.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules were as follows:

#### (I) Long positions in shares

##### (a) The Company

Director	Number of Shares held			Percentage of Shares in issue (%)
	Personal interest	Corporate interest	Total	
Poon Jing	152,490	1,346,158,049	1,346,310,539	66.71

*Note:* By virtue of Mr. Poon Jing's interest in the Company through AO and its subsidiaries as disclosed under the sub-paragraph headed "Substantial shareholders' and other persons' interests and short positions in the Shares and underlying Shares" below, Mr. Poon is deemed to be interested in the shares of all of the Company's subsidiaries.

*(b) Associated corporations*

Director	Associated corporations	Number of shares held				Total	Percentage of shares in issue (%)
		Personal interest	Family interest	Corporate interest			
Poon Jing	AO (Note 1)	273,607,688	5,318,799	145,213,900	424,140,387	50.44	
	ASI (Note 2)	1,308,884	–	683,556,392	684,865,276	51.89	
Poon Hai	AO	10,444,319	–	–	10,444,319	1.24	
Fung Siu To, Clement	AO	15,440,225	–	–	15,440,225	1.83	
	Mark Honour Limited	9	–	–	9	0.01	

*Notes:*

1. By virtue of Mr. Poon Jing's controlling interest in AO, he is deemed to be interested in the Shares held by AO.
2. By virtue of Mr. Poon Jing's controlling interest in AO, he is deemed to be interested in the shares of ASI held by subsidiaries of AO.

**(II) Long positions in underlying shares***Interests in share options**(a) The Company*

Director	Outstanding as at the Latest Practicable Date
Poon Hai	14,400,000
Poon Yeung, Roderick	14,400,000

*Note:* Options were granted on 11th December 2015 under a share option scheme adopted by the Company on 28th August 2006 and exercisable during the period from 11th December 2015 to 10th December 2025 at an exercise price of HK\$0.343 (as adjusted) per Share.

*(b) Associated corporation – AO*

Director	Outstanding as at the Latest Practicable Date
Poon Hai	3,500,000
Poon Yeung, Roderick	3,500,000

*Note:* Options were granted on 11th December 2015 under a share option scheme adopted by AO on 29th August 2014 and exercisable during the period from 11th December 2015 to 10th December 2025 at an exercise price of HK\$1.42 per share.

*(c) Associated corporation – ASI*

<b>Director</b>	<b>Outstanding as at the Latest Practicable Date</b>
Poon Hai	3,500,000
Poon Yeung, Roderick	3,500,000

*Note:* Options were granted on 11th December 2015 under a share option scheme adopted by ASI on 29th August 2014 and exercisable during the period from 11th December 2015 to 10th December 2025 at an exercise price of HK\$1.38 per share.

**(III) Long positions in underlying shares and debentures***Interests in convertible notes**(a) The Company*

<b>Director</b>	<b>Number of convertible notes held</b>		<b>Total</b>
	<b>Personal interest</b>	<b>Corporate interest</b>	
Poon Jing	–	2,692,316,098	2,692,316,098

*Note:* By virtue of Mr. Poon Jing's controlling interest in AO, he is deemed to be interested in the convertible notes held by AO and its subsidiaries which are convertible into 2,692,316,098 Shares. The convertible notes are convertible during the period from 24th February 2017 and up to and including the date falling the 10th business day prior to 23rd February 2047 at the redemption value of HK\$0.453 per convertible note.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

**Substantial shareholders' and other persons' interests and short positions in the Shares and underlying Shares**

As at the Latest Practicable Date, so far as was known by or otherwise notified to the Directors and chief executive of the Company, the particulars of the corporations or individuals (other than a Director or the chief executive of the Company) who had 5% or more interests in the following long and short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the



SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO (the “Register of Shareholders”) or were entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company (the “Voting Entitlement”) (i.e. within the same meaning of “substantial shareholders” under the Listing Rules) were as follows:

**(I) Long positions in Shares**

Shareholder	Capacity	Number of Shares held	Total	Percentage of Shares in issue (%)
The Sai Group	Beneficial owner	1,298,709,277	1,298,709,277	64.35
ASI (Note 1)	Interests in controlled corporation	1,298,709,227	1,298,709,227	64.35
Persian Limited (“Persian”)	Beneficial owner	47,448,822	47,448,822	2.35
Asia Orient Holdings (BVI) Limited (“AOH(BVI)”) (Notes 2 and 3)	Interests in controlled corporation	1,346,158,049	1,346,158,049	66.70
AO (Note 4)	Interests in controlled corporation	1,346,158,049	1,346,158,049	66.70
Wong Kwok Fong	Beneficial owner	183,088,366	183,148,366	9.07
	Family interest	60,000		

**(II) Long positions in underlying Shares**

*Interests in convertible notes*

Holder of convertible notes	Capacity	Number of convertible notes held
The Sai Group (Note 5)	Beneficial owner	2,597,418,454
ASI (Notes 1 and 5)	Interests in controlled corporation	2,597,418,454
Persian (Note 5)	Beneficial owner	94,897,644
AOH(BVI) (Notes 2, 3 and 5)	Interests in controlled corporation	2,692,316,098
AO (Notes 4 and 5)	Interests in controlled corporation	2,692,316,098

*Notes:*

1. The Sai Group is a wholly-owned subsidiary of ASI. ASI is deemed to be interested in and duplicate the interest held by The Sai Group.
2. AOH(BVI) and its subsidiaries together hold more than one-third of the issued shares of ASI and are deemed to be interested in and duplicate the interest held by ASI.
3. Persian is a wholly-owned subsidiary of AOH(BVI). AOH(BVI) is deemed to be interested in and duplicate the interest held by Persian.
4. AOH(BVI) is a wholly-owned subsidiary of AO. AO is deemed to be interested in and duplicate the interest held by AOH(BVI) and its subsidiaries.
5. The convertible notes are convertible during the period from 24th February 2017 and up to and including the date falling the 10th business day prior to 23rd February 2047 at the redemption value of HK\$0.453 per convertible note.
6. Details of directorships of the Directors in each of those companies which has an interest in the Shares and underlying Shares as disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO are set out as follows:–
  - a. Mr. Poon Jing, Dr. Lim Yin Cheng, Mr. Poon Hai and Mr. Fung Siu To, Clement are directors of The Sai Group;
  - b. Mr. Poon Jing, Mr. Poon Hai, Mr. Poon Yeung, Roderick and Mr. Leung Wai Keung are directors of ASI;
  - c. Mr. Poon Jing, Mr. Poon Hai and Mr. Fung Siu To, Clement are directors of Persian;
  - d. Mr. Poon Jing, Dr. Lim Yin Cheng and Mr. Fung Siu To, Clement are directors of AOH(BVI); and
  - e. Mr. Poon Jing, Mr. Poon Hai, Mr. Poon Yeung, Roderick, Mr. Fung Siu To, Clement and Mr. Hung Yat Ming are directors of AO.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other corporation or individual (other than a Director or the chief executive of the Company) who had the Voting Entitlement or 5% or more interests or short positions in the Shares or underlying Shares as recorded in the Register of Shareholders.

### **3. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which will not expire or be determinable by the relevant member of the Group within one year without payment of compensation (other than statutory compensation).

### **4. LITIGATION**

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against the members of the Group.

**5. COMPETING INTERESTS**

As at the Latest Practicable Date, none of the Directors and their respective close associates had any interest in a business which competes or may compete with the businesses of the Group (which would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them was a controlling shareholder of the Company).

**6. INTEREST IN ASSETS AND CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which have been, since 31st March 2019 (being the date to which the latest published audited financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any of the Directors was materially interested and which was significant to the business of the Group.

**7. MATERIAL CONTRACTS**

No contract (being contract entered into outside the ordinary course of business carried on by the Group) has been entered into by members of the Group within the two years immediately preceding the date of this circular.

**8. GENERAL**

- (a) The address of the registered office of the Company is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda.
- (b) Mr. Lee Tai Hay, Dominic is the company secretary of the Company. He is a fellow member of the Hong Kong Institute of Chartered Secretaries.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (d) The head office and principal place of business of the Company in Hong Kong is 30th Floor, YF Life Tower, 33 Lockhart Road, Wanchai, Hong Kong.
- (e) In case of inconsistency, the English text of this circular shall prevail over the Chinese text.

**9. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours at the principal office of the Company in Hong Kong at 30th Floor, YF Life Tower, 33 Lockhart Road, Wanchai, Hong Kong for 14 days from the date of this circular:

- (a) the Memorandum of Association and Bye-Laws of the Company;
- (b) the annual reports of the Company for the three financial years ended 31st March 2017, 2018 and 2019;
- (c) the announcement of the interim results of the Company for the six months ended 30th September 2019; and
- (d) this circular.