

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **China Everbright International Limited**, you should at once hand this circular, the 2018 annual report and proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



CHINA EVERBRIGHT INTERNATIONAL LIMITED

中國光大國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 257)

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

A notice convening the Annual General Meeting of China Everbright International Limited to be held at Island Ballroom, Level 5, Island Shangri-La, Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 22 May 2019 at 3:00 p.m. is set out on pages 15 to 19 of this circular. Whether or not you propose to attend the meeting, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the meeting should they so wish.

Hong Kong, 9 April 2019

DEFINITIONS

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

“AGM Notice”	the notice dated 9 April 2019 convening the AGM as set out on pages 15 to 19 of this circular
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Island Ballroom, Level 5, Island Shangri-La, Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 22 May 2019 at 3:00 p.m.
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of directors of the Company or a duly authorized committee thereof for the time being
“Buy-back Mandate”	the general and unconditional mandate proposed to be granted to the Directors to exercise the powers of the Company to buy back Shares during the period as set out in the ordinary resolution no.5(2) in the AGM Notice up to 10% of the total number of issued Shares as at the date of passing of the ordinary resolution no.5(2)
“close associates”	has the meaning ascribed to it in the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Company”	China Everbright International Limited (中國光大國際有限公司), a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Stock Exchange
“core connected persons”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company for the time being
“Group”	the Company and its subsidiaries from time to time
“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

DEFINITIONS

“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares during the period as set out in the ordinary resolution no.5(1) in the AGM Notice up to 20% of the total number of issued Shares as at the date of passing of the ordinary resolution no.5(1)
“Latest Practicable Date”	2 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of the Company with no nominal value
“Share Buy-back Rules”	the relevant rules set out in the Listing Rules to regulate the buy-back by companies with primary listing of their own securities on the Stock Exchange
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.



CHINA EVERBRIGHT INTERNATIONAL LIMITED

中國光大國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 257)

Directors:

Executive Directors:

CAI Yunge (*Chairman*)

WANG Tianyi (*Chief Executive Officer*)

WONG Kam Chung, Raymond (*Chief Financial Officer*)

HU Yanguo (*Deputy General Manager*)

QIAN Xiaodong (*Deputy General Manager*)

Registered Office:

Room 2703, 27th Floor

Far East Finance Centre

16 Harcourt Road

Hong Kong

Independent non-executive Directors:

FAN Yan Hok, Philip

MAR Selwyn

ZHAI Haitao

SUO Xuquan

9 April 2019

To the Shareholders

Dear Sir or Madam,

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

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding, inter alia, the proposed renewal of the Issue Mandate, the Buy-back Mandate, and re-election of the retiring Directors and to seek your approval of the resolutions relating to these matters at the AGM to be held at Island Ballroom, Level 5, Island Shangri-La, Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 22 May 2019 at 3:00 p.m., notice of which is set out on pages 15 to 19 of this circular.

LETTER FROM THE BOARD

2. GENERAL MANDATES TO ISSUE SHARES AND TO BUY BACK SHARES

At the annual general meeting of the Company held on 16 May 2018, general mandates were given to the Directors to allot, issue and deal with Shares and to exercise the powers of the Company to buy back Shares in accordance with the Share Buy-back Rules. Such general mandates will lapse at the conclusion of the AGM. Therefore, it is proposed to seek your approval at the AGM to renew these general mandates to:

- (i) grant to the Directors the Issue Mandate to allot, issue and deal with new Shares up to 20% of the total number of issued Shares as at the date of passing of the ordinary resolution no.5(1) set out in the AGM Notice;
- (ii) grant to the Directors the Buy-back Mandate to exercise the powers of the Company to buy back Shares up to 10% of the total number of issued Shares as at the date of passing of the ordinary resolution no.5(2) set out in the AGM Notice; and
- (iii) extend the Issue Mandate by adding to it of an amount representing the total number of Shares which are bought back or otherwise acquired by the Company pursuant to the Buy-back Mandate.

Such general mandates proposed to be granted to the Directors will continue in force until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company; or
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of Hong Kong to be held; or
- (iii) the date on which the authority set out in such ordinary resolutions no.5(1) and no.5(2) in the AGM Notice is revoked or varied by an ordinary resolution of the Shareholders in general meeting.

Details of the Issue Mandate and Buy-back Mandate are set out in the ordinary resolutions no.5(1) and no.5(2) in the AGM Notice. An explanatory statement, as required to be sent to the Shareholders under the Share Buy-back Rules and under the Companies Ordinance, to provide you with requisite information in respect of the Buy-back Mandate is set out in the Appendix I hereto.

Details of the extension of the Issue Mandate are set out in the ordinary resolution no.5(3) in the AGM Notice.

LETTER FROM THE BOARD

3. RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of nine Directors, comprising (i) five executive Directors, namely Mr. Cai Yunge, Mr. Wang Tianyi, Mr. Wong Kam Chung, Raymond, Mr. Hu Yanguo and Mr. Qian Xiaodong; and (ii) four independent non-executive Directors, namely Mr. Fan Yan Hok, Philip, Mr. Mar Selwyn, Mr. Zhai Haitao and Mr. Suo Xuquan.

Pursuant to article 73 of the Articles of Association, Mr. Suo Xuquan who was appointed as a new Director on 14 August 2018, will retire at the AGM and, being eligible, offer himself for re-election.

Pursuant to article 77 of the Articles of Association, Mr. Cai Yunge, Mr. Wang Tianyi and Mr. Zhai Haitao, being the Directors longest in office since their last re-election, will retire by rotation from office at the AGM and, being eligible, offer themselves for re-election.

The Nomination Committee had assessed and reviewed the annual written confirmation of independence of each of the independent non-executive Directors for the year ended 31 December 2018 based on the independence criteria as set out in rule 3.13 of the Listing Rules and confirmed that all of them, including Mr. Zhai Haitao and Mr. Suo Xuquan, remain independent. The Nomination Committee had considered and nominated the above retiring Directors to the Board for it to propose to the Shareholders for re-election at the AGM.

Accordingly, with the recommendation of the Nomination Committee, the Board has proposed that all the above retiring Directors, namely Mr. Cai Yunge, Mr. Wang Tianyi, Mr. Zhai Haitao and Mr. Suo Xuquan, stand for re-election as Directors at the AGM. As a good corporate governance practice, each of the above retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the AGM.

Details of the retiring Directors proposed for re-election at the AGM are set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING

Set out on pages 15 to 19 of this circular is the AGM Notice containing, inter alia, ordinary resolutions which will be proposed at the AGM to approve respectively the Issue Mandate, the Buy-back Mandate and the extension of the Issue Mandate and the re-election of the retiring Directors.

LETTER FROM THE BOARD

5. VOTING BY WAY OF POLL

Pursuant to rule 13.39(4) of the Listing Rules, all votes of the Shareholders at a general meeting will be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

6. ACTION TO BE TAKEN

A proxy form for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete the proxy form and return it to the Company's share registrar, Tricor Tengis 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 AGM or any adjournment thereof. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the AGM if they so wish.

7. RECOMMENDATION

The Board believes that the proposals for granting of the Issue Mandate, the Buy-back Mandate, the extension of the Issue Mandate and the re-election of retiring Directors as set out in the AGM Notice are all in the best interests of the Company and the Shareholders. Accordingly, the Board recommends that all Shareholders should vote in favour of the relevant resolutions set out in the AGM Notice.

Yours faithfully,
For and on behalf of the Board of
China Everbright International Limited
CAI Yunge
Chairman

This appendix serves as an explanatory statement required to be sent to the Shareholders under the Share Buy-back Rules to provide them with the requisite information for their consideration of the Buy-back Mandate and also constitutes the memorandum as required under section 239(2) of the Companies Ordinance.

(A) SHARES

As at the Latest Practicable Date, the number of issued Shares was 6,142,975,292 Shares.

Subject to the passing of the ordinary resolution no.5(2) in the AGM Notice in respect of the Buy-back Mandate and on the basis of 6,142,975,292 Shares in issue and assuming no further Shares are issued or bought back between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 614,297,529 Shares during the period as set out in ordinary resolution no.5(2) in the AGM Notice representing not more than 10% of the total number of issued Shares at the Latest Practicable Date.

(B) REASONS FOR BUY-BACK

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

(C) FUNDING OF BUY-BACK

In Share buy-back, 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 payment in respect of share buy-back may only be paid from distributable profits of the Company or the proceeds of a new issue of Shares made for the purpose of share buy-back to such extent allowable under the Companies Ordinance.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements contained in the annual report for the year ended 31 December 2018 in the event that the power to buy back Shares pursuant to the Buy-back Mandate were to be carried out in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(D) SHARE PRICES

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

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
April	11.340	10.400
May	11.720	10.540
June	11.940	9.580
July	10.440	9.170
August	A 9.407	A 6.118
September	6.930	6.060
October	6.980	6.100
November	7.230	6.300
December	7.100	6.580
2019		
January	7.950	6.800
February	8.480	7.550
March	8.520	7.580
April (up to and including the Latest Practicable Date)	8.140	8.000

A = Adjusted

(E) UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to buy back Shares pursuant to the Buy-back Mandate and 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 close associates have any present intention to sell any Shares to the Company under the Buy-back Mandate if such mandate is approved by the Shareholders.

No core connected persons of the Company 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.

(F) TAKEOVERS CODE

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

As at the Latest Practicable Date, Central Huijin Investment Limited ("**Huijin**") together with their close associates are beneficially interested in 2,576,710,137 Shares representing approximately 41.95% of the issued Shares. In the event that the Directors exercise in full the power to buy back Shares pursuant to the Buy-back Mandate, then (if the present shareholdings remain the same), the shareholdings of Huijin together with their close associates will be increased to approximately 46.61% of the issued Shares.

Based on such shareholding and in the event that the Directors exercise in full the power to buy back Shares pursuant to the Buy-back Mandate, an obligation to make a mandatory general offer by Huijin to the Shareholders under rule 26 of the Takeovers Code may arise. The Directors have no present intention to exercise the Buy-back Mandate to such an extent as would trigger the obligation under the Takeovers Code in the manner described above.

In the event that the Buy-back Mandate is exercised in full, the number of Shares held by the public will not fall below 25%

(G) SHARE BUY-BACK MADE BY THE COMPANY

The Company has not bought back any of its Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION
--

The following are the particulars of the retiring Directors proposed to be re-elected at the AGM.

Mr. CAI Yunge, aged 47, is the Executive Director and the Chairman of the Board. He is also the Chairman of the Nomination Committee and the Member of the Remuneration Committee of the Board. Mr. Cai is the Deputy General Manager of China Everbright Group Ltd., the Vice-chairman and General Manager of China Everbright Holdings Company Limited, and executive director and chairman of the board of directors of China Everbright Limited (the shares of which are listed on the Stock Exchange), and a non-executive director of China Everbright Bank Company Limited ("**Everbright Bank**") (the shares of which are listed on the Stock Exchange and Shanghai Stock Exchange ("**SSE**")). Currently he is the vice chairman of The Hong Kong Chinese Enterprises Association. He holds a master degree in Business Administration from The University of Warwick, UK and a doctoral degree in Economics from the Financial Research Institute of the People's Bank of China. He holds the title of Senior Economist. Before joining the Company, Mr. Cai has served as the secretary to the board and general manager of executive office of Everbright Bank, deputy chief of the Development and Reform Commission of Guangdong Province, and division chief of the General Office and deputy division chief of Banking Supervisory Department II of the China Banking Regulatory Commission. He joined the Board in November 2016, and was re-designated as the Executive Director and the Chairman of the Board in December 2016.

Save as disclosed above, Mr. Cai (i) does not hold and has not held any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, and he does not have any other major appointments or professional qualifications; and (ii) does not hold any position in the Company or any of its subsidiaries and does not have any other relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Cai does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. In accordance with the appointment letter between the Company and Mr. Cai, he is not appointed for a specific term except that he is subject to the arrangements of retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association and the Listing Rules. There is no agreement in respect of the director's remuneration of Mr. Cai and his director's remuneration will be determined by the Board by reference to the prevailing market conditions and subject to the Shareholders' approval at the AGM.

Save as disclosed above, Mr. Cai has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and no other information that should be disclosed pursuant to rule 13.51(2) of the Listing Rules.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION
--

Mr. WANG Tianyi, aged 56, is the Executive Director and the Chief Executive Officer of the Company. He is also the Chairman of the Disclosure Committee and the Member of the Nomination Committee of the Board, and a director of several subsidiaries of the Group. He is the non-executive director and the chairman of China Everbright Water Limited (the Company's subsidiary and the shares of which are listed on the Singapore Exchange Securities Trading Limited). He is also the non-executive director and the chairman of the board of directors of China Everbright Greentech Limited (the Company's subsidiary and the shares of which are listed on the Stock Exchange). Prior to joining the Group, he was the Dean of Shandong Academy of Sciences. He was formerly the Deputy Mayor of Jinan City of Shandong Province. He had been the Vice President, and the Dean and Professor of the School of Economics and Management of Yantai University of Shandong Province. He is currently a part-time professor of Tsinghua University and a Co-Director of the Center for PPP of Tsinghua University. He is also a member of the UNECE PPP Business Advisory Board, a member of the China Council for International Cooperation on Environment and Development, a vice chairman of Industrial and Academic Union of Ecological Environment of the China Association for Science and Technology and a member of China Business Research Centre Advisory Council of the National University of Singapore. He holds a doctorate degree in economics, a master's degree in management and a bachelor's degree in electronics from Tsinghua University. He had pursued advanced studies at Harvard University and University of California in the United States. Mr. Wang joined the Board in February 2010, and was re-designated as the Executive Director and the Chief Executive Officer of the Company in January 2018.

Save as disclosed above, Mr. Wang (i) does not hold and has not held any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, and he does not have any other major appointments or professional qualifications; and (ii) does not hold any position in the Company or any of its subsidiaries and does not have any other relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Wang does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. Mr. Wang is entitled to an annual salary of HK\$2,650,000 for the year 2018 and a meeting allowance of (i) HK\$10,000 for each Board meeting; and (ii) HK\$5,000 for each Nomination Committee meeting up to 13 August 2018 (the meeting allowance for the Executive Directors was cancelled with effect from 14 August 2018). Details of his remuneration are set out in note 9 to the financial statements in the 2018 annual report. He is also entitled to a year-end discretionary bonus determined by the Remuneration Committee of the Company at its absolute discretion having regard to the Company's performance and the market situation. In accordance with the appointment letter between the Company and Mr. Wang, he is not appointed for a specific term except that he is subject to the arrangements of retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association and the Listing Rules. There is no agreement in respect of the director's remuneration of Mr. Wang and his director's remuneration will be determined by the Board by reference to the prevailing market conditions and subject to the Shareholders' approval at the AGM.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION
--

Save as disclosed above, Mr. Wang has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and no other information that should be disclosed pursuant to rule 13.51(2) of the Listing Rules.

Mr. ZHAI Haitao, aged 50, is the Independent Non-executive Director, the Chairman of the Remuneration Committee, and the Member of each of the Audit Committee and the Nomination Committee of the Board. Mr. Zhai is the President and Partner of Primavera Capital Group. He is also an independent director of China Everbright Water Limited (the Company's subsidiary and the shares of which are listed on the Singapore Exchange Securities Trading Limited). He was formerly Managing Director of Goldman Sachs (Asia) LLC and Chief Representative of Goldman Sachs Beijing Office. Prior to joining Goldman Sachs, Mr. Zhai worked at the International Department of the People's Bank of China in Beijing, and was Deputy Representative of the People's Bank of China Representative Office for the Americas based in New York. He holds a Master's Degree in International Relations from Columbia University, a Master of Business Administration Degree from New York University and a Bachelor of Arts Degree in Economics from Peking University. He has extensive experience and knowledge in banking, capital market and management. Mr. Zhai joined the Board in January 2011.

Save as disclosed above, Mr. Zhai (i) does not hold and has not held any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, and he does not have any other major appointments or professional qualifications; and (ii) does not hold any position in the Company or any of its subsidiaries.

Mr. Zhai has given his written annual independence to the Company and the Nomination Committee had assessed and reviewed it based on the independence criteria as set out in rule 3.13 of the Listing Rules. He does not have any other relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. The Board is also not aware of any circumstance that might influence Mr. Zhai in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an Independent Non-executive Director and he will be able to maintain an independent view of the Group's affairs. The Board considers him to be independent.

The Board is of the view that Mr. Zhai is beneficial to the Board with diversity of his comprehensive experience and knowledge in banking, capital market and management that contributes to invaluable expertise, continuity and stability to the Board, and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION
--

As at the Latest Practicable Date, Mr. Zhai does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. In accordance with the appointment letter between the Company and Mr. Zhai, he was appointed for a term of two years until 31 December 2019 and subject to the arrangements of retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association and the Listing Rules. He is entitled to receive a director's fee of HK\$320,000 per annum which is subject to the approval of the Board by reference to the prevailing market conditions and the Shareholders' approval at the AGM. He is also entitled to a meeting allowance of (i) HK\$10,000 for each board meeting; (ii) HK\$8,000 for each Remuneration Committee meeting; and (iii) HK\$5,000 for each of Audit Committee meeting and Nomination Committee meeting. Details of his remuneration are set out in note 9 to the financial statements in the 2018 annual report.

Save as disclosed above, Mr. Zhai has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and no other information that should be disclosed pursuant to rule 13.51(2) of the Listing Rules.

Mr. SUO Xuquan, aged 61, is the Independent Non-executive Director, and the Member of each of the Remuneration Committee, the Nomination Committee and the Risk Management Committee of the Board. He is also an independent director of China Satellite Communications Co., Ltd.* (中國衛通集團股份有限公司) and CITIC Bank International (China) Limited. Mr. Suo is a part-time professor of Business School of China University of Political Science and Law. Mr. Suo was the general manager of Credit Extension Approval Department of Head Office of Industrial and Commercial Bank of China Limited ("ICBC", the shares of which are listed on the Stock Exchange and SSE) prior to his retirement from the ICBC group after 33 years of services. He also worked in the Shaanxi Branch of the People's Bank of China before joining the ICBC Group. Mr. Suo graduated from on-job postgraduate class of Economics and Management in the Correspondence College of Central Party School of the Communist Party of China, and he is a senior economist and expert entitled to special allowance of the State Council. Mr. Suo has over 37 years of relevant banking experience and has extensive experience in bank credit management and bank credit risk management. He has expertise in business operation and financial analysis. Mr. Suo joined the Board in August 2018.

Save as disclosed above, Mr. Suo (i) does not hold and has not held any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, and he does not have any other major appointments or professional qualifications; and (ii) does not hold any position in the Company or any of its subsidiaries.

* For identification purposes only

APPENDIX II DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION
--

Mr. Suo has given his written annual independence to the Company and the Nomination Committee had assessed and reviewed it based on the independence criteria as set out in rule 3.13 of the Listing Rules. He does not have any other relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. The Board is also not aware of any circumstance that might influence Mr. Suo in exercising independent judgment, and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an Independent Non-executive Director and he will be able to maintain an independent view of the Group's affairs. The Board considers him to be independent.

The Board is of the view that Mr. Suo is beneficial to the Board with diversity of his extensive experience in bank credit management, bank credit risk management, business operation and financial analysis that contributes to invaluable expertise to the Board, and the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board believes that he will continue to contribute effectively to the Board.

As at the Latest Practicable Date, Mr. Suo does not have any interest in the Shares or underlying Shares within the meaning of Part XV of the SFO. In accordance with the appointment letter between the Company and Mr. Suo, he was appointed for a term from 14 August 2018 up to 31 December 2019 and subject to the arrangements of retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of Association and the Listing Rules. Mr. Suo is entitled to receive a director's fee of HK\$320,000 per annum which is subject to the approval of the Board by reference to the prevailing market conditions and the Shareholders' approval at the AGM. Details of his remuneration are set out in note 9 to the financial statements in the 2018 annual report.

Save as disclosed above, Mr. Suo has confirmed that there are no other matters that need to be brought to the attention of the Shareholders in connection with his re-election and no other information that should be disclosed pursuant to rule 13.51(2) of the Listing Rules.

In the opinion of the Directors, other than the aforesaid matters, there are no other matters that need to be brought to the attention of the Shareholders in relation to the re-election of the above retiring Directors.



CHINA EVERBRIGHT INTERNATIONAL LIMITED

中國光大國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 257)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of China Everbright International Limited (the “**Company**”) will be held at Island Ballroom, Level 5, Island Shangri-La, Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong on Wednesday, 22 May 2019 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the report of the directors and independent auditor’s report for the year ended 31 December 2018.
2. To declare a final dividend of HK12 cents per share for the year ended 31 December 2018.
3.
 - (1) To re-elect Mr. Cai Yunge as an executive director of the Company.
 - (2) To re-elect Mr. Wang Tianyi as an executive director of the Company.
 - (3) To re-elect Mr. Zhai Haitao as an independent non-executive director of the Company.
 - (4) To re-elect Mr. Suo Xuquan as an independent non-executive director of the Company.
 - (5) To authorize the board of directors (the “**Directors**”) of the Company (the “**Board**”) to fix the remuneration of the Directors for the year ending 31 December 2019.
4. To re-appoint Ernst & Young as the auditor and to authorize the Board to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

5. As special businesses, to consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

ORDINARY RESOLUTIONS

- (1) "THAT:
- (A) subject to paragraph (C) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of the Company ("**Shares**") and to make or grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require Shares to be allotted be and hereby generally and unconditionally approved;
 - (B) the approval in paragraph (A) above shall authorize the Directors during the Relevant Period (as hereinafter defined) to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require Shares to be allotted after the end of the Relevant Period;
 - (C) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (A) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) an issue of Shares pursuant to any scrip dividends or similar arrangement providing for allotment of Shares in lieu of the whole or part of the dividend on Shares in accordance with the articles of association of the Company, shall not exceed 20 per cent. of the total number of issued Shares as at the date of passing of this Resolution provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be issued pursuant to the approval in paragraph (A) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(D) for the purpose of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company; or
- (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 any applicable laws of Hong Kong to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means an offer of Shares or issue of options, warrants or other securities giving the right to subscribe for Shares, open for a period fixed by the Directors to the holders of Shares, or any class of Shares, whose name appear on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their holdings of such Shares (or, where appropriate, such other securities) as at that date (subject to such exclusions or other arrangements as the Directors 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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

(2) “**THAT:**

- (A) subject to paragraph (B) of this Resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognized by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

(B) the aggregate number of the Shares to be bought back by the Company pursuant to the approval in paragraph (A) of this Resolution shall not exceed 10 per cent. of the total number of issued Shares as at the date of passing of this Resolution provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be bought back pursuant to the approval in paragraph (A) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same and such maximum number of Shares shall be adjusted accordingly; and

(C) for the purposes of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company; or
- (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 any applicable laws of Hong Kong to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

(3) “**THAT** the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares pursuant to the Ordinary Resolution no.5(1) in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate number of Shares bought back by the Company under the authority granted pursuant to the Ordinary Resolution no.5(2) in the notice convening this meeting, provided that such extended number shall not exceed 10 per cent. of the aggregate number of the issued Shares as at the date of passing of the Ordinary Resolution no.5(2) in the notice convening this meeting.”

By Order of the Board
China Everbright International Limited
POON Yuen Ling
Company Secretary

Hong Kong, 9 April 2019

NOTICE OF ANNUAL GENERAL MEETING

Registered Office:

Room 2703, 27th Floor
Far East Finance Centre
16 Harcourt Road
Hong Kong

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and speak and, on a poll, to vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a proxy form together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be lodged with the Company's share registrar, Tricor Tengis Limited ("Tricor") 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.
3. Where there are joint holders of any share in the Company, any one of such joint holders may vote at the meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and, for the purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
4. The register of members of the Company will be closed from Friday, 17 May 2019 to Wednesday, 22 May 2019, both days inclusive, on which no transfer of shares will be registered. In order to qualify for attending and voting at the annual general meeting, all transfer documents must be lodged with Tricor at the above address by no later than 4:30 p.m. on Thursday, 16 May 2019.
5. The register of members of the Company will also be closed from Wednesday, 29 May 2019 to Friday, 31 May 2019, both days inclusive, on which no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer documents must be lodged with Tricor at the above address by no later than 4:30 p.m. on Tuesday, 28 May 2019.
6. With regard to the Resolution no.3 in this notice, the Board proposed that the retiring Directors, namely Messrs. Cai Yunge, Wang Tianyi, Zhai Haitao and Suo Xuquan be re-elected as Directors. Biographical details of these retiring Directors are set out in Appendix II to the circular dated 9 April 2019 to be despatched to shareholders of the Company.