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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Everbright Grand China Assets Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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### EVERBRIGHT GRAND CHINA ASSETS LIMITED 光大永年有限公司

*(Incorporated in the British Virgin Islands with limited liability and  
transferred by way of continuation into the Cayman Islands)*  
(Stock code: 3699)

### PROPOSED RE-ELECTION OF RETIRING DIRECTORS AND PROPOSED CHANGE OF AUDITORS AND PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

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The notice convening the Annual General Meeting of Everbright Grand China Assets Limited to be held at Salon II & III, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Wan Chai, Hong Kong on Thursday, 18 June 2020 at 2:00 p.m. is set out in this circular.

Whether or not you are able to attend the Annual General Meeting, please complete and sign the enclosed form of proxy for use at the Annual General Meeting in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 2:00 p.m. on Tuesday, 16 June 2020) or the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

This circular together with the form of proxy are also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company ([www.ebgca.com.hk](http://www.ebgca.com.hk)).

# References to time and dates in this circular are to Hong Kong time and dates.

#### PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please see page 23 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the Annual General Meeting, including:

- compulsory body temperature checks and health declarations
- recommended wearing of a surgical face mask for each attendee
- no distribution of corporate gift and refreshment

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

24 April 2020

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Salon II & III, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Wan Chai, Hong Kong on Thursday, 18 June 2020 at 2:00 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 18 to 22 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company currently in force
“Board”	the board of Directors
“Company”	Everbright Grand China Assets Limited, a company incorporated in the British Virgin Islands with limited liability and transferred by way of continuation into the Cayman Islands, the Shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuance Mandate”	a general mandate proposed to be granted to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting

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## DEFINITIONS

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“Latest Practicable Date”	17 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China
“SFO”	The Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of US\$0.1 each in the issued capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company
“Share Buy-back Mandate”	a general mandate proposed to be granted to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs approved by the Securities and Futures Commission as amended from time to time

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LETTER FROM THE BOARD

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**EVERBRIGHT GRAND CHINA ASSETS LIMITED**  
**光大永年有限公司**

*(Incorporated in the British Virgin Islands with limited liability and  
transferred by way of continuation into the Cayman Islands)*  
**(Stock code: 3699)**

*Executive Directors:*

Mr. LIU Jia (*Chairman*)  
Mr. LIN Zimin

*Non-executive Directors:*

Ms. TSE Hang Mui  
Mr. LI Yinzhong

*Independent Non-executive Directors:*

Mr. TSOI David  
Mr. SHEK Lai Him Abraham  
Mr. LEE Jor Hung  
Ms. YU Pauline Wah Ling

*Registered Office:*

PO Box 309, Ugland House  
Grand Cayman, KY1-1104  
Cayman Islands

*Head Office and Principal Place of  
Business in Hong Kong:*

Room 1302, 13th Floor  
Bank of East Asia Harbour View Centre  
56 Gloucester Road  
Wan Chai  
Hong Kong

24 April 2020

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED RE-ELECTION OF RETIRING DIRECTORS  
AND  
PROPOSED CHANGE OF AUDITORS  
AND  
PROPOSED GRANTING OF GENERAL MANDATES TO  
REPURCHASE SHARES AND TO ISSUE SHARES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide the Shareholders with information in respect of certain resolutions to be proposed at the Annual General Meeting to be held on 18 June 2020.

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## LETTER FROM THE BOARD

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### **2. PROPOSED RE-ELECTION OF RETIRING DIRECTORS**

In accordance with Articles 16.18 of the Articles of Association, Ms. Tse Hang Mui, Mr. Lee Jor Hung and Ms. Yu Pauline Wah Ling shall retire at the Annual General Meeting. All of the above retiring Directors, being eligible, will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company's Board Diversity Policy and Director Nomination Policy and the Company's corporate strategy, and the independence of all independent non-executive Directors.

Mr. Lee Jor Hung and Ms. Yu Pauline Wah Ling, the retiring independent non-executive Directors of the Company, have also confirmed their independence with reference to the factors set out in Rule 3.13 of the Listing Rules.

The Nomination Committee considers that the retiring independent non-executive Directors are independent in accordance with the independence guidelines set out in the Listing Rules and will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. The Nomination Committee therefore has recommended to the Board on re-election of all the retiring Directors including the aforesaid independent non-executive Directors who are due to retire at the Annual General Meeting.

Details of the retiring Directors proposed for re-election at the Annual General Meeting are set out in Appendix I to this circular.

### **3. PROPOSED CHANGE OF AUDITORS**

Reference is made to the announcement of the Company dated 26 March 2020 setting out, among others, the proposed change of auditors.

KPMG was re-appointed as auditors of the Company at the last annual general meeting of the Company held on 20 June 2019 to hold office until the conclusion of the next annual general meeting of the Company.

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## LETTER FROM THE BOARD

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According to the relevant regulations issued by the Ministry of Finance of the PRC in relation to audit work on financial statements of state-owned enterprises, there are restrictions in respect of the number of years of audit services that an accounting firm can continuously provide to a state-owned enterprise.

China Everbright Group Ltd. (“**China Everbright Group**”), a state-owned enterprise and the Company’s controlling shareholder (such term as defined under the Listing Rules), previously appointed Ernst & Young as its auditors to replace KPMG as KPMG’s engagement had exceeded the prescribed time limit under the relevant regulations.

The Board hereby announces that KPMG will retire as the auditors of the Company upon expiration of its current term of office at the Annual General Meeting and will not seek for re-appointment as the Company’s auditors.

Subject to the approval of the Shareholders at the Annual General Meeting, the Company proposes, with the recommendation from the audit committee of the Company, to appoint Ernst & Young as auditors (the same auditor as China Everbright Group) in accordance with the relevant regulations to improve and increase audit efficiency. The Company has received a confirmation letter dated 26 March 2020 from KPMG confirming that there is no other matter in connection with the circumstances leading to their cessation as the Company’s auditors that needs to be brought to the attention of the Shareholders.

To the best of the Board’s knowledge, information and belief, having made all reasonable enquiries, save for matters disclosed in this circular, there is no matter in relation to the change of auditors which needs to be brought to the attention of the Shareholders.

#### **4. PROPOSED GRANTING OF GENERAL MANDATE TO REPURCHASE SHARES**

At the last annual general meeting of the Company held on 20 June 2019, a general mandate was granted to the Directors to repurchase Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to repurchase Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Share Buy-back Mandate to the Directors to repurchase Shares on the Stock Exchange of not exceeding 10% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 5 of the notice of the Annual General Meeting (i.e. a total of 44,140,000 Shares on the basis that the issued share capital of the Company (441,400,000 Shares) remains unchanged on the date of the Annual General Meeting).

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## LETTER FROM THE BOARD

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An explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the granting of the Share Buy-back Mandate is set out in Appendix II to this circular.

### 5. PROPOSED GRANTING OF GENERAL MANDATE TO ISSUE SHARES

At the last annual general meeting of the Company held on 20 June 2019, a general mandate was granted to the Directors to issue Shares. Such mandate will lapse at the conclusion of the Annual General Meeting. In order to give the Company the flexibility to issue Shares if and when appropriate, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Issuance Mandate to the Directors to allot, issue or deal with additional Shares of not exceeding 20% of the total number of issued Shares of the Company as at the date of passing of the proposed ordinary resolution contained in item 6 of the notice of the Annual General Meeting (i.e. a total of 88,280,000 Shares on the basis that the issued share capital of the Company (441,400,000 Shares) remains unchanged on the date of the Annual General Meeting). An ordinary resolution contained in item 7 of the notice of the Annual General Meeting to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to the Share Buy-back Mandate will also be proposed at the Annual General Meeting.

The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issuance Mandate.

### 6. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 18 to 22 of this circular.

Pursuant to the Listing Rules and Article 13.5 of the Articles of Association, any vote of Shareholders at a general meeting must be taken by poll except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll results will be published by the Company after the Annual General Meeting in the manner prescribed under the Listing Rules.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (<http://www.hkexnews.hk>) and the Company ([www.ebgca.com.hk](http://www.ebgca.com.hk)). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road



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## LETTER FROM THE BOARD

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East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 2:00 p.m. on Tuesday, 16 June 2020) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting if you so wish.

### 7. RECOMMENDATION

The Directors consider that the proposed re-election of retiring Directors, proposed change of auditors, granting of the Share Buy-back Mandate and the Issuance Mandate and the extension of the Issuance Mandate are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

Yours faithfully,  
For and on behalf of the Board  
**LIU Jia**  
*Chairman*

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## APPENDIX I    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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The following are details of the Directors who will retire and being eligible, offer themselves for re-election at the Annual General Meeting.

### (1) **Ms. TSE Hang Mui**

#### *Position and Experience*

Ms. Tse Hang Mui (“**Ms. Tse**”), 61, is the non-executive Director of the Company. Ms. Tse joined China Everbright Holdings Company Limited (“**CE Hong Kong**”) as a secretary in the general affairs division in September 1987 and was promoted to secretary to vice president in December 1988. In October 1989, Ms. Tse was seconded to China Everbright Medicine Company Limited, a subsidiary of CE Hong Kong, as secretary and assistant manager. She was promoted to deputy administrative manager and the administration manager in the general management office of CE Hong Kong in December 1993 and December 1994, respectively. From April 1997 to February 2014, she served as an assistant general manager in the finance management department of CE Hong Kong, in which she was promoted to deputy general manager in February 2014. Her major duties in the finance management department included treasury management, financial analysis, capital budgeting and portfolio valuation. Prior to joining CE Hong Kong, Ms. Tse had been a secretary in Drs Anderson & Partners from May 1982 to July 1987, during which she mainly assisted in running the accounts office and undertaking the general secretarial work. She is also a director of certain subsidiaries of China Everbright Group, a controlling shareholder of the Company which directly holds 100% shares in CE Hong Kong.

Ms. Tse obtained a diploma in management studies jointly awarded by The Hong Kong Polytechnic University and the Hong Kong Management Association in September 1993, a bachelor degree of commerce in management and marketing in Curtin University of Technology, Australia in April 1996, a master degree of arts in human resources management in Macquarie University, Australia in October 1997, and a postgraduate diploma in professional accounting in the Hong Kong Polytechnic University in November 2000. Ms. Tse became an associate of the Hong Kong Society of Accountants in April 2002 and was admitted as a fellow of the Association of Chartered Certified Accountants in June 2007. She is also an associate member of the Hong Kong Institute of Certified Public Accountants.

Save as disclosed above, Ms. Tse has not held any directorships in the last 3 years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

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## APPENDIX I    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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### *Length of service*

Ms. Tse has entered into a service contract with the Company for a term of three years commencing from 16 January 2018 (the date of listing of the Shares on the Stock Exchange). Either party has the right to terminate the agreement by giving at least three months' written notice. The appointment is subject to the provisions of the Articles of Association with regard to vacating the office of Directors, removal and retirement by rotation of Directors.

### *Relationships*

Save as disclosed above, Ms. Tse does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Listing Rules.

### *Interests in Shares*

As at the Latest Practicable Date, Ms. Tse is not interested in Shares in the Company within the meaning of Part XV of the SFO.

### *Director's emoluments*

Under the terms of her service contract with the Company, Ms. Tse is not entitled to any basic salary or director's fee director's remuneration of Ms. Tse from the Group.

### *Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders*

Ms. Tse was a director of Everbright Chung Cheong DVD Company Limited ("**Chung Cheong**"), a company incorporated in Hong Kong and conducted manufacturing business. In December 2003, compulsory winding up proceedings were initiated against Chung Cheong upon a petition filed by its creditor at the Court of First Instance of Hong Kong in pursuit of a court order to wind up Chung Cheong on the grounds that Chung Cheong was unable to pay its debts in sum of HK\$2,602,315.5. Chung Cheong was ordered to be dissolved on 4 February 2004.

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## APPENDIX I DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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Ms. Tse also served as a director of the following companies prior to their dissolution:

Company	Place of Incorporation	Nature of Business
福州光大物業管理有限公司	PRC	Inactive
Jakeplan Holdings Limited	BVI	Investment holding
Starter Investment Limited	BVI	Investment holding
Asia Like Securities Limited	BVI	Investment holding
Riseland Limited	BVI	Inactive
Thai Wing Limited	BVI	Inactive

CE Hong Kong has confirmed that (i) CE Hong Kong directly or indirectly controlled the above companies prior to their dissolution; (ii) Ms. Tse served as a director of these companies as a nominee of CE Hong Kong; and (iii) according to the development strategies of CE Hong Kong, these companies were sold to third parties, dissolved because they had ceased to carry on business immediately prior to dissolution, or had entered into winding up proceedings with CE Hong Kong's approval as they were unable to pay the debts or involved in legal proceedings.

Among the seven companies in which Ms. Tse served as a director prior to their dissolutions, only Chung Cheong was dissolved due to its inability to pay debts. Given that Ms. Tse was (i) only appointed to act as a replacement director of Chung Cheong for the then resigning director in October 2003, shortly before the commencement of the winding-up proceedings in December 2003; and (ii) Chung Cheong had already been operating at a loss before Ms. Tse's appointment, the Directors are of the view that the dissolution of Chung Cheong or its inability to pay debts was not caused by any wrongful act of Ms. Tse.

Save as disclosed above, there is no information which is disclosable nor is Ms. Tse involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Tse that need to be brought to the attention of the Shareholders.

### (2) Mr. LEE Jor Hung

#### *Position and Experience*

Mr. Lee Jor Hung ("Mr. Lee"), 65, is the independent non-executive Director and also the chairman of the remuneration committee and a member of the nomination and investment committee of the Company. Mr. Lee is currently the chairman of DL Brokerage Limited, in which he has been licensed as the dealing director and responsible officer by the Securities and Futures

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## **APPENDIX I    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

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Commission since August 1993 and October 2003, respectively, under the Securities and Futures Ordinance to carry on type 1 (i.e. dealing in securities) and type 4 (i.e. advising on securities) regulated activities. He has also served as the director and the permanent honorary president of Hong Kong Securities Association Ltd. since August 1991 and September 1999, respectively.

Prior to joining the Group, Mr. Lee had served as a non-executive director of Hong Kong Exchanges and Clearing Limited (stock code: 0388), CIG Yangtze Ports PLC (stock code: 8233) and Sinofortune Financial Holdings Limited (formerly known as “Stockmartnet Holdings Limited”) (stock code: 8123), all of which being listed on the Stock Exchange, from April 2000 to April 2006, September 2005 to November 2011, and May 2000 to May 2005, respectively. He had also served as a director of Hong Kong Securities and Investment Institute from December 2003 to December 2008, and become a fellow member and senior fellow since November 2012 and September 2014, respectively.

Mr. Lee had served as a member of the advisory committee and a member of the process review panel to the Securities and Futures Commission of Hong Kong, from June 1999 to May 2001 and from November 2006 to October 2012, respectively. In addition, he had also served as a member of Disciplinary Panel A and Investigation Panel A of the Hong Kong Institute of Certified Public Accountants, from February 2005 to January 2011 and from February 2011 to January 2015, respectively. He had also been a member of the Barrister Disciplinary Tribunal Panel from September 2005 to August 2015.

Mr. Lee obtained a bachelor degree of commerce in the University of Alberta, Canada in May 1977 and a master degree of business administration in the University of East Asia, Macau in October 1986. He was awarded the Bronze Bauhinia Star in the Hong Kong Special Administrative Region 2000 Honors List.

Save as disclosed above, Mr. Lee has not held any directorships in the last 3 years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.

### *Length of service*

Mr. Lee has entered into a service contract with the Company for a term of three years commencing from 16 January 2018 (the date of listing of the Shares on the Stock Exchange). Either party has the right to terminate the agreement by giving at least three months’ written notice. The appointment is subject to the provisions of the Articles of Association with regard to vacating the office of Directors, removal and retirement by rotation of Directors.

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## APPENDIX I    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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### *Relationships*

Save as disclosed above, Mr. Lee does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Listing Rules.

### *Interests in Shares*

As at the Latest Practicable Date, Mr. Lee is not interested in Shares in the Company within the meaning of Part XV of the SFO.

### *Director's emoluments*

Under the terms of his service contract with the Company, Mr. Lee is entitled to director's remuneration fee of approximately HK\$223,500 for the year ended 31 December 2019 inclusive of any sum receivable as director's fee or other allowance from the Group. Such emoluments are determined by reference to the prevailing market conditions.

### *Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders*

Save as disclosed above, there is no information which is disclosable nor is Mr. Lee involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Mr. Lee that need to be brought to the attention of the Shareholders.

## **(3) Ms. YU Pauline Wah Ling**

### *Position and Experience*

Ms. Yu Pauline Wah Ling ("**Ms. Yu**"), 72, is our independent non-executive Director and also a member of the remuneration and investment committee of the Company. Prior to joining the Group, Ms. Yu had served as the lettings assistant and later as assistant manager of The Hongkong Land Company Limited (formerly The Hongkong Land Investment & Agency Co., Ltd.) from August 1971 to July 1981. She has also worked in Hysan Development Company Limited (stock code: 0014), a company listed on the Hong Kong Stock Exchange, since 1981. In November 1991, she was appointed as a director of Hysan Development Company Limited and was responsible for the strategic development of the company's property business. Ms. Yu retired as an executive director in May 2008.

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## APPENDIX I    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING

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Ms. Yu obtained a bachelor degree of arts in the University of Hong Kong in October 1971.

### *Length of service*

Ms. Yu has entered into a service contract with the Company for a term of three years commencing from 16 January 2018 (the date of listing of the Shares on the Stock Exchange). Either party has the right to terminate the agreement by giving at least three months' written notice. The appointment is subject to the provisions of the Articles of Association with regard to vacating the office of Directors, removal and retirement by rotation of Directors.

### *Relationships*

Save as disclosed above, Ms. Yu does not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company as defined in the Listing Rules.

### *Interests in Shares*

As at the Latest Practicable Date, Ms. Yu is not interested in Shares in the Company within the meaning of Part XV of the SFO.

### *Director's emoluments*

Under the terms of her service contract with the Company, Ms. Yu is entitled to director's remuneration fee of approximately HK\$222,000 for the year ended 31 December 2019 inclusive of any sum receivable as director's fee or other allowance from the Group. Such emoluments are determined by reference to the prevailing market conditions.

### *Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders*

Ms. Yu served as a Director of 上海錦明房業有限公司, a company established in the PRC, which developed Jinming Apartments (錦明公寓) and subsequently sold and managed the units during the period when she was its director. The entity was deregistered by board resolutions on August 15, 2007. Ms. Yu confirmed that, to the best of her knowledge, 上海錦明房業有限公司 was solvent and inactive at the time of its deregistration and had no material outstanding claims of liabilities during the period when she was its director.

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**APPENDIX I    DETAILS OF THE RETIRING DIRECTORS PROPOSED TO  
BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

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Save as disclosed above, there is no information which is disclosable nor is Ms. Yu involved in any of the matters required to be disclosed pursuant to any of the requirements under Rule 13.51(2)(h) to (v) of the Listing Rules and there are no other matters concerning Ms. Yu that need to be brought to the attention of the Shareholders.



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## **APPENDIX II      EXPLANATORY STATEMENT ON THE SHARE BUY-BACK MANDATE**

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The following is an explanatory statement required by the Listing Rules to provide the Shareholders with requisite information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Share Buy-back Mandate.

### **1.    SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 441,400,000 Shares.

Subject to the passing of the ordinary resolution set out in item 5 of the notice of the Annual General Meeting in respect of the granting of the Share Buy-back Mandate and on the basis that the issued share capital of the Company remains unchanged on the date of the Annual General Meeting, i.e. being 441,400,000 Shares, the Directors would be authorized under the Share Buy-back Mandate to repurchase, during the period in which the Share Buy-back Mandate remains in force, a total of 44,140,000 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

### **2.    REASONS FOR SHARE BUY-BACK**

The Directors believe that the granting of the Share Buy-back Mandate is in the best interests of the Company and the Shareholders.

Shares buy-back may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made when the Directors believe that such a buy-back will benefit the Company and the Shareholders.

### **3.    FUNDING OF SHARE BUY-BACK**

The Company may only apply funds legally available for share buy-back in accordance with its Memorandum and Articles of Association, the laws of Cayman Islands and/or any other applicable laws, as the case may be.

### **4.    IMPACT OF SHARE BUY-BACK**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2019) in the event that the Share Buy-back Mandate is to be carried out in full at any time during the proposed buy-back period under the Share Buy-back Mandate. However, the Directors do not intend to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or its gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

**5.    MARKET PRICES OF SHARES**

The highest and lowest prices per Share at which Shares have traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest <i>HK\$</i></b>	<b>Lowest <i>HK\$</i></b>
<b>2019</b>		
April	0.90	0.77
May	0.85	0.67
June	0.79	0.68
July	0.79	0.62
August	0.68	0.52
September	0.61	0.48
October	0.61	0.50
November	0.57	0.475
December	0.54	0.47
<b>2020</b>		
January	0.55	0.415
February	0.57	0.445
March	0.54	0.415
April (up to the Latest Practicable Date)	0.50	0.44

**6.    GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Share Buy-back Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to repurchase Shares pursuant to the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

**7.    TAKEOVERS CODE**

If as a result of a buy-back of Shares pursuant to the Share Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code), depending on the level of increase in the Shareholder's interest, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge and belief of the Directors, as at the Latest Practicable Date, Lucky Link Investments Limited ("**Lucky Link**") and Top Charm Investments Limited ("**Top Charm**") directly hold approximately 67.49% and 7.50% of the issued Shares, respectively. Capital Century holds 100% shares in Lucky Link and Top Charm and is therefore deemed to be interested in 297,900,000 and 33,100,000 Shares held by Lucky Link and Top Charm, respectively. Capital Century is taken to have an interest in a total of 331,000,000 Shares, representing approximately 74.99% of the total number of Shares.

If the present shareholdings and capital structure of the Company remain the same, the Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. In the event that the Directors exercise the proposed Share Buy-back Mandate in full, the aggregate beneficial interest of Capital Century would be increased to approximately 83.32% of the issued Shares, resulting in less than 25% of the issued share capital of the Company being held by the public as required under the Listing Rules. The Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, result in the aggregate number of Shares held by the public Shareholders falling below the prescribed minimum percentage required by the Stock Exchange.

**8.    SHARE BUY-BACK MADE BY THE COMPANY**

During the 6 months prior to the Latest Practicable Date, the Company had not repurchased any of the Shares (whether on the Stock Exchange or otherwise).

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## NOTICE OF ANNUAL GENERAL MEETING

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### EVERBRIGHT GRAND CHINA ASSETS LIMITED 光大永年有限公司

*(Incorporated in the British Virgin Islands with limited liability and  
transferred by way of continuation into the Cayman Islands)*  
**(Stock code: 3699)**

Notice is hereby given that the Annual General Meeting of Everbright Grand China Assets Limited (the “**Company**”) will be held at Salon II & III, Mezzanine Floor, Grand Hyatt Hong Kong, 1 Harbour Road, Wan Chai, Hong Kong on Thursday, 18 June 2020 at 2:00 p.m. for the following purposes:

1. To receive the audited consolidated financial statements of the Company and the reports of the directors and auditors for the year ended 31 December 2019.
2. To declare a final dividend of RMB2.03 cents per ordinary share for the year ended 31 December 2019.
- 3(a). To re-elect Ms. TSE Hang Mui as non-executive director of the Company.
- 3(b). To re-elect Mr. LEE Jor Hung as independent non-executive director of the Company.
- 3(c). To re-elect Ms. YU Pauline Wah Ling as independent non-executive director of the Company.
- 3(d). To authorize the board of directors of the Company to fix the respective directors’ remuneration.
4. To appoint Ernst & Young as auditors and to authorize the board of directors of the Company to fix their remuneration.

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## NOTICE OF ANNUAL GENERAL MEETING

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

**“THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to exercise during the Relevant Period (as defined below) all the powers of the Company to repurchase its shares in accordance with all applicable laws, rules and regulations;
- (b) the total number of shares of the Company to be repurchased pursuant to the mandate in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
- (c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

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## NOTICE OF ANNUAL GENERAL MEETING

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

**“THAT:**

- (a) subject to compliance with the prevailing requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and paragraph (b) below, a general mandate be and is hereby generally and unconditionally given to the directors of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers during or after the end of the Relevant Period (as defined below) in accordance with all applicable laws, rules and regulations;
- (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors pursuant to the mandate in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below);
  - (ii) the exercise of options under a share option scheme of the Company; and
  - (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing of this resolution, and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

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## NOTICE OF ANNUAL GENERAL MEETING

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(c) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.

“**Rights Issue**” means an offer of shares open for a period fixed by the directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (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 any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”

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

“THAT conditional upon the passing of the resolutions set out in items 5 and 6 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 6 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors pursuant to such general mandate of the number of shares repurchased by the Company pursuant to the mandate referred to in resolution set out in item 5 of the Notice, provided that such number of shares shall not exceed 10% of the total number of issued shares of the Company as at the date of passing of this resolution.”

By Order of the Board  
**LIU Jia**  
*Chairman*

Hong Kong, 24 April 2020

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## NOTICE OF ANNUAL GENERAL MEETING

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*Notes:*

1. All resolutions at the meeting will be taken by poll (except where the chairman decides to allow a resolution relating to a procedural or administrative matter to be voted on by a show of hands) pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules requirements.
2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. not later than 2:00 p.m. on Tuesday, 16 June 2020) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Monday, 15 June 2020 to Thursday, 18 June 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, 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 Friday, 12 June 2020.
5. For determining the entitlement to the proposed final dividend (subject to approval by the shareholders at the Annual General Meeting), the Register of Members of the Company will be closed from Friday, 26 June 2020 to Thursday, 2 July 2020, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, 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 Wednesday, 24 June 2020.
6. A circular containing further details concerning items 3, 4, 5, 6 and 7 set out in the above notice will be sent to all shareholders of the Company together with the annual report of the Company for the year ended 31 December 2019.
7. If “extreme condition” caused by super typhoon or a black rainstorm warning or a tropical cyclone warning signal number 8 or above is hoisted at any time after 9:00 a.m. on 18 June 2020, the Annual General Meeting will be postponed and the Shareholders will be informed of the date, time and venue of the postponed Annual General Meeting by a supplementary notice, posted on the respective websites of the Stock Exchange and the Company.
8. References to time and dates in this notice are to Hong Kong time and dates.



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## **PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

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The health of the Company's shareholders, staff and stakeholders is of paramount importance to the Company. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending shareholders, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) The Company encourages each attendee to wear a surgical face mask throughout the meeting and inside the meeting venue, and to maintain a safe distance between seats.
- (iii) No refreshment will be served, and there will be no corporate gift.
- (iv) Each attendee may be asked whether (a) he/she had travelled outside of Hong Kong within the 14-day period immediately before the Annual General Meeting; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the meeting venue or be required to leave the meeting venue.

In addition, the Company reminds all shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and returning the proxy form attached to this document to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 48 hours before the time appointed for the Annual General Meeting (i.e. not later than 2:00 p.m. on Tuesday, 16 June 2020) or the adjourned meeting (as the case may be).

If any shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to our head office and principal place of business in Hong Kong or to our email at [inquiry@ebgca.com.hk](mailto:inquiry@ebgca.com.hk).

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## **PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

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If any shareholder has any question relating to the meeting, please contact Tricor Investor Services Limited, the Company's Hong Kong branch share registrar as follows:

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East, Hong Kong  
Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185