

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT CONTAINS PROPOSALS RELATING TO CATHAY INTERNATIONAL HOLDINGS LIMITED (THE “COMPANY”) ON WHICH YOU ARE BEING ASKED TO VOTE. If you are in any doubt about the contents of this document or as to the action you should take you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser who specialises in advising on the acquisition of shares or other transferable securities and who is duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, another appropriately authorised financial adviser.**

**If you sell or have sold or otherwise transferred all of your shares in the capital of the Company, you should send this document and the accompanying documents as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward delivery to the purchaser or transferee. The distribution of this document and any accompanying documents into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document and any accompanying documents come should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. If you sell or have sold or otherwise transferred only part of your holding of shares in the capital of the Company you should retain these documents.**

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## **CATHAY INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated and registered in Bermuda under the Companies Act 1981 of  
Bermuda (as amended) with registered no. 29892)*

### **NOTICE OF ANNUAL GENERAL MEETING**

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**This document should be read in its entirety. Your attention is drawn to the letter from the Chairman of the Company set out in this document, which contains your Board’s unanimous recommendation to vote in favour of the Resolutions set out in the notice of Annual General Meeting referred to below.**

A notice of an Annual General Meeting of the Company to be held at the Hong Kong Office of the Company at Suites 1203-4, 12/F., Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong on 10 June 2019 at 10:00 a.m. (Hong Kong time), is set out at the end of this document. Shareholders will find enclosed a Form of Proxy and holders of depository interests will find enclosed a Form of Direction for use at the meeting. To be valid, the Form of Proxy or Form of Direction should be completed, signed and returned in accordance with the instructions on it to Link Asset Services at PXS 1, 34 Beckenham Road, Beckenham, BR3 4ZF, United Kingdom as soon as possible but, in any event, so as to be received not later than 4:00 p.m. on 4 June 2019 for the Form of Direction and 4:00 p.m. on 5 June 2019 for the Form of Proxy. Completion and return of a Form of Proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting, should they so wish.

**YOU ARE REQUESTED TO COMPLETE AND RETURN THE ENCLOSED FORM OF PROXY AND/OR FORM OF DIRECTION IN ACCORDANCE WITH THE INSTRUCTIONS HEREIN.**

Your attention is drawn to the section entitled “Action to be Taken” on pages 4 and 5 of this circular.

Copies of this document will be available free of charge during normal business hours on weekdays (excluding Saturday, Sunday and public holidays) from the date hereof until date of AGM from the Company’s registered office. Copies will also be available to download from the Company’s website at [www.cathay-intl.com.hk](http://www.cathay-intl.com.hk).

**LETTER FROM THE CHAIRMAN OF THE COMPANY**  
**CATHAY INTERNATIONAL HOLDINGS LIMITED**

*(Incorporated and registered in Bermuda under the Companies Act 1981  
of Bermuda (as amended) with registered no. 29892)*

Directors:  
Wu Zhen Tao  
\*Sum Soon Lim  
Lee Jin-Yi  
\*Stephen Burnau Hunt  
Siu Ka Chi Eric  
Patrick Sung  
\*Kenneth K. Toong  
\*Chan Ching Har Eliza

Registered Office:  
Canon's Court  
22 Victoria Street  
Hamilton  
HM12  
Bermuda

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\* denotes non-executive director

29 March 2019

Dear Shareholder,

**2019 Annual General Meeting**

The purpose of this circular is to provide details of our 2019 Annual General Meeting (“AGM”), which is to be held at the Hong Kong Office of the Company at Suites 1203-4, 12/F., Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong on 10 June 2019 at 10:00 a.m. (Hong Kong time).

A notice convening the AGM, containing the resolutions to be considered at the AGM, is set out on pages 6 to 9, and this letter explains each resolution in more detail.

**Annual Report and Financial Statements – Ordinary Resolution 1**

The business of the AGM will begin with a resolution to receive and adopt the financial statements for the year ended 31 December 2018 as well as the Directors’ Report, Directors’ Remuneration Report and Auditor’s Report in respect of such financial statements.

**Retirement and re-election of directors – Ordinary Resolutions 2, 3, 4 and 5**

Pursuant to the Company’s Bye-Laws, every year approximately one-third of the directors retire by rotation, though they may offer themselves for re-election, and no director shall hold office as a director for more than three years following his election or re-election or appointment or re-appointment and such a director may offer himself for re-election. This year, Mr. Lee Jin-Yi, Mr. Siu Ka Chi Eric, Mr. Patrick Sung and Dr. Chan Ching Har Eliza retire as directors by rotation and are seeking re-election. Following performance evaluation, the performance of these directors continues to be effective, each of the directors possesses a wide range of skills and expertise as set out in the Biographies section of the Annual Report, and they demonstrate commitment to their role.

Brief biographical details relating to the retiring directors are given on pages 39 to 40 of the Annual Report.

**Reappointment of Auditor and authority to fix its remuneration – Ordinary Resolution 6**

A resolution to reappoint BDO Limited as the Company’s Auditor is proposed. The resolution also authorises the directors to fix the auditor’s remuneration.

**Authority to allot shares – Ordinary Resolution 7**

This resolution is to provide for the directors to continue to have the authority to allot relevant securities. Resolution 7 renews a similar authority given at last year’s AGM and authorises the directors to allot shares in the capital of the Company up to a maximum nominal value of

USD6,354,046 which represents approximately one third in nominal value of the shares of the Company as at 25 March 2019. This limit is in line with the guidelines issued by The Investment Association.

The resolution also seeks a new authority, in line with the guidance issued by The Investment Association, for the directors to allot shares in the Company up to a maximum nominal value of USD12,708,092 which represents approximately two-thirds in nominal value of the issued share capital of the Company in connection with a pre-emptive rights issue. The guidance issued by The Investment Association recommends that if this additional authority is used and the amount raised in any rights issue is more than one third of the Company's pre-issue market capitalisation, all directors wishing to remain in office should stand for re-election at the next AGM of the Company, and the Board intends to follow this guidance.

The directors have no present intention of exercising these authorities to allot relevant securities, except in connection with the share option scheme approved at the 2010 AGM. The authorities expire at the conclusion of the Company's next AGM, or, if earlier, fifteen months after the date on which the resolution is passed.

#### **Disapplication of pre-emption rights – Special Resolution 8**

This resolution would, as in previous years, renew the directors' power to allot relevant securities up to a maximum aggregate nominal value of USD953,107 (representing approximately 5% of the issued share capital of the Company as at 25 March 2019) for cash without first having to offer them to shareholders in proportion to their existing holdings. In addition, in accordance with normal practice, the resolution will enable directors to allot shares for cash in connection with a rights issue or open offer and to deal with shareholders and fractional entitlements as they think fit.

This resolution complies with the relevant guidance issued by the Pre-emption Group and The Investment Association, and the Board confirms its intentions to follow the provisions of the Pre-emption Group's Statement of Principles regarding cumulative usage of authorities within a rolling 3 year period where the principles provide that usage in excess of 7.5% should not take place without prior consultation with shareholders.

The power expires at the conclusion of the Company's next AGM or, if earlier, fifteen months after the date on which the resolution is passed.

#### **Authorisation for the Company to purchase its own shares – Special Resolution 9**

It is proposed that, in common with many other quoted companies, the Company be given authority to make market purchases of its own shares. This authority will be limited to a maximum of 38,124,277 shares, being approximately 10% of the issued common share capital as at 25 March 2019.

The Board will continue to monitor carefully the capital requirements of the Company and, although at present the directors have no plans to buy back shares, they may consider it prudent to act at short notice if circumstances warrant. The Board will, however, make use of this authority only when satisfied that to do so would be in the best interests of the shareholders and where the expected result of such purchase would be an increase in earnings per share.

The authority will expire at the conclusion of the Company's next AGM or fifteen months after the date on which the resolution is passed, whichever is the earlier. The maximum price (exclusive of expenses) per ordinary share which can be paid on any occasion is limited to the higher of (i) 105% of the average of the middle-market quotations, as derived from the London Stock Exchange's Daily Official List, for the five business days prior to the date of the purchase being made; and (ii) the higher of the price of the last independent trade and the highest current independent bid as stipulated by the Buy-back and Stabilisation Regulations (EC2273/2003).

Under Bermuda company legislation, following the amendments to the Company's Bye-Laws approved by shareholders at the special general meeting held on 19 April 2010, the Company may hold shares purchased as treasury shares, which may then be cancelled, either immediately or at

some point in the future, re-sold for cash or transferred in connection with the Company's option plan (if approved). The Board will only hold shares purchased pursuant to this authority where it believes this course to be in the best interests of the Company and its shareholders. A wholly-owned subsidiary of the Company currently holds 3,200,000 Common Shares as treasury shares.

#### **Action to be taken**

The Resolutions are subject to shareholder approval. A notice convening the AGM is set out at the end of this circular. A Form of Proxy for use by shareholders or a Form of Direction for use by holders of depository interests, as applicable, in connection with the AGM is enclosed. If you are a shareholder, you are requested to complete, sign and return the Form of Proxy; if you are a depository interest holder, you should refer to the notes on the Form of Direction, whether or not you intend to be present at the AGM, and return it to Link Asset Services, The Registry, PXS 1, 34 Beckenham Road, Beckenham, BR3 4ZF, United Kingdom as soon as possible and in any event so as to arrive not later than 4:00 p.m. on 4 June 2019 for Forms of Direction (being 72 hours before the time appointed for the holding of the AGM) and not later than 4:00 p.m. on 5 June 2019 for Forms of Proxy (being 48 hours (weekends and bank holidays excluded) before the time appointed for holding the AGM). If you are a holder of shares in the Company (but not depository interests), the completion and return of a Form of Proxy will not prevent you from attending the AGM and voting in person should you subsequently wish to do so. If you are a holder of depository interests, completion of the Form of Direction will not preclude you from attending the AGM, should you wish. If you hold your shares via the Depository Interest arrangement and would like to attend the AGM, please contact the Depository, Link Market Services Trustees Limited at The Registry, 34 Beckenham Road, Beckenham, BR3 4ZF, United Kingdom not later than 4:00 p.m. on 4 June 2019.

The quorum for the AGM is two or more shareholders, who are entitled to vote, present in person or by proxy or a duly authorised representative of a corporation which is a member. The majority required for the passing of the Ordinary Resolutions at the AGM is a simple majority of the total number of votes cast for and against such resolutions. The majority required for the passing of the Special Resolutions at the AGM is 75% of the total number of votes cast for and against such resolutions.

CREST members who wish to instruct the Depository how to vote through the CREST system may do so by using the procedures described in "the CREST voting service" section of the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed one or more voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

#### **Recommendation**

The directors believe that all of the proposals set out in the Notice of AGM are in the best interests of shareholders. Accordingly, the Board unanimously recommends that shareholders vote in favour of the resolutions set out in the Notice of AGM as the directors intend to do in respect of their own beneficial holdings amounting in aggregate to 8,249,276 A Shares and 229,706,434 Common Shares, representing approximately 62.94% of the votes capable of being cast at the AGM on a show of hands, or 72.00% on a poll.

I look forward to seeing you at the AGM.

Yours faithfully,

**Wu Zhen Tao**  
Chairman

# CATHAY INTERNATIONAL HOLDINGS LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the next Annual General Meeting of Cathay International Holdings Limited (the “**Company**”) will be held at the Hong Kong Office of the Company at Suites 1203-4, 12/F., Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong on 10 June 2019 at 10:00 a.m. (Hong Kong time) for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as Ordinary Resolutions, with the exception of resolutions 8 and 9 which will be proposed as Special Resolutions.

### Ordinary Resolutions

1. To receive and adopt the Company’s financial statements for the year ended 31 December 2018 together with the Directors’ Report and the Independent Auditor’s Report in respect of the financial statements and the Directors’ Remuneration Report for the year ended 31 December 2018.
2. To re-elect as Executive Director Mr. Lee Jin-Yi, who retires by rotation, in accordance with Bye-Law 84 of the Company’s Bye-Laws.
3. To re-elect as Executive Director Mr. Siu Ka Chi Eric, who retires by rotation, in accordance with Bye-Law 84 of the Company’s Bye-Laws.
4. To re-elect as Executive Director Mr. Patrick Sung, who retires by rotation, in accordance with Bye-Law 84 of the Company’s Bye-Laws.
5. To re-elect as Independent Non-Executive Director Dr. Chan Ching Har Eliza, who retires by rotation, in accordance with Bye-Law 84 of the Company’s Bye-Laws.
6. To re-appoint BDO Limited as the Company’s Auditor, to hold office until the conclusion of the next general meeting at which financial statements are laid before the Company and to authorise the directors to fix its remuneration.
7. **THAT** the authority of the directors to exercise the power of the Company to allot unissued shares comprised in the authorised share capital of the Company, grant options over or otherwise dispose of the same, as contained in Bye-Law 7 of the Bye-Laws of the Company be and is hereby renewed, provided that this authority shall (unless previously revoked or varied by the Company in general meeting) be limited to:
  - (a) the allotment of shares up to an aggregate nominal amount of USD12,708,092 representing not more than two thirds in nominal value of the shares of the Company as at 25 March 2019 in connection with an offer by way of rights issue to holders of shares in proportion (as nearly as may be practicable) to their respective holdings, but subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; and
  - (b) in any other case, the allotment of shares up to an aggregate nominal amount of USD6,354,046 representing not more than one third in nominal value of the shares of the Company as at 25 March 2019.

provided that this authority shall expire fifteen months after the date of the passing of this resolution or, if earlier, at the conclusion of the next Annual General Meeting of the Company (“the period of the authority”) save that the Company may before the expiry date of the period of the authority make an offer or agreement which would or might require shares to be allotted after such expiry and the directors may allot shares in pursuance of any such offer or agreement as if the authority conferred hereby had not expired.

### **Special Resolutions**

8. **THAT** the directors be and are hereby empowered to allot shares for cash as if Bye-Law 8 of the Bye-Laws of the Company did not apply to any such allotment and so that the power conferred by this resolution shall enable the Company to make any offer or agreement before the expiry of the period of the authority (as defined in the resolution numbered 5 in the notice of this meeting) which would or might require shares to be allotted after the expiry of such period and so that notwithstanding such expiry the directors may allot shares pursuant to any such offer or agreement previously made by the Company as if the power conferred hereby had not expired.

**PROVIDED** however that the power conferred hereby shall:

(a) be limited:

- (i) to the allotment of shares in connection with or pursuant to any arrangement whereby the holders of shares at a record date or dates adopted for the purposes of the arrangement are entitled to acquire any shares of the Company issued for cash pursuant to such arrangement, in the proportion (as nearly as may be) to such holders’ holdings of shares (or, as appropriate, to the numbers of such shares which such holders are for the purpose deemed to hold) subject to such exclusions or other arrangements as the directors may consider necessary or expedient to deal with shares representing fractional entitlements or the issue and/or transfer and/or holding of any securities in uncertificated form or legal or practical problems under or resulting from the apparent application of the laws of any territory or the requirements of any recognised regulatory body or stock exchange in any territory; and
- (ii) to the allotment (otherwise than pursuant to sub-paragraph (i) above) of shares having an aggregate nominal value or, in the case of other equity securities, giving the right to subscribe for or convert into shares having an aggregate nominal value not exceeding USD953,107; and

(b) expire at the conclusion of the period of authority (as defined above) except to the extent that the same is renewed or extended prior thereto.

9. **THAT** the Company be and is hereby unconditionally and generally authorised to make market purchases (as defined in Section 693(4) of the Companies Act 2006 of the United Kingdom of Great Britain and Northern Ireland) of Common shares of USD0.05 in the capital of the Company provided that:

- (a) the maximum number of shares hereby authorised to be acquired is 38,124,277;
- (b) the minimum price which may be paid for such shares is USD0.05 per share;
- (c) the maximum price which may be paid for such shares is, in respect of a share contracted to be purchased on any day, an amount equal to the higher of: (i) 105 per cent of the average of the middle market quotations for such shares shown in the Daily

Official List of London Stock Exchange plc for the five business days in respect of which such Daily Official List is published immediately preceding the day on which the share is contracted to be purchased; and (ii) the higher of the price of the last independent trade and the highest current independent bid as stipulated by the Buy-back and Stabilisation Regulations (EC2273/2003) (in each case excluding expenses);

- (d) the authority hereby conferred shall expire fifteen months after the date of the passing of this resolution or, if earlier, at the conclusion of the next Annual General Meeting of the Company; and
- (e) the Company may make a contract to purchase its own shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own shares in pursuance of any such contract.

BY ORDER OF THE BOARD

**Yip Pui Ling Rebecca**, Company Secretary

Cathay International Holdings Limited

Registered Office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Dated: 29 March 2019

NOTES:

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and, on a poll or show of hands, to vote on such member's behalf. A proxy need not be a member of the Company, but must attend the Annual General Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. The notes to the proxy form also explain how to direct your proxy how to vote on each resolution or withhold their vote.
2. A Form of Proxy or Form of Direction for use in connection with the Annual General Meeting accompanies the Notice of AGM. Additional copies may be obtained from Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, BR3 4ZF, United Kingdom.
3. The Form of Proxy and any power of attorney under which it is signed must be delivered or sent to Link Asset Services, PXS, 34 Beckenham Road, Beckenham, BR3 4ZF, United Kingdom to arrive not less than 48 hours (weekends and bank holidays excluded) before the time appointed for holding the Annual General Meeting. Completion and return of a Form of Proxy will not prevent a member from attending and voting at the Annual General Meeting should she/he so wish.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Abstain/Withhold" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the shareholder helpline of Link Assets Services, at telephone number +44 (0)871 664 0300.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

8. To be effective, the Form of Direction and the power of attorney or other authority under which it is signed, or a certified copy of such power or authority, must be delivered to or delivered by hand during normal business hours to Link Asset Services, PXS 1, 34 Beckenham Road, Beckenham, BR3 4ZF, United Kingdom to arrive not less than 4:00 p.m. on 4 June 2019 before the time appointed for holding the Annual General Meeting.
9. Holders of Depository Interests in uncertified form (i.e. in CREST) who wish to instruct the Depository how to vote through the CREST electronic proxy appointment service may do so for the Annual General Meeting and any adjournments of it by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed voting service providers, should refer to their sponsors or voting service providers, who will be able to take the appropriate action on their behalf. For a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain the information required for those instructions as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to the previously appointed proxy, must, to be valid, be transmitted so as to be received by Link Asset Services (IDRA10) not less than 72 hours before the time appointed for holding the Annual General Meeting or adjournment as the case may be. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST Personal Member or sponsored member or has appointed voting service providers, to procure that its CREST sponsors or voting service providers take) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
11. A person must be registered as the holder of A Shares or Common Shares at 4:00 p.m. on 4 June 2019 in order for such person to be entitled to attend and vote at the Annual General Meeting in respect of the number of A Shares or Common Shares registered in their name at that time.
12. As at 4:30 p.m. on 25 March 2019, the Company's issued share capital comprised 372,289,238 Common Shares of USD0.05 each and 8,953,563 A shares of USD0.05 each. Each Common Share carries the right to one vote at a general meeting of the Company and each A Share carries 20 votes at a general meeting of the Company, 3,200,000 Common Shares are held by a wholly-owned subsidiary of the Company as treasury shares therefore, the total number of voting rights in the Company as at 4:30 p.m, on 25 March 2019 is 548,160,498.
13. Copies of the directors' service contracts and the non-executive directors' terms and conditions of appointment shall be available for inspection at the place of the Annual General Meeting, during the Annual General Meeting and for at least 15 minutes prior to the start of the Annual General Meeting.