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GUANGDONG INVESTMENT LIMITED
(粵海投資有限公司)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00270)

Board of Directors:

Executive Directors

Mr. HUANG Xiaofeng (*Chairman*)
Mr. WEN Yinheng (*Managing Director*)
Mrs. HO LAM Lai Ping, Theresa (*Company Secretary*)
Mr. TSANG Hon Nam (*Chief Financial Officer*)

Registered Office:

28th and 29th Floors
Guangdong Investment Tower
148 Connaught Road Central
Hong Kong

Non-Executive Directors

Mr. CAI Yong
Mr. ZHANG Hui
Ms. ZHAO Chunxiao
Mr. LAN Runing
Mr. LI Wai Keung

Independent Non-Executive Directors

Dr. CHAN Cho Chak, John, *GBS, JP*
Dr. the Honourable LI Kwok Po, David, *GBM, GBS, OBE, JP*
Mr. FUNG Daniel Richard, *SBS, QC, SC, JP*
Dr. the Honourable CHENG Mo Chi, Moses, *GBM, GBS, OBE, JP*
Mr. WU Ting Yuk, Anthony, *Standing Committee Member*
of CPPCC National Committee, GBS, JP

26 April 2019

To the shareholders

Dear Sir or Madam,

**GENERAL MANDATES FOR THE ISSUE OF SHARES AND
THE REPURCHASE OF SHARES, RE-ELECTION OF DIRECTORS
AND NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to give you notice of the annual general meeting of Guangdong Investment Limited (the “Company”) to be held on Monday, 17 June 2019 at 3:00 p.m. (the “AGM”), and information on matters to be dealt with at the AGM, *inter alia*:

- (a) the grant of general mandates (the “General Mandates”) to the directors of the Company (the “Directors”) to issue and repurchase ordinary shares (“Shares” or “Share”) of the Company; and
- (b) the re-election of the retiring Directors.

2. GENERAL MANDATES

At the annual general meeting of the Company held on 15 June 2018, ordinary resolutions were passed to grant general mandates to the Directors (i) to allot, issue and otherwise deal with new Shares of up to 10% of the total number of Shares of the Company in issue as at 15 June 2018; and (ii) to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) of up to 10% of the total number of Shares of the Company in issue as at 15 June 2018. These general mandates will expire at the conclusion of the AGM. In order to provide continual flexibility to the Directors, ordinary resolutions will be proposed at the AGM to renew these mandates.

(a) Issue Mandate

At the AGM, an ordinary resolution (Ordinary Resolution No. 5 in the notice convening the AGM as set out in Appendix III to this circular (the “AGM Notice”)) will be proposed to grant a new general and unconditional mandate to the Directors to issue, at any time during the Relevant Period (as defined in Ordinary Resolution No. 5), Shares representing up to 10% of the total number of Shares of the Company in issue on the date of the passing of Ordinary Resolution No. 5 (the “Issue Mandate”).

As at 23 April 2019 (the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular) (the “Latest Practicable Date”), the number of Shares of the Company in issue was 6,537,821,440 Shares. Subject to the passing of the proposed resolution for approving the Issue Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the date of the AGM, the Company would be allowed under the Issue Mandate to issue up to a limit of 653,782,144 Shares.

(b) Repurchase Mandate

At the AGM, an ordinary resolution (Ordinary Resolution No. 6 in the AGM Notice) will be proposed to grant a new general and unconditional mandate to the Directors to exercise the powers of the Company to repurchase, at any time during the Relevant Period (as defined in Ordinary Resolution No. 6), Shares of up to a maximum of 10% of the total number of Shares of the Company in issue on the date of the passing of Ordinary

Resolution No. 6 (the “Repurchase Mandate”). An explanatory statement setting out the requisite information regarding the Repurchase Mandate as required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time (the “Listing Rules”), is set out in Appendix I to this circular.

As at the Latest Practicable Date, the number of Shares of the Company in issue was 6,537,821,440 Shares. Subject to the passing of the proposed resolution for approving the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase up to a limit of 653,782,144 Shares.

3. RE-ELECTION OF DIRECTORS

Pursuant to Articles 77 to 79 of the Articles of Association of the Company, Mr. Wen Yinheng (“Mr. Wen”), Mrs. Ho Lam Lai Ping, Theresa (“Mrs. Ho”), Mr. Cai Yong (“Mr. Cai”), Mr. Zhang Hui (“Mr. Zhang”), Dr. Chan Cho Chak, John (“Dr. Chan”) and Mr. Wu Ting Yuk, Anthony (“Mr. Wu”) will retire by rotation at the AGM and shall be eligible for re-election.

Mr. Wen, Mrs. Ho, Mr. Cai, Dr. Chan and Mr. Wu, being eligible, have offered themselves for re-election at the AGM. As Mr. Zhang has reached his retirement age, he will not offer himself for re-election and will retire from office after the conclusion of the AGM.

Set out below is the information relating to the re-election of Dr. Chan and Mr. Wu as independent non-executive directors of the Company (the “Re-electing INEDs”) according to Rule 3.13 and Code Provisions A.4.3 and A.5.5 of Appendix 14 of the Listing Rules:

(a) Confirmation of Independence

Each of the Re-electing INEDs has provided the annual confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules. None of them has any relationship with any substantial shareholder, fellow Directors and management of the Company which would interfere with the exercise of independent judgment.

The Company is therefore of the view that both Dr. Chan and Mr. Wu meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

(b) Reasons for recommending the Re-electing INEDs

i. Process for selecting directors and attributes of the Re-electing INEDs

The board of Directors (the “Board”) is responsible for recommending Directors for re-election by the shareholders of the Company (the “Shareholders”) at the general meeting. It has delegated the relevant screening and evaluation process to the Nomination Committee, which identifies suitably qualified Director candidates and recommends them to the Board.

When evaluating Directors for nomination, the Nomination Committee mainly takes into account: (i) diversity, (ii) character and integrity, (iii) professional qualifications, skills and knowledge, (iv) experience relevant to the Company's business and corporate strategy, (v) commitment to enhancing shareholder value and (vi) fulfillment of independence requirements (for Independent Non-Executive Directors). The Nomination Committee then makes recommendation to the Board which in turn makes recommendation to the Shareholders in respect of the proposed re-election of Directors at the general meeting.

At a meeting of the Nomination Committee held on 29 March 2019 at which each of the Re-Electing INEDs had abstained from voting when his own nomination was being considered, the Nomination Committee recommended the Re-Electing INEDs to the Board. The Nomination Committee considers that the Re-electing INEDs are highly regarded incumbents with a wealth of expertise and experience relevant to the Company. As described below, Dr. Chan has extensive experience in public administration and other segments including banking, properties and transport, which enables him to provide valuable insights on the Group's principal businesses. Mr. Wu has extensive experience in accounting and ample knowledge about various segments, including a number of public bodies in the People's Republic of China and financial industry. His accounting expertise helps to add great value to the Company's audit oversight for better shareholder interest protection. Being highly accomplished individuals in their respective industries, fields and communities, Dr. Chan and Mr. Wu provide constructive advice to the Company and contribute to effective decision making of the Board.

Having regard to the independence confirmations as well as the contributions that each of the Re-electing INEDs has made as described herein, the Board considers that the re-election of Dr. Chan and Mr. Wu as Directors is in the best interest of the Company and Shareholders as a whole and accepts the Nomination Committee's recommendations.

ii. Other listed company directorship

None of the Re-electing Directors is holding seven or more directorships in listed company.

iii. Skills and experience of the Re-electing INEDs

Dr. Chan has served the Hong Kong Government in senior positions and held directorship in listed conglomerates of various industries. The Board benefits from Dr. Chan's significant and in-depth experience in the operation of the public sector and large-scale companies as well as his diligent fulfillment of Directors' duties.

Mr. Wu's sound finance background and accounting expertise as well as exposure to a variety of public organizational practices and diverse operating environment arising from his directorship at other large listed companies and membership/advisory role at different institutions enable him to contribute effectively and to provide a panoramic view to the Board.

iv. Contribution to diversity of the Board

The Company considers diversity in a broad sense, including but not limited to gender, age, cultural and educational background, professional experience, skills, industry knowledge and length of service. It also takes into consideration its own business model and specific needs from time to time. As explained above, both Dr. Chan and Mr. Wu possess a diverse blend of skills, background, experience and viewpoint that are crucial to drive the Company forward in the ever-evolving competitive landscape. They bring a broad perspective to the Board and provide constructive thoughts for the Company's overall strategic planning and business development.

v. Length of services

Pursuant to A.4.3 of Appendix 14 to the Listing Rules, serving more than nine years could be relevant to the determination of a non-executive director's independence. Any further appointment of an independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by the Shareholders.

Dr. Chan has been an Independent Non-Executive Director of the Company for more than nine years. A separate resolution will be proposed for his re-election at the AGM. Dr. Chan does not have any management role in the Company and its subsidiaries and he has clearly demonstrated diligence, willingness to exercise independent judgment and has been giving objective views to the Company. There is no evidence that length of tenure is having an adverse impact on his independence.

The Board is satisfied that, as well proven by the valuable independent judgement and advice given by Dr. Chan over the years, he has the required character, integrity, independence and experience to fulfill the role of an Independent Non-Executive Director. The Board is not aware of any circumstances that might influence Dr. Chan in exercising his independent judgement.

Information relating to Mr. Wen, Mrs. Ho, Mr. Cai, Dr. Chan and Mr. Wu as required to be disclosed under Rules 13.51(2) and 13.74 of the Listing Rules is set out in Appendix II to this circular.

4. AGM

Shareholders are advised to read the AGM Notice and to complete and return the enclosed form of proxy for use at the AGM in accordance with the instructions printed thereon and deposit the same with 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 fixed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM or any adjourned meeting should they so wish.

Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in the AGM Notice will be decided by poll. An announcement of the poll results will be made after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

5. RECOMMENDATIONS

The Directors believe that the granting of the General Mandates and the re-election of Directors are in the best interests of the Company as well as the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the proposed ordinary resolutions set out in the AGM Notice at the AGM.

6. 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.

Yours faithfully,
For and on behalf of the Board
HUANG Xiaofeng
Chairman

This appendix serves as an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate and also constitutes the memorandum as required under section 239 of the Hong Kong Companies Ordinance.

EXERCISE OF THE REPURCHASE MANDATE

Whilst the Directors do not at present intend to repurchase any Shares immediately, they believe that the flexibility afforded by the mandate granted to them if the relevant ordinary resolution to approve the grant of the Repurchase Mandate is passed would be beneficial to the Company.

It is proposed that the number of Shares to be repurchased will be up to 10% of the issued Shares on the date of the passing of the ordinary resolution. As at the Latest Practicable Date, 6,537,821,440 Shares were issued. On the basis of such figures (and assuming no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing of the ordinary resolution), the Directors would be authorized to repurchase up to 653,782,144 Shares during the period from the passing of the ordinary resolution up to the conclusion of the next annual general meeting in 2020, or the expiration of the period within which the next annual general meeting of the Company is required by law to be held, or the revocation or variation of the Repurchase Mandate by an ordinary resolution of the Shareholders at a general meeting of the Company, whichever of these three events occurs first.

REASONS FOR REPURCHASES

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole. Such repurchases may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its Articles of Association, the Laws of Hong Kong and the Listing Rules. Repurchases pursuant to the Repurchase Mandate will be made out of funds of the Company legally permitted to be utilised in this connection, including the funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of Shares made for such purpose.

IMPACT ON THE COMPANY

There could be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent published audited financial statements for the year ended 31 December 2018) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or on the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DISCLOSURE OF INTERESTS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), have any present intention, if the Repurchase Mandate is approved by the Shareholders, to sell any Shares to the Company.

NO PURCHASE FROM CORE CONNECTED PERSON

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell Shares to the Company, nor has undertaken not to do so, if the Repurchase Mandate is granted by the Shareholders.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Hong Kong Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

TAKEOVERS CODE CONSEQUENCES

If, as a result of a repurchase of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"). As a result, a Shareholder or group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase in the Shareholders' interest, 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 immediate controlling shareholder (as defined in the Listing Rules) of the Company, GDH Limited ("GDH"), was recorded in the register required to be kept by the Company under section 336 of the Securities and Futures Ordinance (the "SFO") as having an interest in 3,693,453,546 Shares, representing approximately 56.49% of the total number of Shares of the Company in issue. In the event that the Repurchase Mandate is exercised in full and assuming that there is no change in the number of Shares held by GDH and there is no other change to the total number of Shares in issue of the Company, the shareholding of GDH in the Company will be increased to approximately 62.77% of the reduced total number of Shares of the Company in issue immediately after the exercise in full of the Repurchase Mandate.

Save as aforesaid, the Directors are not aware of the consequences which would arise under the Takeovers Code as a result of any repurchases of Shares pursuant to the Repurchase Mandate. In addition, in exercising the Repurchase Mandate (whether in full or otherwise), the Directors will ensure that the Company shall comply with the requirements of the Listing Rules, including the minimum percentage of Shares being held in public hands.

MARKET PRICES

The monthly highest and lowest prices at which the Shares were traded on the Hong Kong Stock Exchange during each of the previous twelve months before the Latest Practicable Date were:

	Traded market price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2018		
April	12.64	11.96
May	13.62	12.10
June	14.10	12.22
July	14.00	12.30
August	14.04	12.76
September	14.32	13.08
October	14.50	13.32
November	15.40	13.74
December	15.58	14.12
2019		
January	15.84	14.74
February	15.44	14.50
March	15.26	14.66

Set out below are the personal particulars of the Directors who have offered themselves for re-election at the AGM:

Mr. WEN Yinheng, aged 41, was appointed an Executive Director and the Managing Director of the Company on 15 November 2012. Mr. Wen holds a Bachelor's degree in Economics from Jinan University, the People's Republic of China ("PRC"), and a Master of Commerce degree in International Professional Accounting from the University of New South Wales, Australia. From 2003 to 2006, Mr. Wen worked in Guangdong Bureau and Listed Company Supervision Department of China Securities Regulatory Commission, supervising the merger, acquisition and restructuring activities of listed companies. Between 2006 and 2011, he worked for Dalian Commodity Exchange and held a number of positions including Director of the Surveillance Department. Mr. Wen joined the Company in November 2011 and acted as a Deputy General Manager of the Company from November 2011 till November 2012. He is also a director of Guangdong Water Group (H.K.) Limited, Teem Holdings Limited, 廣東天河城(集團)股份有限公司 (Guangdong Teem (Holdings) Limited*), Tianjin Teem Shopping Center Co., Ltd., Guangdong (International) Hotel Management Holdings Limited and 廣東粵海投資財務管理有限公司 (Guangdong Yuehai Investment Financial Management Limited*), all of which are subsidiaries of the Company.

Other than as stated above, Mr. Wen is not related to any Director, senior management or substantial shareholder or controlling shareholder of the Company and has not held any directorship in any other listed company in the last three years.

As at the Latest Practicable Date, Mr. Wen did not have any interest in shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance.

Pursuant to the Company's policy, a new service contract with specific term was entered into between the Company and Mr. Wen in September 2018, and according to which, the tenure of service of Mr. Wen is from 1 October 2018 to 31 December 2020 but he shall be subject to re-election according to the Articles of Association of the Company. The said contract may also be terminated prior to expiry for cause or on mutual agreement or extended on mutual agreement. Mr. Wen shall retire by rotation at the 2019 annual general meeting of the Company pursuant to the Articles of Association of the Company and, if re-elected, will hold office as Director for a term effective from the date of re-election to the earlier of (i) the conclusion of the Company's annual general meeting to be held in 2022 and (ii) 30 June 2022, subject to earlier determination in accordance with the Articles of Association of the Company and/or any applicable laws and regulations.

The emoluments of Mr. Wen under the aforesaid service contract comprising salary and pension scheme contributions amount to approximately HK\$2,123,000 per annum, which are subject to adjustment according to the Company's policy and relevant market conditions, plus a discretionary bonus pegged to performance. The emoluments of Mr. Wen are determined in accordance with the Company's policy on directors' remuneration and by reference to the responsibilities involved and the emoluments offered for similar positions in comparable companies.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in relation to the re-election of Mr. Wen as a Director of the Company and there is no information which is discloseable nor is/was Mr. Wen involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mrs. HO LAM Lai Ping, Theresa, aged 63, was appointed an Executive Director of the Company on 30 October 2015. Mrs. Ho is a Fellow of both the Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Chartered Secretaries. She graduated from the Hong Kong Polytechnic and has been the Company Secretary of the Company since December 1992. Mrs. Ho was appointed a Deputy General Manager of the Company during the period from September 2011 to November 2012 and has acted as the Executive Deputy General Manager of the Company since November 2012. She was also a Director of the Company for the period from July 1996 to May 2000. She was a non-executive director of Guangdong Tannery Limited (“GD Tannery”). GD Tannery is a subsidiary of GDH Limited (“GDH”) and is listed in Hong Kong. GDH is the immediate controlling shareholder of the Company. Mrs. Ho is also a director of certain subsidiaries of the Company.

Other than as stated above, Mrs. Ho is not related to any Director, senior management or substantial shareholder or controlling shareholder of the Company and has not held any directorship in any other listed company in the last three years.

As at the Latest Practicable Date, Mrs. Ho was interested in 879,200 ordinary shares of the Company, 398,000 ordinary shares of Guangdong Land Holdings Limited and 200,000 ordinary shares of GD Tannery. Save as aforementioned, Mrs. Ho did not have any interest in shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the SFO.

Pursuant to the Company’s policy, a new service contract with specific term was entered into between the Company and Mrs. Ho in September 2018, and according to which, the tenure of service of Mrs. Ho is from 1 October 2018 to 31 December 2020 but she shall be subject to re-election according to the Articles of Association of the Company. The said contract may also be terminated prior to expiry for cause or on mutual agreement or extended on mutual agreement. Mrs. Ho shall retire by rotation at the 2019 annual general meeting of the Company pursuant to the Articles of Association of the Company and, if re-elected, will hold office as Director for a term effective from the date of re-election to the earlier of (i) the conclusion of the Company’s annual general meeting to be held in 2022 and (ii) 30 June 2022, subject to earlier determination in accordance with the Articles of Association of the Company and/or any applicable laws and regulations.

The emoluments of Mrs. Ho under the aforesaid service contract comprising salary and pension scheme contributions amount to approximately HK\$1,782,000 per annum, which are subject to adjustment according to the Company’s policy and relevant market conditions, plus a discretionary bonus pegged to performance. The emoluments of Mrs. Ho are determined in accordance with the Company’s policy on directors’ remuneration and by reference to the responsibilities involved and the emoluments offered for similar positions in comparable companies.

As mentioned above, Mrs. Ho joined the Company in 1992 and she acted as directors of certain former subsidiaries of the Company, which included GD Tannery and Guangdong (H.K.) Tours Company Limited (“GD Tours”).

(1) GD Tannery

Mrs. Ho was a non-executive director of GD Tannery for the period from 5 July 2000 to 28 October 2015. GD Tannery was incorporated in Hong Kong on 23 November 1995. The principal activities of GD Tannery and its subsidiaries (the “GD Tannery Group”) include processing and sale of semi-finished and finished leather. GD Tannery was a subsidiary of the Company during the period from April 1996 to March 2003. GDH acquired from the Company all its shareholdings in GD Tannery (approximately 71.56% of the issued share capital of GD Tannery) on 31 March 2003. As disclosed in GD Tannery’s announcement dated 23 December 2000, the debt restructuring of the GD Tannery Group became effective on 22 December 2000. Pursuant to an override agreement (the “Override Agreement”) entered into between the GD Tannery Group and its financial creditors, the GD Tannery Group was required to repay a total of approximately HK\$197,000,000 by the end of 2003. The Override Agreement operated by way of a formal standstill, but override provisions permitted creditors to terminate the restricting schemes and revert to the terms of the then existing loan agreements upon the occurrence of events of default. All outstanding financial indebtedness was repaid or settled in full in January 2002.

(2) GD Tours

Mrs. Ho was also a director of GD Tours from 7 July 2000 to 19 January 2004. GD Tours was incorporated in Hong Kong on 24 April 1981. The principal businesses of GD Tours were tourism, traveling and related services. GD Tours was a wholly-owned subsidiary of the Company during the period from 6 January 1992 to 30 March 2003. GDH acquired all the issued ordinary shares of GD Tours on 31 March 2003. On 12 June 2003, a petition for the winding up of GD Tours was presented to the High Court of Hong Kong (the “Court”) by two creditors of GD Tours for a total indebtedness of HK\$222,385,095.35 together with interest accrued thereon. The petition was heard on 6 August 2003 whereupon the winding up order was granted by the Court. On 8 December 2003, liquidators of GD Tours were appointed. An order by the Court was made on 16 January 2004 for the winding up of GD Tours to be conducted as if it were a creditors’ voluntary winding up. Total claims received by the liquidators are in the amount of approximately HK\$316,000,000. On 31 January 2011, a final meeting of members and creditors of GD Tours was held. GD Tours was dissolved on 7 May 2011.

Save as described above, there is no enterprise, company nor unincorporated business enterprise that has been dissolved or put into liquidation (otherwise than by a members’ voluntary winding up when the company, in the case of a Hong Kong company, was solvent) or bankruptcy or been the object of an analogous proceeding, or entered into any form of arrangement or composition with creditors, or had a receiver, trustee or similar officer appointed over it (i) during the period when Mrs. Ho was one of its directors or, in the case of an enterprise, a company or an unincorporated business enterprise established in the PRC, during the period when she was one of its directors, supervisors or managers, or (ii) within 12 months after her ceasing to act as one of its directors, supervisors or managers, as the case may be.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in relation to the re-election of Mrs. Ho as a Director of the Company and there is no information which is discloseable nor is/was Mrs. Ho involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. CAI Yong, aged 53, was appointed a Non-Executive Director of the Company on 25 August 2016. Mr. Cai holds a Master's degree in Business Administration from the South China University of Technology, PRC. Between 1991 and 2016, he worked for a number of departments of the People's Government of Guangdong Province in various positions including Deputy Director of the Economic and Trade Commission, Deputy Director of the Economic and Information Commission and Deputy Director of Department of Commerce. Mr. Cai was appointed a Director and the General Manager of 廣東粵海控股集團有限公司 (Guangdong Holdings Limited*) ("Guangdong Holdings") in January 2016 and an Executive Director and the General Manager of GDH in May 2016. Guangdong Holdings is the ultimate controlling shareholder of the Company.

Other than as stated above, Mr. Cai is not related to any Director, senior management or substantial shareholder or controlling shareholder of the Company and has not held any directorship in any other listed company in the last three years.

As at the Latest Practicable Date, Mr. Cai did not have any interest in shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance.

There is a letter of appointment entered into between the Company and Mr. Cai. Mr. Cai, if re-elected, will hold office for a term of not more than approximately three years effective from the date of re-election to the earlier of (i) the conclusion of the Company's annual general meeting to be held in 2022 and (ii) 30 June 2022, subject to earlier determination in accordance with the Articles of Association of the Company and/or any applicable laws and regulations.

In accordance with the Articles of Association of the Company, Mr. Cai is entitled to such director's fee as may be approved by the Board as the Company in general meeting determines. Remuneration (if any) for Mr. Cai will be determined in accordance with the Company's policy on Directors' remuneration by reference to the responsibilities involved and the remuneration offered for similar positions in comparable companies. At present, Mr. Cai is not receiving any remuneration from the Company.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in relation to the re-election of Mr. Cai as a Director of the Company and there is no information which is discloseable nor is/was Mr. Cai involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Dr. CHAN Cho Chak, John, *GBS, JP*, aged 76, was appointed an Independent Non-Executive Director of the Company on 25 June 1998.

Dr. Chan is also Deputy Chairman and Independent Non-Executive Director of Transport International Holdings Limited and an Independent Non-Executive Director of Hang Seng Bank Limited, both being public listed companies in Hong Kong. He is also a Non-Executive Director of The Kowloon Motor Bus Company (1933) Limited and Long Win Bus Company Limited. Dr. Chan is Chairman of the Court of The Hong Kong University of Science and Technology and Chairman and Non-Executive Director of Hong Kong News-Expo Limited. He is also a Board Member of The Community Chest of Hong Kong and a member of its Executive Committee.

Dr. Chan was educated in Hong Kong and graduated from The University of Hong Kong in 1964 with an Honours Degree in English Literature. He later obtained a Diploma in Management Studies from the same university following the completion of evening studies. He was awarded the degree of Doctor of Business Administration (*honoris causa*) by the International Management Centres in October 1997 and the degree of Doctor of Social Sciences (*honoris causa*) by The Hong Kong University of Science and Technology in November 2009, The University of Hong Kong in March 2011 and Lingnan University in November 2012.

Dr. Chan served in the Hong Kong Government for two periods: from 1964 to 1978 and from 1980 to 1993. Initially appointed as an Executive Officer Class II, he rose through the ranks of the civil service to become one of the Cabinet-level Policy Secretaries of the Government. Among the key posts he held over the years were those of Private Secretary to the Governor, Deputy Secretary (General Duties), Director of Information Services, Deputy Chief Secretary, Secretary for Trade and Industry and Secretary for Education and Manpower. He also served as a Member of the Executive Council from October 1992 to May 1993.

Dr. Chan was also the Executive Director and General Manager of Sun Hung Kai Finance Company Limited from 1978 to 1980, the Managing Director of The Kowloon Motor Bus Company (1933) Limited from 1993 to 2006, the Managing Director of Transport International Holdings Limited from 1997 to April 2008 and the Chairman of The Hong Kong Jockey Club from 2006 to August 2010. He was a Director of Swire Properties Limited from April 2010 to March 2017 during which he acted as an Independent Non-Executive Director from December 2011 to March 2017. Dr. Chan was also the Chairman and a Non-Executive Director of RoadShow Holdings Limited from January 2001 to December 2017.

Dr. Chan was appointed as a Justice of the Peace (JP) in 1994 and was awarded the Gold Bauhinia Star (GBS) in 1999.

Other than as stated above, Dr. Chan is not related to any Director, senior management or substantial shareholder or controlling shareholder of the Company and has not held any directorship in any other listed company in the last three years.

As at the Latest Practicable Date, Dr. Chan was interested in 5,450,000 ordinary shares of the Company. Save as disclosed above, Dr. Chan did not have any interest in shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance.

There is a letter of appointment entered into between the Company and Dr. Chan. Dr. Chan, if re-elected, will hold office for a term of not more than approximately three years effective from the date of re-election to the earlier of (i) the conclusion of the Company's annual general meeting to be held in 2022 and (ii) 30 June 2022, subject to earlier determination in accordance with the Articles of Association of the Company and/or any applicable laws and regulations.

Dr. Chan is currently entitled to an annual director's fee of HK\$434,000 and annual fees of HK\$126,000, HK\$133,000 and HK\$56,000 for serving as the Chairman of the Remuneration Committee, a member of the Audit Committee and the Nomination Committee, respectively. The total remuneration of Dr. Chan is HK\$749,000 per annum. The remuneration for Dr. Chan is determined in accordance with the Company's policy on Directors' remuneration and by reference to the responsibilities involved and the remuneration offered for similar positions in comparable companies.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in relation to the re-election of Dr. Chan as a Director of the Company and there is no information which is discloseable nor is/was Dr. Chan involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Mr. WU Ting Yuk, Anthony, *Standing Committee Member, Chinese People's Political Consultative Conference National Committee, GBS, JP*, aged 64, was appointed an Independent Non-Executive Director of the Company on 25 August 2012. He is a Fellow of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales and an Honorary Fellow of the Hong Kong College of Community Medicine. He is a Council Member of the Hong Kong General Chamber of Commerce, a member of the Chief Executive's Council of Advisers on Innovation and Strategic Development, a trustee of The Society for the Aid and Rehabilitation of Drug Abusers, a member of the State Council's Medical Reform Leadership Advisory Committee, PRC, a member of the Public Policy Advisory Committee and Advisor of National Health Commission, PRC, the Principal Advisor to the State Administration of Traditional Chinese Medicine, PRC, a member of the Chinese Medicine Reform and Development Advisory Committee, PRC, the Chairman of the China Oxford Scholarship Fund, an Honorary Professor of Faculty of Medicine of The Chinese University of Hong Kong and the Peking Union Medical College Hospital and the Honorary Chairman of the Institute of Certified Management Accountants, Australia (Hong Kong Branch). He also acts as the Chief Advisor to MUFG Bank, Ltd. Mr. Wu is the Chairman and an Independent Non-Executive Director of China Resources Medical Holdings Company Limited (formerly known as China Resources Phoenix Healthcare Holdings Company Limited), a public listed company in Hong Kong. He is also an Independent Non-Executive Director of China Taiping Insurance Holdings Company Limited, Power Assets Holdings Limited and CStone Pharmaceuticals, all being public listed companies in Hong Kong. Mr. Wu was formerly the Chairman of the Hong Kong General Chamber of Commerce, the Bauhinia Foundation Research Centre and the Hong Kong Hospital Authority and a member of the Task Force on Land Supply. He was also the Deputy Chairman and Executive Director of Sincere Watch (Hong Kong) Limited and an Independent Non-Executive Director of Fidelity Funds and Agricultural Bank of China Limited.

Mr. Wu was appointed as Justice of the Peace in 2004 and was awarded the honour of the Gold Bauhinia Star in 2008.

Other than as stated above, Mr. Wu is not related to any Director, senior management or substantial shareholder or controlling shareholder of the Company and has not held any directorship in any other listed company in the last three years.

As at the Latest Practicable Date, Mr. Wu did not have any interest in shares and/or underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance.

There is a letter of appointment entered into between the Company and Mr. Wu. Mr. Wu, if re-elected, will hold office for a term of not more than approximately three years effective from the date of re-election to the earlier of (i) the conclusion of the Company's annual general meeting to be held in 2022 and (ii) 30 June 2022, subject to earlier determination in accordance with the Articles of Association of the Company and/or any applicable laws and regulations.

Mr. Wu has been appointed as the Chairman of the Audit Committee with effect from 1 April 2019. He is currently entitled to an annual director's fee of HK\$434,000 and annual fees of HK\$203,000, HK\$77,000 and HK\$56,000 for serving as the Chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee, respectively. The total remuneration of Mr. Wu is HK\$770,000 per annum with effect from 1 April 2019. The remuneration for Mr. Wu is determined in accordance with the Company's policy on Directors' remuneration and by reference to the responsibilities involved and the remuneration offered for similar positions in comparable companies.

According to a press release of the Hong Kong Institute of Certified Public Accountants ("HKICPA") dated 23 July 2014, the Disciplinary Committee of HKICPA ordered the removal of Mr. Wu's name from the register of certified public accountants for a period of two years, and payment to HKICPA of a penalty of HK\$250,000. Mr. Wu, together with the other respondents, were ordered to pay the costs of the disciplinary and investigation proceedings of HK\$2,000,000. The incident giving rise to the disciplinary action was referred to the Institute of Chartered Accountants in England and Wales ("ICAEW") by HKICPA in 2014, and was dismissed by ICAEW in 2017.

Save as disclosed above, the Company is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in relation to the re-election of Mr. Wu as a Director of the Company and there is no information which is discloseable nor is/was Mr. Wu involved in any matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs (h) to (v) of Rule 13.51(2) of the Listing Rules.

Remarks: The English name of the entity marked with an asterisk() is a translation of its Chinese name, and is included herein for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.*



GUANGDONG INVESTMENT LIMITED
(粵海投資有限公司)

(Incorporated in Hong Kong with limited liability)
(Stock Code: 00270)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of Guangdong Investment Limited (the “Company”) will be held at Concord Room, 8th Floor, Renaissance Harbour View Hotel Hong Kong, One Harbour Road, Wanchai, Hong Kong on Monday, 17 June 2019 at 3:00 p.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements, the Directors’ report and the independent auditor’s report of the Company for the year ended 31 December 2018.
2. To declare a final dividend for the year ended 31 December 2018.
3. To re-elect the following retiring directors by separate resolutions and to authorize the Board of Directors to fix the remuneration of the Directors.
 - (i) Mr. Wen Yinheng
 - (ii) Mrs. Ho Lam Lai Ping, Theresa
 - (iii) Mr. Cai Yong
 - (iv) Dr. Chan Cho Chak, John
 - (v) Mr. Wu Ting Yuk, Anthony
4. To re-appoint Messrs. Ernst & Young as the independent auditor of the Company and to authorize the Board of Directors to fix its remuneration.

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

ORDINARY RESOLUTIONS

5. “**THAT:**
 - (a) subject to other provisions of this resolution, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) of this resolution) of all the powers of the Company to allot, issue and deal with ordinary shares in the capital of the Company (the “Shares”) and/or options, warrants and/or instruments carrying rights to

subscribe for any Shares or securities convertible into Shares, and to make and/or grant offers, agreements, options or warrants 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 be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make and/or grant offers, agreements, options or warrants which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted, issued or dealt with, or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given under paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) of this resolution), (ii) the exercise of the subscription or conversion rights attaching to any warrants, preference shares, convertible bonds or other securities issued by the Company which are convertible into Shares, (iii) the exercise of options granted by the Company under any option scheme or similar arrangement for the time being adopted for the grant to Directors, officers and/or employees of the Company and/or any of its subsidiaries and/or other eligible person (if any) of rights to acquire Shares, or (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the Company's Articles of Association, shall not exceed 10 per cent. of the aggregate number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of Hong Kong to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;

and,

"Rights Issue" means an offer of Shares open for a period fixed by the Company (or by the Directors) to holders of Shares on the Register of

Members (Shares) of the Company on a fixed record date in proportion to their then holdings of such Shares (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 authorized 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 during the Relevant Period (as defined in paragraph (c) of this resolution) of all the powers of the Company to repurchase Shares on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and authorized by the Securities and Futures Commission and the Hong Kong Stock Exchange under the Hong Kong Code on Share Buy-backs 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 Hong Kong Stock Exchange or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares which the Company is authorized to repurchase pursuant to the approval in paragraph (a) of this resolution shall not exceed 10 per cent. of the aggregate number of Shares in issue as at the date of the passing of this resolution; and
- (c) for the purpose of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable laws of Hong Kong to be held; and
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

By Order of the Board
HO LAM Lai Ping, Theresa
Director and Company Secretary

Hong Kong, 26 April 2019

Registered office:

28th and 29th Floors
Guangdong Investment Tower
148 Connaught Road Central
Hong Kong

Notes:

- (i) A shareholder entitled to attend and vote at the annual general meeting may appoint one or more proxies to attend and, on a poll, vote in his place and such proxy need not be a shareholder of the Company.
- (ii) To be valid, the 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 such power or authority, must be delivered 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 fixed for holding the meeting or adjourned meeting (as the case may be). The appointment of a proxy will not prevent a shareholder from subsequently attending and voting at the meeting or any adjourned meeting if he so wishes. If a shareholder who has lodged a form of proxy attends the meeting, his form of proxy will be deemed to have been revoked.
- (iii) In the case of joint shareholders, 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 this purpose seniority will be determined by the order in which the names stand in the Company's register of members in respect of the joint holding.
- (iv) In order to qualify for attending and voting at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Tuesday, 11 June 2019.
- (v) The register of members of the Company will be closed on Friday, 21 June 2019 for the purpose of determining the shareholders' entitlement to the proposed final dividend. On that day, no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with Tricor Tengis Limited not later than 4:30 pm. on Thursday, 20 June 2019.
- (vi) In relation to resolution no. 5, approval is being sought from the shareholders of the Company for a general mandate to authorize the issue of Shares. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the general mandate so given.
- (vii) In relation to resolution no. 6, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares in circumstances which they deem appropriate for the benefit of the shareholders of the Company. The Explanatory Statement containing the information necessary to enable the shareholders of the Company to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own Shares, as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") is set out in the Appendix I to this circular.
- (viii) Pursuant to Rule 13.39(4) of the Listing Rules, each of the resolutions set out in the notice will be voted by way of a poll.