

# **CHINESE ESTATES HOLDINGS LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 127)**

Procedures for Shareholders to Propose a Person for Election as a Director

## **Procedures for Shareholders to Propose a Person for Election as a Director of Chinese Estates Holdings Limited (the “Company”)**

*This document serves as a guideline to the registered shareholder(s)\* of the Company (the “Shareholder(s)”) only and contents of which are subject to applicable legislation and regulation as amended from time to time, in particular, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), the Companies Ordinance of Hong Kong (the “Companies Ordinance”), the Companies Act 1981 of Bermuda, and the Memorandum of Association and Bye-laws of the Company (the “Bye-laws”).*

### **Circumstances for Shareholders to propose a person for election as a Director**

The Shareholders may choose to propose a person other than an existing Director of the Company for election as a Director whenever :-

- (i) there is any vacancy caused by the retirement by rotation of the Directors at an annual general meeting in accordance with Bye-law 111 of the Bye-laws; or
- (ii) there is any vacancy caused by the retirement from office of any Director who was appointed by the board of Directors (the “Board”) to fill a casual vacancy or as an additional appointment to the Board but is due for re-election at an annual general meeting in accordance with Bye-law 94 of the Bye-laws; or
- (iii) there is any vacancy caused by the removal of any Director at a general meeting in accordance with Bye-law 117 of the Bye-laws.

The number of vacancies available for election as Director depends on the number of Directors that are subject to retirement at an annual general meeting under Bye-law 111 and Bye-law 94 of the Bye-laws; or the number of the Directors that may be removed by ordinary resolution at a general meeting under Bye-law 117 of the Bye-laws.

### **Eligibility of the person proposed for election as a Director**

No person should be eligible for election as a Director unless he/she has attained the age of 18 with sound mind. In addition, the person that is going for election is not being an undischarged bankrupted, convicted in any jurisdiction of a criminal offence involving dishonesty or disqualified from acting as a director under the Companies Ordinance or other equivalent laws of Bermuda or under any judgment or order of any court having jurisdiction.

\* Registered shareholder(s) refer to such persons or companies whose names are entered in the Company’s register of members in respect of their shares of the Company and they have share certificates evidencing their titles to the shares of the Company held.

## **Procedures to propose a candidate for election as a Director**

1. Bye-law 115 of the Bye-laws provides that no person shall be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his/her willingness to be elected shall have been given to the Company. The period for lodgement of the notice shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting, provided that such period shall be at least seven days (the “**Notice Period Requirement**”).
2. A Shareholder who wishes to propose a person to stand for election as a Director (the “**Nomination**”) should therefore comply with the aforesaid Bye-law 115 validly send or serve (i) a written notice in respect of his/her/its intention to propose a resolution at a particular general meeting (the “**Shareholder’s Notice**”) as well as (ii) a written notice executed by the nominated candidate of his/her willingness to stand for Directors’ election (the “**Nominated Candidate’s Notice**”) together with the information and documents as set out in page 3, by post to or by deposit the same at the principal office of the Company in Hong Kong at 21st Floor, Chubb Tower, Windsor House, 311 Gloucester Road, Causeway Bay, Hong Kong or the registered office of the Company in Bermuda at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda, for the attention of the Company Secretary.
3. The Shareholder’s Notice must set out the name, address, contact details and bearing the signature of the relevant Shareholder and it will be verified by the branch registrar and transfer office of the Company in Hong Kong (the “**Branch Share Registrar**”). Upon the identity of the Shareholder concerned verified and confirmed by the Branch Share Registrar and provided that the Notice Period Requirement is fulfilled, the Company will make an announcement or issue a supplementary circular (as the case may be) containing information of the nominated candidate in accordance with Rule 13.70 of the Listing Rules. On the contrary, if the identity of the Shareholder concerned cannot be verified by the Branch Share Registrar or the Notice Period Requirement is not fulfilled, the Shareholder concerned will be advised of this outcome and accordingly, the Nomination will not be put forward at the relevant general meeting.
4. In order to allow the Company to inform all shareholders of the Nomination, the Nominated Candidate’s Notice bearing the nominated candidate’s signature must accompanied by the biographical details of such nominated candidate as required

to be disclosed under Rule 13.51(2) of the Listing Rules together with other necessary information of such nominated candidate including:-

- (a) full name and age;
  - (b) positions held with the Company and/or other members of the Company's group;
  - (c) experience including (i) other directorships held in the past 3 years in public companies of which the securities are listed on any securities market in Hong Kong and overseas, and (ii) other major appointments and professional qualifications;
  - (d) current employment and such other information (which may include business experience and academic qualifications) of which the shareholders of the Company should be aware of, pertaining the ability or the integrity of the nominated candidate;
  - (e) length or proposed length of service with the Company;
  - (f) relationships with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company, or an appropriate negative statement;
  - (g) interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong), or an appropriate negative statement;
  - (h) a declaration made by the nominated candidate in respect of the information required to be disclosed pursuant to Rule 13.51(2)(h) to (w) of the Listing Rules, or an appropriate negative statement to that effect where there is no information to be disclosed pursuant to any of such requirements nor there are any other matters relating to that nominated candidate's standing for election as a Director that should be brought to the shareholders' attention;
  - (i) written confirmation by the nominated candidate that he/she would accept responsibility for the accuracy of his/her information under Rule 13.51(2) of the Listing Rules and he/she should be borne solely for any potential liability or any adverse consequence as a result of any mis-statement of any information to the Board, the shareholders and the Company;
  - (j) written consent of the nominated candidate to the publication of his/her personal data; and
  - (k) contact details, including residential address, telephone number(s), fax number and email address.
5. The Company may ask for additional information from the nominated candidate before making the announcement or issuing the supplementary circular (as the case may be).

6. Upon serving the Shareholders' Notice and Nominated Candidate's Notice to the Company, the Shareholder proposing the nominated candidate should maintain his/her/its status as a Shareholder at any time on the date of the general meeting or any adjournment thereof, failing which the nominated candidate will be disqualified from participation in the Directors' election of the Company. The Shareholder concerned will be expected to attend the relevant general meeting.

#### **Absolute discretion of the Company**

The Company has an absolute discretion to refuse to make the announcement or issue the supplementary circular (as the case may be) to the shareholders of the Company to inform them the proposal of the nominated candidate to stand for election at the relevant general meeting if the Nominated Candidate's Notice fails to contain the aforesaid information as required under Rule 13.51(2) of the Listing Rules or the nominated candidate fails to provide sufficient details required as aforesaid. The nominated candidate to stand for election of the Directors should be reminded that in case he/she were to be elected as a Director, he/she would be required to present to The Stock Exchange of Hong Kong Limited a declaration and undertaking under Appendix 5 to the Listing Rules as well as to comply with the laws (whether under legislation or at common law or in equity), regulations and the Listing Rules in fulfillment of his/her duty as a Director of the Company.

20 April 2020

Should there be any discrepancy between English and Chinese versions, the English version shall prevail.