
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **HKR International Limited** (the "Company"), you should at once hand this circular and 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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HKR INTERNATIONAL LIMITED

香港興業國際集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00480)

**PROPOSALS IN RELATION TO
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of the Company to be held at Grand Azure, Ground Floor, Auberge Discovery Bay Hong Kong, 88 Siena Avenue, Discovery Bay, Lantau Island, Hong Kong on Wednesday, 27 August 2014 at 11:00 a.m. is set out on pages 13 to 16 of this circular and a form of proxy is also enclosed. Whether or not you are able to attend the annual general meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Investor Centre of the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. **Completion and return of the form of proxy shall not preclude you from attending and voting in person at the annual general meeting or any adjourned meeting thereof should you so wish.**

15 July 2014

* Registered under the predecessor of the Companies Ordinance, Chapter 622 of the laws of Hong Kong

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DEFINITIONS

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

“2014 AGM”	AGM to be held at Grand Azure, Ground Floor, Auberge Discovery Bay Hong Kong, 88 Siena Avenue, Discovery Bay, Lantau Island, Hong Kong on Wednesday, 27 August 2014 at 11:00 a.m.;
“2014 AGM Notice”	notice convening the 2014 AGM as set out on pages 13 to 16 of this circular;
“AGM”	an annual general meeting of the Company;
“Articles”	amended articles of association of the Company adopted on 3 September 2009;
“Board”	board of directors of the Company;
“CG Code”	the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules;
“Company”	HKR International Limited (香港興業國際集團有限公司), a company incorporated in the Cayman Islands with limited liability and the securities of which are listed on the main board of the Stock Exchange (Stock Code: 00480);
“Director(s)”	director(s) of the Company from time to time;
“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;
“Latest Practicable Date”	9 July 2014, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained therein;
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“M&A”	amended memorandum and articles of association of the Company adopted on 3 September 2009;
“Ordinary Share(s)” or “share(s)”	ordinary share(s) of par value of HK\$0.25 each in the share capital of the Company;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong, as amended from time to time;
“Share(s)”	share(s) of all classes and securities which carry a right to subscribe for or convert into share(s) in the Company as from time to time issued directly or indirectly by the Company;

DEFINITIONS

“Shareholder(s)”	holder(s) of share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	Code on Takeovers and Mergers in Hong Kong, as amended from time to time.

LETTER FROM THE BOARD



HKR INTERNATIONAL LIMITED
香港興業國際集團有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 00480)

Directors:

Mr CHA Mou Sing Payson (*Chairman*)
Mr CHA Mou Zing Victor (*Deputy Chairman & Managing Director*)
Mr CHUNG Sam Tin Abraham^o
Mr TANG Moon Wah
Mr CHA Mou Daid Johnson[#]
Ms WONG CHA May Lung Madeline[#]
The Honourable Ronald Joseph ARCULLI[#]
Dr CHENG Kar Shun Henry^Δ
Dr CHEUNG Kin Tung Marvin^Δ
Mr CHEUNG Wing Lam Linus^Δ
Ms HO Pak Ching Loretta^Δ

Registered Office:

P.O. Box 309, Umland House
Grand Cayman
KY1-1104, Cayman Islands

Principal Place of Business in Hong Kong:

23/F, China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

^o Also alternate to Mr CHA Mou Sing Payson

[#] Non-executive Directors

^Δ Independent Non-executive Directors

15 July 2014

Dear Shareholders,

**PROPOSALS IN RELATION TO
RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the 2014 AGM Notice and the information regarding the resolutions to be proposed at the 2014 AGM relating to (i) the re-election of Directors who are going to retire and offer themselves for re-election at the 2014 AGM; and (ii) the grant to the Directors of general mandates to issue and repurchase Shares and the extension of the general mandate to issue additional Shares to include Shares to be purchased or repurchased.

RE-ELECTION OF DIRECTORS

Pursuant to article 116, at each AGM, one-third of the Directors for the time being (excluding any Directors who may be required to retire at the same AGM under other provisions of the Articles), or if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided

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LETTER FROM THE BOARD

that every Director shall be subject to retirement by rotation at least once every three years. Article 116 also requires that the Directors to retire in every year shall be those who have been longest in office since their appointment or last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. In addition, code provision A.4.2 of the CG Code provides, inter alia, that every Director should be subject to retirement by rotation at least once every three years.

In accordance with the Articles, the CG Code and the resolution of the Board passed on 25 June 2014, Mr CHA Mou Daid Johnson, Dr CHENG Kar Shun Henry, Mr CHEUNG Wing Lam Linus and Mr TANG Moon Wah shall retire by rotation at the 2014 AGM.

All of the above-named retiring Directors are eligible for re-election and have expressed their willingness to stand for re-election at the 2014 AGM. Biographical details of each of the above-named retiring Directors are set out in Appendix I to this circular.

Any Shareholder acting on his own or together with other persons whose shareholding interests in the Company in aggregate representing not less than 5% of the issued share capital of the Company (other than the person to be proposed) may nominate a person to stand for election as a Director at the 2014 AGM in accordance with article 120. Any Shareholder wishing to do so must serve (i) a written notice of intention to propose such person for election as a Director; (ii) a notice executed by that person of his willingness to be elected; and (iii) the information of that person as required to be disclosed under rule 13.51(2) of the Listing Rules to the Company's principal place of business in Hong Kong at 23/F, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong on or before Tuesday, 19 August 2014. The Company shall issue an announcement and/or a supplementary circular, if applicable, to inform the Shareholders the biographical details of the additional candidate proposed if a valid notice in accordance with article 120 from any Shareholder to propose a person to stand for election as a Director at the 2014 AGM is received.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last AGM held on 28 August 2013, general mandates were given to the Directors to exercise the powers of the Company to issue and repurchase Shares. These general mandates will lapse upon the conclusion of the 2014 AGM and therefore, ordinary resolutions will be proposed at the 2014 AGM to grant the general mandates as follows:

- (1) to grant to the Directors a general and unconditional mandate to allot, issue, grant, distribute and otherwise deal with additional Shares not exceeding twenty per cent (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of the relevant resolution (the "**Issue Mandate**");
- (2) to grant to the Directors a general and unconditional mandate to exercise all the powers of the Company to purchase or repurchase Shares not exceeding ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of the relevant resolution (the "**Repurchase Mandate**"); and
- (3) conditional upon the passing of the resolutions to grant the Issue Mandate and the Repurchase Mandate, to extend the Issue Mandate such that the Directors be authorised to exercise the powers to allot, issue, grant, distribute and otherwise deal with additional Shares pursuant to the Issue Mandate to the extent to include the aggregate nominal amount of Shares purchased or repurchased by the Company pursuant to the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company was HK\$337,568,591.75 divided into 1,350,274,367 fully paid Ordinary Shares. Subject to the passing of the ordinary resolution for approving the Issue Mandate at the 2014 AGM and on

LETTER FROM THE BOARD

the basis that no further Shares will be issued or repurchased prior to the 2014 AGM, the Company would be allowed under the Issue Mandate to issue a maximum of 270,054,873 Shares during the period in which the Issue Mandate remains in force.

Full text of each of the relevant ordinary resolutions in relation to the general mandates described in (1), (2) and (3) above is set out as resolutions numbered 5, 6 and 7 respectively in the 2014 AGM Notice. An explanatory statement, as required under the Listing Rules, containing all the information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the ordinary resolution numbered 6 to approve the Repurchase Mandate is set out in Appendix II to this circular.

VOTING AT AGM

Pursuant to rule 13.39(4) of the Listing Rules and article 80, any vote of Shareholders at the 2014 AGM will be taken by poll and the Company shall announce the results of the poll in the manner prescribed under rule 13.39(5) of the Listing Rules.

Pursuant to article 85, every member present in person or by proxy or (being a corporation) is present by a duly authorised representative or a proxy shall have one vote for every fully-paid Ordinary Share of which he is the holder. A member entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

2014 AGM

The notice convening the 2014 AGM is set out on pages 13 to 16 of this circular.

Enclosed with this circular is the form of proxy for use at the 2014 AGM. Whether or not you are able to attend the 2014 AGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Investor Centre of the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the 2014 AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the 2014 AGM or any adjourned meeting thereof should you so wish.

RECOMMENDATION

The Board is pleased to recommend the re-election of the retiring Directors at the 2014 AGM whose biographical details are set out in Appendix I to this circular. The Board also considers that the proposed resolutions set out in the 2014 AGM Notice, including the grant of the Issue Mandate, the Repurchase Mandate and the extension of the Issue Mandate are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the proposed resolutions at the 2014 AGM.

Yours faithfully,
By order of the Board
CHA Mou Zing Victor
Deputy Chairman & Managing Director

Set out below are the biographical details of the retiring Directors who are eligible and willing to stand for re-election at the 2014 AGM:

1 CHA Mou Daid Johnson *BA, MBA (Aged 62)*

Positions held and length of service

Mr CHA joined the Board in 1989 and was re-designated as Non-executive Director in December 2004. He is also a director of some subsidiaries of the Company.

Experience

Mr CHA is a non-executive director (“NED”) of Hanison Construction Holdings Limited, a subsidiary of the Company listed on the Stock Exchange, Mingly Corporation and China International Capital Corporation Limited, an independent non-executive director (“INED”) of Shanghai Commercial Bank Limited and a director or NED of a number of other public and private companies in Hong Kong and the People’s Republic of China (“PRC”). He is active in many non-profit making organisations including serving as a council and finance committee member of The Chinese University of Hong Kong. Save as disclosed above, Mr CHA did not hold any directorships in other listed public companies in the past three years.

Relationships with directors, senior management, substantial or controlling shareholders of the Company

Mr CHA is a brother of Ms Madeline WONG, Mr Payson CHA and Mr Victor CHA who are also Directors.

Mr CHA is a member of certain classes of discretionary beneficiaries of certain but not identical discretionary trusts of which CCM Trust (Cayman) Limited (“CCM Trust”) and LBJ Regents Limited (“LBJ Regents”), both are substantial shareholders of the Company within the meaning of Part XV of the SFO, are the corporate trustees. Mr CHA is also a director of LBJ Regents.

Interests in Shares

As at the Latest Practicable Date, Mr CHA was interested in 628,200,885 Ordinary Shares within the meaning of Part XV of the SFO.

Director’s remuneration and term of office

Mr CHA was not appointed for a specific term or any proposed length of services and his directorship is subject to retirement by rotation and re-election at the AGMs at least once every three years in accordance with article 116 and code provisions of A.4.2 of the CG Code.

The total remuneration of HK\$100,000 paid to Mr CHA for the year ended 31 March 2014 was approved by the Board on 25 June 2014 in pursuance of the resolution passed by the Shareholders at last AGM held in August 2013.

In relation to the re-election of Mr CHA as a Non-executive Director, save as disclosed above, there is no information which is discloseable nor is or was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter concerning Mr CHA that needs to be brought to the attention of the Shareholders.

2 Dr CHENG Kar Shun Henry *GBS, BA, MBA, DBA (Hons), LL.D (Hons) (Aged 67)***Positions held and length of service**

Dr CHENG joined the Board in 1989 and was re-designated as Independent Non-executive Director in 1993. He is also the chairman of the remuneration committee of the Company.

Experience

Dr CHENG is the chairman and executive director of New World Development Company Limited, Chow Tai Fook Jewellery Group Limited, NWS Holdings Limited and International Entertainment Corporation, the chairman and managing director of New World China Land Limited, the chairman and NED of New World Department Store China Limited and Newton Resources Ltd, a NED of Lifestyle International Holdings Limited and SJM Holdings Limited and an INED of Hang Seng Bank, Limited, all of them are listed on the Stock Exchange. He is also a director of a number of private companies in Hong Kong and overseas. Dr CHENG is the chairman of the advisory council of The Better Hong Kong Foundation, a non-official member of Commission on Poverty and a member of the Twelfth National Committee of the Chinese People's Political Consultative Conference of the PRC. Save as disclosed above, Dr CHENG did not hold any directorships in other listed public companies in the past three years.

Dr CHENG has been serving on the Board for over 25 years with 21 years acted as Independent Non-executive Director. Based on the information available to the Board and by reference to rule 3.13 of the Listing Rules which sets out certain criteria on independence of the INEDs, the Board considers that Dr CHENG is independent. Further, in view of the extensive knowledge and experience of Dr CHENG, the Board believes that his re-election is in the best interests of the Company and the Shareholders as a whole.

Relationships with directors, senior management, substantial or controlling shareholders of the Company

Dr CHENG is not related to any directors, senior management, substantial or controlling shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Dr CHENG did not have any interests in the Ordinary Shares within the meaning of Part XV of the SFO.

Director's remuneration and term of office

Dr CHENG was not appointed for a specific term or any proposed length of services and his directorship is subject to retirement by rotation and re-election at the AGMs at least once every three years in accordance with article 116 and code provision of A.4.2 of the CG Code.

The total remuneration of HK\$200,000 paid to Dr CHENG for the year ended 31 March 2014 was approved by the Board on 25 June 2014 in pursuance of the resolution passed by the Shareholders at last AGM held in August 2013.

In relation to the re-election of Dr CHENG as an Independent Non-executive Director, save as disclosed above, there is no information which is discloseable nor is or was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the

provisions under paragraph 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter concerning Dr CHENG that needs to be brought to the attention of the Shareholders.

3 Mr CHEUNG Wing Lam Linus *BSSc, JP (Aged 66)*

Positions held and length of service

Mr CHEUNG joined the Board in January 2006 and was re-designated as an Independent Non-executive Director on 26 March 2012. He is also a member of both of the audit committee and remuneration committee of the Company.

Experience

Mr CHEUNG was the chief executive of Hong Kong Telecommunications Limited (later “Cable & Wireless HKT Limited” (“Cable”)) from 1994 to 2000, the deputy chairman of PCCW Limited (following a merger with Cable) from August 2000 to February 2004 and an INED of Taikang Life Insurance Co. Ltd. from 2005 to 2011. He is an INED of China Unicom (Hong Kong) Limited which is listed on the Stock Exchange. Mr CHEUNG has recently retired as the chairman of the board of governors by the end of June 2014 but remained as the chairman of the council of Centennial College. Save as disclosed above, Mr CHEUNG did not hold any directorships in other listed public companies in the past three years.

Based on the information available to the Board and by reference to rule 3.13 of the Listing Rules which sets out certain criteria on independence of the INEDs, the Board considers that Mr CHEUNG is independent. Further, in view of the extensive knowledge and experience of Mr CHEUNG, the Board believes that his re-election is in the best interests of the Company and the Shareholders as a whole.

Relationships with directors, senior management, substantial or controlling shareholders of the Company

Mr CHEUNG is not related to any directors, senior management, substantial or controlling shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr CHEUNG did not have any interests in the Ordinary Shares within the meaning of Part XV of the SFO.

Director’s remuneration and term of office

Mr CHEUNG was not appointed for a specific term or any proposed length of services and his directorship is subject to retirement by rotation and re-election at the AGMs at least once every three years in accordance with article 116 and code provision of A.4.2 of the CG Code.

The total remuneration of HK\$300,000 paid to Mr CHEUNG for the year ended 31 March 2014 was approved by the Board on 25 June 2014 in pursuance of the resolution passed by the Shareholders at last AGM held in August 2013.

In relation to the re-election of Mr CHEUNG as an Independent Non-executive Director, save as disclosed above, there is no information which is discloseable nor is or was he involved in any of the matters required to be disclosed pursuant to any of the requirements

of the provisions under paragraph 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter concerning Mr CHEUNG that needs to be brought to the attention of the Shareholders.

4 Mr TANG Moon Wah *BA (Arch Studies), BArch (Aged 60)*

Positions held and length of service

Mr TANG was appointed Executive Director in December 2004 and is also a director of some subsidiaries of the Company. He has been serving in the Group since 1985 and is now the head of group projects responsible for project management of real estate development in Hong Kong, the PRC and Asia-Pacific and for oversight of master planning, conceptual and major designs and technical advice on acquisitions.

Experience

Mr TANG has over 35 years extensive experience in property development. He is a fellow member of The Hong Kong Institute of Architects and has been an Authorised Person and Registered Architect since 1982 and 1991 respectively. Mr TANG did not hold any directorships in other listed public companies in the past three years.

Relationships with directors, senior management, substantial or controlling shareholders of the Company

Mr TANG is not related to any directors, senior management, substantial or controlling shareholders of the Company.

Interests in Shares

As at the Latest Practicable Date, Mr TANG was interested in 135,200 Ordinary Shares within the meaning of Part XV of the SFO.

Director's remuneration and term of office

Mr TANG was not appointed for a specific term or any proposed length of services as a Director and his directorship is subject to retirement by rotation and re-election at the AGMs at least once every three years in accordance with article 116 and code provision of A.4.2 of the CG Code.

The total remuneration paid to Mr TANG under his employment contract as an executive of the Company for the year ended 31 March 2014 amounted to approximately HK\$5,900,000 which was determined with reference to the prevailing market situation, his duties and responsibilities in the Group and was subject to individual's and the Group's performance. Mr TANG also received an ex-gratia payment amounted to approximately HK\$12,000,000 upon reaching the retirement age of 60 under the Company's policy as recognition and compliment to his long service and contribution to the Group for the past years of services.

In relation to the re-election of Mr TANG as an Executive Director, save as disclosed above, there is no information which is discloseable nor is or was he involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under paragraph 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter concerning Mr TANG that needs to be brought to the attention of the Shareholders.

This appendix serves as an explanatory statement, as required under the Listing Rules, to provide Shareholders with requisite information reasonably necessary for them to make an informed decision as to whether to vote for or against the ordinary resolution to be proposed at the 2014 AGM in connection with the Repurchase Mandate.

1 SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was HK\$337,568,591.75 divided into 1,350,274,367 fully paid Ordinary Shares.

Subject to the passing of the ordinary resolution numbered 6 set out in the 2014 AGM Notice for approving the Repurchase Mandate and on the basis that no further Shares will be issued or repurchased prior to the 2014 AGM, the Company would be allowed under the Repurchase Mandate to repurchase Shares up to a maximum of 135,027,436 Shares during the period in which the Repurchase Mandate remains in force.

2 REASONS FOR REPURCHASES

The Directors believe that the proposed grant of the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. The Repurchase Mandate will give the Company the flexibility to repurchase Shares as and when the Company deems appropriate. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net assets and/or earnings per share or may otherwise be in the interests of the Company. The Directors will decide on the number of Shares to be repurchased on each occasion and the price and other terms upon which the same is repurchased at the relevant time having regard to the circumstances then pertaining and they will do so only when they believe that such repurchases will benefit the Company and the Shareholders. At present, the Directors have no intention to repurchase any Shares.

3 FUNDING OF REPURCHASES

In repurchasing the Shares, the Company may only apply funds legally available for such purpose in accordance with its M&A and the laws of the Cayman Islands.

The Company is empowered by its M&A to repurchase Shares. M&A and the applicable laws of the Cayman Islands provide that, subject to solvency, the purchase price of the Shares may be paid out of the profits available for distribution, the Company's capital and share premium account.

The Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing position of the Company which in the opinion of the Directors is from time to time appropriate for the Company. However, based on the audited consolidated financial statements for the year ended 31 March 2014 of the Company (being the date to which the latest published consolidated financial statements of the Company were made up), there might be a material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate is exercised in full.

4 UNDERTAKING

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

The Board has undertaken to the Stock Exchange that, so far as the same be applicable, it will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules, M&A and the applicable laws of the Cayman Islands.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

5 EFFECT OF THE TAKEOVERS CODE

If, as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with rule 26 of the Takeovers Code.

For the purpose of the Takeovers Code, CCM Trust and LBJ Regents (both being substantial shareholders of the Company within the meaning of the SFO) and Mr Payson CHA, Mr Victor CHA, Mr Johnson CHA and Ms Madeline WONG (all being Directors and discretionary beneficiaries of certain trusts relating to Ordinary Shares held directly and/or indirectly by the above-mentioned substantial shareholders), are taken as parties acting in concert and collectively treated as a single controlling shareholder of the Company under the term "Cha Family". As at the Latest Practicable Date, the Cha Family together had an aggregate interest in 673,169,146 Ordinary Shares, representing approximately 49.85% of the issued share capital of the Company. Among them, 560,153,905 Ordinary Shares were held by CCM Trust, 91,894,801 Ordinary Shares were held by LBJ Regents, 19,980,187 Ordinary Shares were held as personal and corporate interests by Mr Payson CHA and 1,140,253 Ordinary Shares were held as personal interests by Mr Victor CHA. In the event that the Directors exercise in full the powers to repurchase Shares pursuant to the Repurchase Mandate, then (if the present shareholdings otherwise remained the same) the aggregate attributable shareholdings of the said parties would increase to approximately 55.39% of the issued share capital of the Company. In the opinion of the Directors, such increase would give rise to an obligation for the Cha Family to make a mandatory offer under rule 26 of the Takeovers Code.

6 SHARE PRICES

The highest and lowest prices at which Ordinary Shares were traded on the Stock Exchange during each of the previous twelve calendar months before and the period up to the Latest Practicable Date were as follows:

	Price per share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2013		
July	3.90	3.61
August	3.93	3.62
September	3.88	3.62
October	3.89	3.78
November	4.02	3.73
December	3.78	3.37
2014		
January	3.92	3.48
February	3.64	3.45
March	3.61	2.95
April	3.46	3.12
May	3.26	2.95
June	3.29	3.05
July (up to the Latest Practicable Date)	3.36	3.24

7 SHARE PURCHASES MADE BY THE COMPANY

The Company did not purchase any of the Shares (whether on the Stock Exchange or otherwise) in the six months immediately preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



HKR INTERNATIONAL LIMITED

香港興業國際集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00480)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of HKR International Limited (the "Company") will be held at Grand Azure, Ground Floor, Auberge Discovery Bay Hong Kong, 88 Siena Avenue, Discovery Bay, Lantau Island, Hong Kong on Wednesday, 27 August 2014 at 11:00 a.m. for the following purposes:

1. To receive the audited consolidated financial statements and the reports of the directors and the independent auditor of the Company for the year ended 31 March 2014.
2. To declare a final dividend for the year ended 31 March 2014.
3. To re-elect retiring directors of the Company and to authorise the board of directors of the Company to fix the directors' fees:
 - (1) To re-elect Mr CHA Mou Daid Johnson as a non-executive director;
 - (2) To re-elect Dr CHENG Kar Shun Henry as an independent non-executive director;
 - (3) To re-elect Mr CHEUNG Wing Lam Linus as an independent non-executive director;
 - (4) To re-elect Mr TANG Moon Wah as an executive director; and
 - (5) To authorise the board of directors of the Company to fix the fees of all directors (including any new director who may be appointed) for the year ending 31 March 2015.
4. To re-appoint Messrs Deloitte Touche Tohmatsu as the independent auditor of the Company for the ensuing year and to authorise the board of directors of the Company to fix their remuneration.

As special business, to consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

5. "THAT:

- (1) subject to paragraph (3) of this resolution numbered 5 and all applicable laws, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional shares in the capital of the Company and to make, issue or grant offers,

* Registered under the predecessor of the Companies Ordinance, Chapter 622 of the laws of Hong Kong

NOTICE OF ANNUAL GENERAL MEETING

agreements and options including warrants, bonds, debentures, notes and other securities which carry rights of subscription for or conversion into shares of the Company, be and is hereby generally and unconditionally approved;

(2) the approval in paragraph (1) of this resolution numbered 5 shall authorise the directors of the Company during the Relevant Period to make, issue or grant offers, agreements and options including warrants, bonds, debentures, notes and other securities which carry rights of subscription for or conversion into shares of the Company, which would or might require the exercise of such powers after the end of the Relevant Period;

(3) the aggregate nominal amount of share capital allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (1) of this resolution numbered 5, otherwise than pursuant to or in consequence of:

(i) a Rights Issue (as hereinafter defined); or

(ii) the exercise of any options under any share option scheme or similar arrangement for the time being adopted by the Company in accordance with the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the grant or issue of shares or rights to acquire shares in the Company; or

(iii) the exercise of rights of subscription or conversion under the terms of any existing warrants, bonds, debentures, notes or other securities issued by the Company; or

(iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares in the Company in accordance with the articles of association of the Company from time to time; or

(v) a special authority granted by the shareholders of the Company in general meeting;

shall not exceed the aggregate of twenty per cent (20%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution numbered 5, and the said approval shall be limited accordingly; and

(4) for the purpose of this resolution numbered 5:

“Relevant Period” means the period from (and including) the date of the passing of this resolution numbered 5 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 other applicable laws to be held; and

(iii) the revocation or variation of the authority given under this resolution numbered 5 by an ordinary resolution of the shareholders of the Company in general meeting; and

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“Rights Issue” means an offer of shares in the Company, or an offer of warrants, options or other securities which carry rights to subscribe for or purchase shares of the Company, open for a period fixed by the directors of the Company to holders of shares of the Company on the register of members of the Company (and, where appropriate, to holders of other securities of the Company entitled to the offer) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities) (subject in all cases to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any jurisdiction or territory outside Hong Kong).”

6. **“THAT:**

(1) subject to paragraph (2) of this resolution numbered 6 and all applicable laws, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase or repurchase shares of all classes and securities which carry a right to subscribe for or purchase shares issued directly or indirectly by the Company on the Stock Exchange or on any other stock exchange on which the shares or securities of the Company may be listed and is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Listing Rules or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(2) the aggregate nominal amount of the shares of all classes and securities which carry a right to subscribe for or purchase shares issued directly or indirectly by the Company which may be purchased or repurchased by the Company pursuant to the approval in paragraph (1) of this resolution numbered 6 shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution numbered 6, and the said approval shall be limited accordingly; and

(3) for the purpose of this resolution numbered 6:

“Relevant Period” means the period from (and including) the date of the passing of this resolution numbered 6 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 other applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this resolution numbered 6 by an ordinary resolution of the shareholders of the Company in general meeting.”

7. **“THAT** conditional upon the passing of resolutions numbered 5 and 6 set out in the notice of this meeting, the general mandate granted to the directors of the Company pursuant to resolution numbered 5 set out in the notice of this meeting and for the time being in force to exercise the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional shares in the capital of the Company and to make, issue or grant offers, agreements and options including warrants, bonds, debentures, notes and other securities which carry rights of subscription for or conversion into shares of the Company be and is hereby extended by the addition thereto of an amount representing the aggregate nominal

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amount of shares of all classes and securities which carry a right to subscribe for or purchase shares issued directly or indirectly by the Company purchased or repurchased by the Company under the authority granted by resolution numbered 6 set out in the notice of this meeting, provided that such extended amount shall not exceed ten per cent (10%) of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution.”

By order of the Board
MAK Sau Ching
Company Secretary

Hong Kong, 15 July 2014

Notes:

1 Any member of the Company entitled to attend and vote at the annual general meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member may appoint more than one proxy to attend on the same occasion.

2 In case of joint registered holders of any share in the Company, any one of such persons may vote at the annual general meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the annual general meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

3 In order to qualify for attending the 2014 annual general meeting and for the proposed final dividend, the main and branch registers of members of the Company will be closed from Monday, 25 August to Wednesday, 27 August 2014 (both days inclusive) and on Tuesday, 2 September and Wednesday, 3 September 2014 respectively. On those days, no transfer of shares will be registered. All transfer forms accompanied by the relevant share certificates must be lodged with the Company share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 August 2014 and Monday, 1 September 2014 respectively.

4 The form of proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or other authority, shall be deposited at the Investor Centre of the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the annual general meeting or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude a member from attending and voting in person at the annual general meeting or any adjourned meeting thereof should he so wish.

5 With regard to the proposed resolution numbered 3 of this notice, the board of directors of the Company recommends that the retiring directors, namely Mr CHA Mou Daid Johnson, Dr CHENG Kar Shun Henry, Mr CHEUNG Wing Lam Linus and Mr TANG Moon Wah be re-elected as directors of the Company.

6 With regard to the proposed resolutions numbered 5 to 7 above, the directors of the Company wish to state that they have no immediate plans to issue any new shares or repurchase any shares of the Company pursuant to the general mandates referred to thereunder.

7 Registration of the annual general meeting will start at 10:25 a.m. on Wednesday, 27 August 2014. To ensure that the meeting can start on time, shareholders or their proxies are requested to arrive at the venue for registration at least 15 minutes before the meeting starts.