

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

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

**If you have sold or transferred** all your shares in IBI Group Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



## **IBI Group Holdings Limited**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1547)**

### **PROPOSALS FOR GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES; RE-ELECTION OF DIRECTORS; DECLARATION OF FINAL DIVIDEND; AND NOTICE OF ANNUAL GENERAL MEETING**

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Capitalised terms used in the lower portion of this page and the cover inside page shall have the same respective meanings as those defined in the section headed “Definitions” of this circular.

A notice convening the Company’s annual general meeting to be held at 2401-02, 24/F., Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Friday, 20 September 2019 at 10:00 a.m. is set out on pages 16 to 20 of this circular.

A form of proxy for use in connection with the 2019 AGM is enclosed with this circular. If you do not intend to attend the 2019 AGM but wish to exercise your right as a Shareholder, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited located at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 48 hours before the time appointed for holding the 2019 AGM or the adjournment thereof. Completion and return of the form of proxy will not preclude you from subsequently attending and voting in person at the 2019 AGM or the adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

26 July 2019

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*This circular is prepared in both English and Chinese. In the event of any inconsistency, the English text of this circular shall prevail.*

## DEFINITIONS

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

“2019 AGM”	the annual general meeting of the Company to be held at 2401-02, 24/F., Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Friday, 20 September 2019 at 10:00 a.m.
“Articles of Association”	the articles of association of the Company as adopted by the Shareholders on 20 September 2016 and as amended, supplemented or otherwise modified from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended or otherwise modified from time to time
“Company”	IBI Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed and traded on the Main Board of the Stock Exchange (stock code: 1547)
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“INED(s)”	the independent non-executive Director(s)
“Issue Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the 2019 AGM to allot, issue and deal with Shares not exceeding 20% of the aggregate number of the issued Shares as at the date of passing the relevant resolution granting such mandate

## DEFINITIONS

“Latest Practicable Date”	18 July 2019, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Date”	14 October 2016, being the date on which the Shares were listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Mandatory General Offer”	a mandatory offer in accordance with Rule 26 of the Takeovers Code
“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China
“Predecessor Companies Ordinance”	the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) as in force from time to time before 3 March 2014
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the 2019 AGM to repurchase Shares not exceeding 10% of the aggregate number of the issued Shares as at the date of passing the relevant resolution granting such mandate
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) with nominal value of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs as amended from time to time and administered by the Securities and Futures Commission of Hong Kong
“Year”	the year ended 31 March 2019
“%”	per cent

**LETTER FROM THE BOARD**



**IBI Group Holdings Limited**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1547)**

*Executive Directors:*

Mr. Neil David Howard  
*(Chairman and Chief Executive Officer)*  
Mr. Steven Paul Smithers

*Independent non-executive Directors:*

Mr. Richard Gareth Williams  
Mr. Robert Peter Andrews  
Mr. David John Kennedy

*Registered office:*

190 Elgin Avenue, George Town  
Grand Cayman  
KY1-9007  
Cayman Islands

*Principal place of business*

*in Hong Kong:*  
3/F, Bangkok Bank Building  
18 Bonham Strand West  
Hong Kong

26 July 2019

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES;  
RE-ELECTION OF DIRECTORS;  
DECLARATION OF FINAL DIVIDEND;  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The Directors wish to seek the approval of the Shareholders at the 2019 AGM for, among other matters, the grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate, the proposed re-election of the Directors and the declaration of final dividend.

The purpose of this circular is to give you the information regarding the resolutions to be proposed at the 2019 AGM relating to the above matters and the notice of the 2019 AGM.

## **LETTER FROM THE BOARD**

### **ISSUE MANDATE**

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any new Shares, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the Issue Mandate to issue Shares. At the 2019 AGM, an ordinary resolution will be proposed to grant the Issue Mandate to the Directors. Based on 800,000,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be issued or no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the 2019 AGM, the Directors will be able to allot, issue and deal with up to a total of 160,000,000 Shares, being 20% of the total number of the issued Shares as at the date of the resolution in relation thereto if the Issue Mandate is granted at the 2019 AGM, which will remain in effect until the earliest of (i) the conclusion of the next annual general meeting; (ii) the expiration of the period within which the next annual general meeting is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders at general meeting of the Company.

### **REPURCHASE MANDATE**

In addition, an ordinary resolution will be proposed at the 2019 AGM to grant the Repurchase Mandate to the Directors. Subject to the passing of the proposed ordinary resolution approving the grant of the Repurchase Mandate and based on the 800,000,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be issued or no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the 2019 AGM, the Company would be allowed to repurchase a maximum of 80,000,000 Shares, being 10% of the total number of the issued Shares as at the date of the resolution in relation thereto. The Repurchase Mandate, if granted, will be effective until the earliest of (i) the conclusion of the next annual general meeting; (ii) the expiration of the period within which the next annual general meeting is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the passing of an ordinary resolution by the Shareholders at general meeting of the Company revoking or varying the authority given to the Directors.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

### **EXTENSION OF THE ISSUE MANDATE**

Subject to the passing of the ordinary resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the 2019 AGM to extend the Issue Mandate by the addition to the aggregate number of the Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate number of the Shares repurchased by the

## **LETTER FROM THE BOARD**

Company pursuant to the Repurchase Mandate provided that such extended amount shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing the resolution in relation thereto.

### **RE-ELECTION OF DIRECTORS**

As at the Latest Practicable Date, there were two executive Directors, namely Mr. Neil David Howard and Mr. Steven Paul Smithers; and three INEDs, namely Mr. Richard Gareth Williams, Mr. Robert Peter Andrews and Mr. David John Kennedy.

Article 108(a) of the Articles of Association provides that one-third of the Directors for the time being, or, if their number is not a multiple of three, the number nearest to but not less than one-third shall retire from office by rotation at each annual general meeting provided that every Director shall be subject to retirement by rotation at least once every three years and shall be eligible for re-election. In accordance with Articles 108(a) and 112 of the Articles of Association, Mr. Richard Gareth Williams, Mr. Robert Peter Andrews and Mr. David John Kennedy, will retire from office and being eligible, have offered themselves for re-election at the 2019 AGM.

The biographical details of each of the retiring Directors to be re-elected at the 2019 AGM are set out in Appendix I to this circular in accordance with the relevant requirements under the Listing Rules.

The Nomination Committee has assessed and reviewed the annual written confirmation of independence of each of the INEDs based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that all the INEDs remain independent. In addition, with the nomination of the Nomination Committee, the Board has recommended that all the retiring Directors, namely Mr. Richard Gareth Williams, Mr. Robert Peter Andrews and Mr. David John Kennedy, stand for re-election as Directors at the 2019 AGM. For good corporate governance, each of the retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders.

### **DECLARATION OF FINAL DIVIDEND**

The Board has recommended the payment of a final dividend of HK1.5 cents per Share to the Shareholders whose names appear on the register of members of the Company on Friday, 4 October 2019, subject to the Shareholders' approval at the 2019 AGM.

Subject to the approval of the Shareholders at the 2019 AGM, the proposed final dividend will be payable on or about Friday, 18 October 2019 to the Shareholders whose names appear on the register of members of the Company on Friday, 4 October 2019. To ascertain the entitlement of the Shareholders to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 2 October 2019 to Friday, 4 October 2019, both days inclusive, during which period no transfer of Shares will be registered by the Company. In order to qualify for the proposed final dividend, all duly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong

## **LETTER FROM THE BOARD**

branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 30 September 2019.

### **2019 AGM**

The notice convening the 2019 AGM is set out on pages 16 to 20 of this circular. At the 2019 AGM, resolutions will be proposed to approve, among others, the grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate, the re-election of the retiring Directors and the declaration of final dividend.

For determining the Shareholders' entitlement to attend and vote at the 2019 AGM, the register of members of the Company will be closed from Tuesday, 17 September 2019 to Friday, 20 September 2019 (both dates inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the 2019 AGM, all duly completed transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 16 September 2019.

### **FORM OF PROXY**

A form of proxy for use in connection with the 2019 AGM is enclosed with this circular and such form of proxy is also published on the respective websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.ibi.com.hk](http://www.ibi.com.hk)). If you do not intend to attend the 2019 AGM but wish to exercise your right as a Shareholder, you are requested to complete and sign the form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited located at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, not later than 48 hours before the time appointed for holding the 2019 AGM or the adjournment thereof. Completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the 2019 AGM or the adjournment thereof should he/she/it so wishes and in such event, the form of proxy shall be deemed to be revoked.

### **VOTING BY POLL**

Pursuant to Rule 13.39(4) of the Listing Rules and Article 72 of the Articles of Association, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions proposed at the 2019 AGM will be voted by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.



## LETTER FROM THE BOARD

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all such votes in the same way.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the 2019 AGM.

### **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.

### **RECOMMENDATION**

The Directors believe that the proposals for the grant of the Issue Mandate and the Repurchase Mandate, the extension of the Issue Mandate, the re-election of the retiring Directors and the declaration of final dividend as set out in the notice convening the 2019 AGM are in the interests of the Company and the Shareholders as a whole. Therefore, the Directors recommend the Shareholders voting in favour of the relevant resolutions to be proposed at the 2019 AGM as set out in the notice convening the 2019 AGM on pages 16 to 20 of this circular.

Yours faithfully,  
By order of the Board  
**IBI Group Holdings Limited**  
**Neil David Howard**  
*Chairman*

*The particulars of the Directors retiring as required by the Articles of Association and the Listing Rules and proposed to be re-elected at the 2019 AGM are set out as follows.*

Save as disclosed herein, there is no information to be disclosed pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules in respect of each of the following retiring Directors and there are no other matters that need to be brought to the attention of the Shareholders in respect of each of the following retiring Directors' re-election.

## **MR. RICHARD GARETH WILLIAMS**

### *Experience*

Mr. Williams, aged 71, was appointed as an independent non-executive Director on 20 September 2016. He is responsible for providing independent advice to the Board. He is a member of each of the Audit Committee, Remuneration Committee and Nomination Committee. Mr. Williams has over 42 years of experience in the areas of property valuation and estate agency. Mr. Williams is the principal of Gareth Williams & Associates (principally engaged in property valuation and estate agency) where he is primarily responsible for specialist property valuations and acquisitions and disposal of investment properties since January 2006. Additionally, he is currently a non-executive director of Wheelock Properties (Hong Kong) Limited (principally engaged in property services in Hong Kong).

Mr. Williams was a property investment director of Wheelock Properties (Hong Kong) Limited from October 2004 to July 2006 where he was responsible for property services. From June 2002 to September 2004, he worked as the chief executive in the Hong Kong office of Knight Frank Asia Pacific Pte. Ltd. (principally engaged in providing property related services) where he was responsible for the overall management. From May 1979 to June 2002, Mr. Williams worked for Vigers Hong Kong Limited (principally engaged in valuation, property consultancy and estate agency) with his last position as the chairman and chief executive officer where he was primarily responsible for provision of property valuation and estate agency services. From May 1976 to April 1979, Mr. Williams served as rating and valuation surveyor at the Rating and Valuation Department of the Hong Kong Government.

Mr. Williams was certified as a fellow of the Royal Institution of Chartered Surveyors in the United Kingdom and was elected as a fellow of the Hong Kong Institute of Surveyors in June 1984 and December 1984, respectively. Additionally, he was also admitted as a member of the Chartered Institute of Arbitrators and a practising member of The Academy of Experts, both based in the United Kingdom, in December 1999 and April 2009, respectively.

Mr. Williams was a director of Brovent Limited, a company incorporated in Hong Kong and dissolved by voluntary deregistration (but not by member's voluntary winding-up) on 1 April 2016 pursuant to section 751 of the Companies Ordinance. Mr. Williams confirms that such company ceased business and was solvent at the time of dissolution. Mr. Williams further confirms that there is no fraudulent act or misfeasance on his part leading to the deregistration of such company and he is not aware of any actual or potential claim has been or will be made against him as a result of the deregistration of such company.

Save as disclosed above, Mr. Williams (i) does not hold any other position within the Group; and (ii) has not held any directorship in any public listed company in the past three years.

***Length of service and emoluments***

Mr. Williams has entered into a letter of appointment with the Company for a fixed term of three years commencing from the Listing Date. He is subject to retirement by rotation and re-election at the 2019 AGM in accordance to the Articles of Association. Mr. Williams' annual remuneration is fixed at the rate of HK\$240,000 per annum which is determined by the Company with reference to his duties and level of responsibilities and the remuneration policy of the Company. The total amount of his emoluments for the Year was HK\$240,000.

***Relationships***

Other than the relationship arising from him being an independent non-executive Director, Mr. Williams does not have any relationship with any other Director, senior management, substantial or controlling Shareholders (as defined in the Listing Rules).

***Interest in Shares***

As at the Latest Practicable Date, Mr. Williams did not have any interests in the securities of the Company within the meaning of Part XV of the SFO.

**MR. ROBERT PETER ANDREWS**

***Experience***

Mr. Andrews, aged 61, was appointed as an independent non-executive Director on 20 September 2016. He is responsible for providing independent advice to the Board. He is the chairman of the Remuneration Committee, and a member of the Nomination Committee and Audit Committee. Mr. Andrews has over 28 years of experience in the construction industry. Mr. Andrews is the director of Andrews Commercial Services Limited (principally engaged in consultancy services in the construction industry) since April 2013.

Mr. Andrews worked at Leighton Contractors (Asia) Limited (principally engaged in construction) from January 1990 to March 2013, with his last position as the divisional commercial manager of Hong Kong and Macau, where he was primarily responsible for overseeing contractual and commercial aspect of the business unit.

Mr. Andrews obtained his diploma in quantity surveying from Cauldon College (currently known as Stoke On Trent College) in the United Kingdom in June 1979. He then obtained a certificate of commercial mediation conducted by The Accord Group Australia in association with the Mediation Council of the Hong Kong International Arbitration Centre in Hong Kong in December 1998.

Mr. Andrews was a director of Knighton Investments Limited, a company incorporated in Hong Kong and dissolved by striking off (but not by member's voluntary winding-up) on 11 April 2003 pursuant to section 291 of the Predecessor Companies Ordinance. Mr. Andrews confirms that such company had been inactive and was solvent at the time of dissolution. Mr. Andrews further confirms that there is no fraudulent act or misfeasance on his part leading to the striking off of such company and he is not aware of any actual or potential claim has been or will be made against him as a result of the striking off of such company.

Save as disclosed above, Mr. Andrews (i) does not hold any other position within the Group; and (ii) has not held any directorship in any public listed company in the past three years.

#### *Length of service and emoluments*

Mr. Andrews has entered into a letter of appointment with the Company for a fixed term of three years commencing from the Listing Date. He is subject to retirement by rotation and re-election at the 2019 AGM in accordance with the Articles of Association. Mr. Andrews' annual remuneration is fixed at the rate of HK\$240,000 per annum, which is determined by the Company with reference to his duties and level of responsibilities and the remuneration policy of the Company. The total amount of his emoluments for the Year was HK\$240,000.

#### *Relationships*

Other than the relationship arising from him being an independent non-executive Director, Mr. Andrews does not have any relationship with any other Director, senior management, substantial or controlling Shareholders (as defined in the Listing Rules).

#### *Interest in Shares*

As at the Latest Practicable Date, Mr. Andrews did not have any interests in the securities of the Company within the meaning of Part XV of the SFO.

### **MR. DAVID JOHN KENNEDY**

#### *Experience*

Mr. Kennedy, aged 50, was appointed as an independent non-executive Director on 30 June 2019. He is responsible for providing independent advice to our Board. He is the Chairman of the Audit Committee, and a member of the Remuneration Committee and Nomination Committee since 30 June 2019. Mr. Kennedy has been the chief financial officer and the chief operating officer of M.S. Asia Group since 2012.

Mr. Kennedy was the chief operating officer and the chief executive officer of Equititrust Limited ("ETL") between 2009 and 2011, the chief operating officer of Octaviar Limited (formerly known as MFS Limited) between 2007 and 2008, a senior manager, a partner and the chief operating officer of RSM Hong Kong between 1997 and 2005, and a part-time lecturer in bankruptcy of Griffith University in Australia between 1995 and 1996. He also worked for KPMG between 1988 and 1996 with his last position being a manager.

Creditors voluntary liquidators were appointed to ETL, a company incorporated in Australia, on 20 April 2012 at a meeting of creditors. ETL was principally engaged in funds management and specifically the provision of development loans to developers. The directors of ETL commenced the liquidation process with a view to restructuring the funds which were being negatively impacted by the global financial crisis. The total external liabilities (excluding guarantee and related party debts) of ETL totaled approximately HK\$150,000. Assets realised by the liquidators totaled in excess of HK\$18 million. ETL has not been dissolved as of Latest Practicable Date.

Mr. Kennedy obtained a degree of Master of Laws, a Bachelor's Degree in Laws and a Bachelor's Degree in Business Accounting from Queensland University of Technology in 2009, 2003 and 1989, respectively. He has been admitted as a solicitor in Hong Kong since 2018, a solicitor in Queensland, Australia since 2006 and a member of the Institute of Chartered Accountants in Australia (currently known as Chartered Accountants Australia and New Zealand) since 1994.

Save as disclosed above, Mr. Kennedy (i) does not hold any other position within the Group; and (ii) has not held any directorship in any public listed company in the past three years.

#### ***Length of service and emoluments***

Mr. Kennedy has entered into a letter of appointment with the Company for a fixed term of three years commencing from 30 June 2019. He is subject to retirement by rotation and re-election at the 2019 AGM in accordance to the Articles of Association. Mr. Kennedy's annual remuneration is fixed at the rate of HK\$240,000 per annum which is determined by the Company with reference to his duties and level of responsibilities and the remuneration policy of the Company. Mr. Kennedy did not receive any emoluments for the Year.

#### ***Relationships***

Other than the relationship arising from him being an independent non-executive Director, Mr. Kennedy does not have any relationship with any other Director, senior management, substantial or controlling Shareholders (as defined in the Listing Rules).

#### ***Interest in Shares***

As at the Latest Practicable Date, Mr. Kennedy has family interest in 7,960,000 shares of the Company, representing approximately 0.995% of the total issued share capital of the Company.

*This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to you for your consideration of the proposed grant of the Repurchase Mandate.*

## **1. REPURCHASE OF SECURITIES FROM CONNECTED PARTIES**

Under the Listing Rules, the Company is prohibited from knowingly purchasing securities on the Stock Exchange from a “core connected person”, that is, the Directors, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective close associates and a core connected person is prohibited from knowingly selling his/her/its securities to the Company.

As at the Latest Practicable Date, to the best knowledge of the Directors, having made all reasonable enquiries, no core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such core connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, there were a total of 800,000,000 Shares in issue. Subject to the passing of the ordinary resolution for the approval of the Repurchase Mandate and assuming that no further Shares are issued and no Shares are repurchased and cancelled after the Latest Practicable Date and up to the date of the 2019 AGM, the Directors would be authorised to repurchase up to a maximum of 80,000,000 Shares, representing 10% of the issued Shares as at the date of the 2019 AGM up to 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 is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; or (iii) the revocation or variation or renewal of the Repurchase Mandate by an ordinary resolution of the Shareholders at general meeting of the Company.

## **3. REASONS FOR REPURCHASES**

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

## **4. FUNDING OF REPURCHASES**

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company’s available cash flow or working capital facilities which will be funds legally available under the laws of the Cayman Islands, the memorandum of association of the Company, the Articles of Association and the Listing Rules for such purpose.

## 5. IMPACT ON WORKING CAPITAL OR GEARING LEVEL

An exercise of the Repurchase Mandate in full would have a material adverse impact on the working capital or gearing position of the Company when compared with that as at 31 March 2019, being the date of the Company's latest published audited consolidated financial statements. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

## 6. SHARE PRICES

The highest and lowest market prices at which the Shares had been traded on the Stock Exchange during the 12 months preceding the Latest Practicable Date were as follows:

Month	Price per Share (HK\$)	
	Highest	Lowest
<b>2018</b>		
July	0.660	0.490
August	0.590	0.495
September	0.560	0.420
October	0.510	0.400
November	0.495	0.430
December	0.490	0.415
<b>2019</b>		
January	0.475	0.405
February	0.455	0.395
March	0.480	0.420
April	0.450	0.400
May	0.430	0.385
June	0.430	0.365
July (up to and including the Latest Practicable Date)	0.400	0.380

## 7. DIRECTORS AND THEIR CLOSE ASSOCIATES

None of the Directors or, to the best of their knowledge, having made all reasonable enquiries, their respective close associates, have any present intention to sell to the Company or its subsidiaries any of the Shares if the Repurchase Mandate is approved at the 2019 AGM.

## 8. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

## 9. EFFECT OF TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Company exercising its powers to buy-back Shares pursuant to the Repurchase Mandate, such an increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become(s) obliged to make a Mandatory General Offer. According to the register of interests and short positions in Shares maintained by the Company under Section 336 of the SFO, as at the Latest Practicable Date, the following Shareholders were interested or deemed to be interested in 5% or more of the issued Shares:

Name of Shareholders	Capacity/Nature of interest	Number of issued Shares held	Position held	Approximate percentage of shareholding	Approximate percentage of shareholding if Repurchase Mandate is exercised in full
Mr. Neil David Howard <sup>1</sup>	Interest in controlled corporation	397,376,000	Long position	49.67%	55.19%
	Beneficial interest	14,536,000	Long position	1.82%	2.02%
Mr. Steven Paul Smithers <sup>2</sup>	Interest in controlled corporation	174,888,000	Long position	21.86%	24.29%
	Beneficial interest	9,112,000	Long position	1.14%	1.27%
Brilliant Blue Sky Limited <sup>1</sup>	Beneficial interest	397,376,000	Long position	49.67%	55.19%
Ms. Shuen Jolie Chung Howard <sup>3</sup>	Interest of spouse	411,912,000	Long position	51.49%	57.21%
Breadnbutter Holdings Limited <sup>2</sup>	Beneficial interest	174,888,000	Long position	21.86%	24.29%
Ms. Yuk Fan Joe Lam <sup>4</sup>	Interest of spouse	184,000,000	Long position	23.00%	25.56%

*Notes:*

- (1) Brilliant Blue Sky Limited, wholly-owned by Mr. Neil David Howard, held 397,376,000 Shares. Mr. Neil David Howard was deemed to be interested in the 397,376,000 Shares pursuant to the SFO. Mr. Neil David Howard also held beneficial interest in 14,526,000 Shares. In total, Mr. Neil David Howard held interest in 411,912,000 Shares.
- (2) Breadnbutter Holdings Limited, wholly-owned by Mr. Steven Paul Smithers, held 174,888,000 Shares. Mr. Steven Paul Smithers was deemed to be interested in the 174,888,000 Shares pursuant to the SFO. Mr. Steven Paul Smithers also held beneficial interest in 9,112,000 Shares. In total, Mr. Steven Paul Smithers held interest in 184,000,000 Shares.
- (3) Ms. Shuen Jolie Chung Howard, the spouse of Mr. Neil David Howard, was deemed to be interested in the 411,912,000 Shares held by Mr. Neil David Howard, through his beneficial interest and his interest in the controlled corporation, Brilliant Blue Sky Limited, pursuant to the SFO.



- (4) Ms. Yuk Fan Joe Lam, the spouse of Mr. Steven Paul Smithers, was deemed to be interested in the 184,000,000 Shares held by Mr. Steven Paul Smithers, through his beneficial interest and his interest in the controlled corporation, Breadnbuter Holdings Limited, pursuant to the SFO.

Pursuant to the Takeovers Code, the requirement to make a Mandatory General Offer is triggered when any person holds not less than 30%, but not more than 50%, of the voting rights of a company and that person acquires additional voting rights and such acquisition has the effect of increasing that person's holding of voting rights of the company by more than 2% from the lowest percentage holding of that person in the 12 month period ending on and inclusive of the date of the relevant acquisition, and such rule applies to any immediately preceding 12 month period if at any time during such period a person, or group of persons acting in concert, holds 50% or less of the voting rights.

To the best knowledge and belief of the Directors, as at the Latest Practicable Date, (i) Mr. Neil David Howard, Ms. Shuen Jolie Chung Howard and Brilliant Blue Sky Limited were interested or deemed to be interested in an aggregate of 411,912,000 Shares, representing approximately 51.49% of the issued share capital of the Company, and (ii) Mr. Steven Paul Smithers, Ms. Yuk Fan Joe Lam and Breadnbuter Holdings Limited were interested or deemed to be interested in an aggregate of 184,000,000 Shares, representing approximately 23.00% of the issued share capital of the Company.

In the event that the Directors exercise in full the Repurchase Mandate, (i) Mr. Neil David Howard, Ms. Shuen Jolie Chung Howard and Brilliant Blue Sky Limited's aggregate interest in the Shares will be increased from approximately 51.49% to approximately 57.21% of the issued share capital of the Company, and (ii) Mr. Steven Paul Smithers, Ms. Yuk Fan Joe Lam and Breadnbuter Holdings Limited's aggregate interest in the Shares will be increased from approximately 23.00% to approximately 25.56% of the issued share capital of the Company. To the best knowledge and belief of the Directors, such increase in the interest of the Shares will not give rise to an obligation to make a Mandatory General Offer.

The Directors have no present intention to repurchase Shares to an extent that will trigger any of the obligations under the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequence which may arise under the Takeovers Code as a consequence of any repurchase of Shares under the Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

## **10. SHARE REPURCHASE MADE BY THE COMPANY**

The Company did not repurchase any of its Shares listed and traded on the Main Board of the Stock Exchange nor did the Company or any of its subsidiaries purchase or sell any of such Shares during the six months immediately preceding the Latest Practicable Date.



## **IBI Group Holdings Limited**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1547)**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting (the “**2019 AGM**”) of IBI Group Holdings Limited (the “**Company**”) will be held at 2401-02, 24/F., Admiralty Centre 1, 18 Harcourt Road, Hong Kong on Friday, 20 September 2019 at 10:00 a.m. for the following purposes:

As ordinary business,

1. To receive and adopt the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and independent auditor of the Company for the year ended 31 March 2019.
2. To re-elect the following retiring Directors:
  - (i) Mr. Richard Gareth Williams as an independent non-executive Director;
  - (ii) Mr. Robert Peter Andrews as an independent non-executive Director; and
  - (iii) Mr. David John Kennedy as an independent non-executive Director.
3. To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration for the year ending 31 March 2020.
4. To declare a final dividend of HK1.5 cents per share of the Company for the year ended 31 March 2019.
5. To re-appoint BDO Limited as the independent auditor of the Company for the ensuing year and authorise the Board to fix its remuneration.
6. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) of this resolution below, pursuant to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with shares of the Company (the “**Shares**”) or securities convertible into or exchange for Shares, or options or warrants, for similar

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rights to subscribe for any Shares and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution above shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time (the “**Articles of Association**”); or (iv) any issue of Shares upon the exercise of rights of subscription, conversion or exchange under the terms of any warrants of the Company or any securities which are convertible into or exchangeable for Shares, shall not exceed the aggregate of 20% of the aggregate number of the issued Shares as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution above shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the date of 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 to be held by the Articles of Association, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised) of the Cayman Islands or any other applicable laws of the Cayman Islands; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other securities giving the rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusion 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

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laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company or any recognised regulatory body or any stock exchange applicable to the Company).”

7. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (b) of this resolution below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase the Shares on the Stock Exchange of or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Commission**”) and the Stock Exchange under the Hong Kong Code on Share Buy-backs issued by the Commission for such purpose, and otherwise in accordance with the rules and regulations of the Commission, the Stock Exchange, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised) of the Cayman Islands and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate number of the Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution above during the Relevant Period (as defined below) shall not exceed 10% of the aggregate number of the issued Shares as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purpose of this resolution:

“**Relevant Period**” means the period from the date of 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 to be held by the Articles of Association of the Company, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised) of the Cayman Islands or any other applicable laws of the Cayman Islands; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”

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8. “**THAT** subject to the passing of resolution nos. 6 and 7 set out in the notice convening the annual general meeting of the Company (the “**Notice**”), the authority of the Directors of the Company pursuant to resolution no. 6 set out in the Notice be and the same is hereby approved to extend to cover such amount representing the aggregate number of the issued Shares repurchased pursuant to the authority granted pursuant to resolution no. 7 set out in the Notice provided that such number shall not exceed 10% of the aggregate number of the issued Shares as at the date of the passing of this resolution.”

By order of the board of  
**IBI Group Holdings Limited**  
**Neil David Howard**  
*Chairman*

Hong Kong, 26 July 2019

*Registered office:*

190 Elgin Avenue, George Town  
Grand Cayman  
KY1-9007  
Cayman Islands

*Principal place of business in Hong Kong:*

3/F, Bangkok Bank Building  
18 Bonham Strand West  
Hong Kong

As at the date of this Notice, the Directors are:

*Executive Directors:*

Mr. Neil David Howard (*Chairman and Chief Executive Officer*)  
Mr. Steven Paul Smithers

*Independent non-executive Directors:*

Mr. Richard Gareth Williams  
Mr. Robert Peter Andrews  
Mr. David John Kennedy

*Notes:*

1. Any member of the Company (the “**Member**”) entitled to attend and vote at the 2019 AGM convened by this Notice or its adjourned meeting (as the case may be) is entitled to appoint one (or, if he/she/it holds two or more Shares in the Company, more than one) proxy to attend and, on a poll, vote on his/her/its behalf subject to the provisions of the Articles of Association. A proxy need not be a Member but must be present in person at the 2019 AGM to represent the Member. If more than one proxy is so appointed, the appointment shall specify the number and class of such Shares in respect of which such proxy is so appointed.
2. In order to be valid, the duly completed and signed form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, at the office of the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited located at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later

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than 48 hours before the time appointed for holding the 2019 AGM or its adjourned meeting. Completion and return of a form of proxy will not preclude a Member from subsequently attending in person and voting at the 2019 AGM or its adjourned meeting should he/she so wish.

3. For determining the Members' entitlement to attend and vote at the 2019 AGM, the register of Members will be closed from Tuesday, 17 September 2019 to Friday, 20 September 2019 (both dates inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the 2019 AGM, all duly completed transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited located at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 16 September 2019.
4. Subject to the approval of the Members at the 2019 AGM, the proposed final dividend will be payable on or about Friday, 18 October 2019 to the Members whose names appear on the register of Members of the Company on Friday, 4 October 2019. To ascertain the entitlement of the Members to the proposed final dividend, the register of Members will be closed from Wednesday, 2 October 2019 to Friday, 4 October 2019, both days inclusive, during which period no transfer of Shares will be registered by the Company. In order to qualify for the proposed final dividend, all duly completed transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 30 September 2019.
5. In relation to the proposed resolution no. 2 above, details of the retiring Directors standing for re-election are set out in Appendix I to the circular (the "**Circular**") of the Company dated 26 July 2019.
6. In relation to the proposed resolution no. 5 above, the Board concurs with the views of the audit committee of the Company and has recommended that BDO Limited be re-appointed independent auditor of the Company.
7. In relation to the proposed resolutions nos. 6 and 8 above, approval is being sought from the Members for the grant to the Directors of a general mandate to authorise the allotment and issue of Shares under the Listing Rules. The Directors have no immediate plans to issue any new Shares.
8. In relation to the proposed resolution no. 7 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares only in the circumstances which they consider appropriate for the benefit of the Members. An explanatory statement containing the information necessary to enable the Members to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix II to the Circular.
9. In compliance with Rule 13.39(4) of the Listing Rules, voting on all proposed resolutions set out in this Notice will be decided by way of a poll.
10.
  - (a) Subject to paragraph (b) below, if a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a black rainstorm warning signal is expected to be in force at any time between 8:00 a.m. and 5:00 p.m. on the date of the 2019 AGM, the 2019 AGM will be postponed and Members will be informed of the date, time and venue of the postponed 2019 AGM by a supplemental notice posted on the respective websites of the Company and the Stock Exchange.
  - (b) If a tropical cyclone warning signal No. 8 or above or a black rainstorm warning signal is lowered or cancelled three hours or more before the appointed time of the 2019 AGM and where conditions permit, the 2019 AGM will be held as scheduled.
  - (c) The 2019 AGM will be held as scheduled when an amber or red rainstorm warning signal is in force.
  - (d) After considering their own situations, Members should decide on their own whether or not they would attend the 2019 AGM under any bad weather condition and if they do so, they are advised to exercise care and caution.
11. The translation into Chinese language of this Notice is for reference only. In case of any inconsistency, the English version shall prevail.