
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular, you should consult your 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 Luen Thai Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

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LUEN THAI HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 311)

**PROPOSALS FOR GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS AND
ELECTION OF NEW DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the 2020 Annual General Meeting (“AGM”) of the Company to be held at the Boardroom, Rooms 1001–1005, 10th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Thursday, 28 May 2020 at 3:00 p.m. is set out on pages AGM-1 to AGM-5 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if they so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please see page 1 of this document for measures being taken to try to prevent and control the spread of the coronavirus disease 2019 (“COVID-19”) at the Annual General Meeting, including:

- **compulsory temperature checks**
- **recommended wearing of surgical face masks**
- **no distribution of corporate gifts and refreshments**

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 encourages attendees to wear face masks and reminds Shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

In case of inconsistency between the Chinese version and the English version of this circular, the English version will prevail.

Hong Kong, 16 April 2020

CONTENTS

	<i>Page</i>
PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING	1
DEFINITIONS	2
LETTER FROM THE BOARD	
Introduction	4
Proposed Granting of General Mandates	5
Re-election of Retiring Directors and Election of New Director	6
AGM	7
Responsibility Statement	8
Recommendation	8
General	8
Miscellaneous	8
APPENDIX I — EXPLANATORY STATEMENT TO THE REPURCHASE MANDATE	I-1
APPENDIX II — DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION AND ELECTION OF NEW DIRECTOR	II-1
NOTICE OF ANNUAL GENERAL MEETING	AGM-I

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing COVID-19 epidemic and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the 2020 AGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the 2020 AGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the 2020 AGM venue or be required to leave the AGM venue.
- (ii) The Company encourages attendees to wear surgical face masks inside the 2020 AGM venue at all times, and to maintain a safe distance between seats.
- (iii) No refreshments will be served, and there will be no corporate gifts.
- (iv) All Shareholders, proxies and other attendees are required to complete and submit at the entrance of the AGM venue a declaration form confirming their names and contact details, and confirming that they have not travelled to, or to their best of knowledge had physical contact with any person who has recently travelled to, any affected countries or areas outside of Hong Kong (as per guidelines issued by the Hong Kong government at www.chp.gov.hk/en/features/102742.html) at any time in the preceding 14 days. Any person who does not comply with this requirement may be denied entry into the AGM venue or be required to leave the AGM venue.

To the extent permitted under law, the Company reserves the right to deny entry into the 2020 AGM venue or require any person to leave the 2020 AGM venue in order to ensure the safety of the attendees at the 2020 AGM.

In the interest of all stakeholders' health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the 2020 AGM is not necessary for the purpose of exercising voting rights. As an alternative, 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 return the proxy form attached to this document.

If Shareholders choosing not to attend the 2020 AGM in person have any questions about the relevant resolutions, or about the Company or any matters for communication with the Board, they are welcome to contact the Company as follows:

Email: corporate_communications@luenthai.com

DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at the Boardroom, Rooms 1001–1005, 10th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong on 28 May 2020 at 3:00 p.m., a notice of which is set out on pages AGM-1 to AGM-5 of this circular
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board”	the board of directors of the Company
“CG Code”	Corporate Governance Code contained in Appendix 14 to the Listing Rules
“Close Associates”	has the meaning ascribed thereto under the Listing Rules
“Company”	Luen Thai Holdings Limited, a company incorporated in the Cayman Islands with limited liability with its shares listed on the Main Board of the Stock Exchange
“Core Connected Person”	has the meaning ascribed thereto under the Listing Rules
“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
“INED(s)”	the independent non-executive director(s) of the Company
“Latest Practicable Date”	9 April 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Share(s)”	ordinary share(s) with a nominal value of US\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers
“US\$”	United States dollars, the lawful currency of United States of America
“%”	per cent



LUEN THAI HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 311)

Executive Directors:

Shen Yaoqing (*Chairman*)
Tan Siu Lin (*Honorary Life Chairman*)
Tan Cho Lung, Raymond (*Chief Executive Officer*)
Qu Zhiming
Huang Jie
(re-designated from non-executive Director with effect from 15 February 2020)

Non-executive Director:

Mok Siu Wan, Anne
(re-designated from executive Director with effect from 1 February 2020)

Independent Non-executive Directors:

Seing Nea Yie
Chan Henry
Wang Ching

Registered Office:

Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

Head office and principal place of business in Hong Kong:

Rooms 1001–1005, 10/F
Nanyang Plaza
57 Hung To Road
Kwun Tong
Kowloon
Hong Kong

16 April 2020

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS AND
ELECTION OF NEW DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The primary purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the AGM for (i) granting the general mandates to the Directors to allot, issue, deal with new Shares and repurchase existing Shares and (ii) the re-election of retiring Directors and election of new Director.

LETTER FROM THE BOARD

PROPOSED GRANTING OF GENERAL MANDATES

On 24 May 2019, resolutions were passed by the Shareholders at the 2019 annual general meeting giving general mandates to the Directors:

- (i) to allot, issue and otherwise deal with additional Shares not exceeding 20% of the shares of the Company in issue on the day of passing such resolution;
- (ii) to repurchase Shares not exceeding 10% of the shares of the Company in issue on the day of passing such resolution; and
- (iii) to add to the general mandate for issuing Shares set out in (i) above the number of Shares repurchased by the Company pursuant to the repurchase mandate set out in (ii) above.

The above general mandates will expire at the conclusion of the AGM, unless renewed at that meeting.

Three respective ordinary resolutions will be proposed at the AGM for the purposes of granting general mandates to the Directors:

- (a) to allot, issue and otherwise deal with additional Shares not exceeding 20% of the shares of the Company in issue (the “Issue Mandate”) as at the date of passing the resolution approving the Issue Mandate;
- (b) to repurchase Shares not exceeding 10% of the shares of the Company in issue (the “Repurchase Mandate”) as at the date of passing the resolution approving the Repurchase Mandate; and
- (c) to add to the general mandate for issuing Shares set out in (a) above the number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

The full text of these resolutions are set out in Resolution No. 8 (“Issue Mandate”), Resolution No. 9 (“Repurchase Mandate”) and Resolution No. 10 as set out in the notice of the AGM contained in pages AGM-1 to AGM-4 of this circular.

In accordance with the requirements set out in the Listing Rules, the Company is required to send an explanatory statement containing requisite information to Shareholders to consider the Repurchase Mandate subject to certain restrictions, which are set out in Appendix I to this circular.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS AND ELECTION OF NEW DIRECTOR

In accordance with Article 87(1) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not three (3) or a multiple of three (3), the number nearest to but not less than one-third) or such higher number of Directors to be determined by the Board, or a number determined by such other manner of rotation as may be required by the rules of any Designated Stock Exchange or other codes, rules and regulations as may be prescribed by the applicable regulatory authority from time to time shall retire from office. Any Director appointed pursuant to Article 86(2) or Article 86(3) of the Articles of Association shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation. And, according to the CG Code, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

To comply with the above, Messrs. Shen Yaoqing, Qu Zhiming, Huang Jie and Seing Nea Yie (“Mr. Seing”) shall retire from office at the AGM.

The Board has been informed by Mr. Shen Yaoqing that he will not offer himself for re-election as an executive Director at the AGM. Following his retirement, Mr. Shen Yaoqing will cease to be the chairman of the Board and chairman of the nomination committee of the Company with effect from the conclusion of the AGM.

Each of the other three retiring Directors, namely Messrs. Qu Zhiming, Huang Jie and Mr. Seing being eligible, will offer themselves for re-election at the AGM.

Mr. Seing was appointed as an INED in 2005 and has served the Company for more than nine years. During his tenure of office over the past fifteen years, Mr. Seing has been able to fulfill all the requirements regarding independence of INED and provide annual confirmation of independence to the Company in accordance with Rule 3.13 of the Listing Rules. To the best knowledge of the Directors, as at the Latest Practicable Date, the Company is not aware of any matters or events that may occur or affect the independence of Mr. Seing.

During his tenure of office, Mr. Seing has performed his duties as INED to the satisfaction of the Board. Through exercising the scrutinizing and monitoring function of an INED, he has contributed to an upright and efficient Board for the interest of the Shareholders.

The Board is of the opinion that Mr. Seing remains independent notwithstanding the length of his service and believes that his valuable knowledge and experience in the Group’s business and his general business acumen continue to generate significant contribution to the Board, the Company and the Shareholders as a whole. Pursuant to Code Provision A.4.3 of the CG Code, separate ordinary resolution will be proposed at the AGM to approve the re-election of Mr. Seing as an INED. The Company will continue to review the independence of the INEDs annually and take all appropriate measures to ensure compliance of relevant provisions regarding their independence as required under the Listing Rules.

LETTER FROM THE BOARD

The Board has proposed to nominate Mr. Zhang Min (“Mr. Zhang”) as a candidate for election as an executive Director, subject to the approval of the Shareholders at the AGM. Mr. Zhang’s term of office will commence from the date on which approval of his election by the Shareholders is obtained at the AGM.

The Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company’s business. To ensure changes to the composition of the Board can be managed without undue disruption, there have been a transparent, considered and formal procedure set out in the nomination policy of the Company for selection, appointment and re-appointment of Directors, including periodical review of such policy.

In considering and approving such re-election, the nomination committee of the Company has considered the background, skills, knowledge and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the board diversity policy and the director nomination policy of the Company, and the independence of all INEDs. The Nomination Committee has recommended to the Board on re-election of Messrs. Qu Zhiming, Huang Jie and Mr. Seing who are eligible to offer themselves for re-election at the AGM and election of Mr. Zhang as the new Director.

In view of the above, the Board accepted Nomination Committee’s recommendation for re-election of Messrs. Qu Zhiming, Huang Jie and Mr. Seing and election of Mr. Zhang as new Director at the AGM.

Details of the Directors who are proposed to be re-elected and the Director proposed for election at the AGM are set out in Appendix II to this circular.

AGM

The notice convening the AGM is set out on AGM-1 to AGM-5 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete and return the form of proxy to the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting if you so wish and in such event, the proxy form shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administration matter to be voted or by a show of hand. Therefore, all proposed resolutions put to vote at the AGM shall be taken by way of poll and the Company will commence the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the proposed granting of the Issue Mandate and the Repurchase Mandate and the re-election of the retiring Directors and election of new Director are in the best interests of the Company and the Shareholders as a whole and accordingly the Directors, together with their Close Associates, intend to vote in favour of the relevant resolutions in respect of their respective shareholdings in the Company and recommend Shareholders to vote in favour of such relevant resolutions to be proposed at the AGM.

GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully
For and on behalf of the Board
Shen Yaoqing
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the requisite information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate.

SHAREHOLDERS' APPROVAL

The Listing Rules provide that all repurchase of securities by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval in relation to specific transactions.

Such authority will expire at the earliest of: (a) the conclusion of the next annual general meeting of the company; (b) the date by which the next annual general meeting of the company is required by the law to be held; or (c) the passing of an ordinary resolution by shareholders in general meeting of the company revoking or varying such mandate.

SHARE CAPITAL

As at the Latest Practicable Date, 1,034,112,666 Shares were in issue and fully paid.

Subject to the passing of the relevant ordinary resolutions and on the basis that no further Shares will be issued and repurchased prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 103,411,266 Shares, representing 10% of the Shares in issue as at the date of passing of the Repurchase Mandate.

REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and its Shareholders for the Directors to have a general authority from Shareholders to enable the Company to repurchase Shares in the market. Repurchase of Shares will only be made when the Directors believe that such repurchase will benefit the Company and its Shareholders as a whole. Such repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share.

FUNDING OF REPURCHASE

Any repurchase will only be funded out of funds of the Company legally available for the purpose of making the proposed purchases in accordance with the Company's Articles of Association, the applicable laws and regulations of the Cayman Islands and the Listing Rules.

EFFECT OF EXERCISING THE REPURCHASE MANDATE

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 Company's audited accounts for the year ended 31 December 2019) in the event that the repurchase of Shares were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase of Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective Close Associates, has any present intention to sell any Share to the Company or its subsidiaries under the Repurchase Mandate if the same is approved by the Shareholders in the AGM.

No Core Connected Persons have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws and the regulations of the Cayman Islands and in accordance with the regulations set out in the Articles of Association.

EFFECT OF THE TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase 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 purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeover Codes) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

Based on the Company's records as at the Latest Practicable Date, Shangtex (Hong Kong) Limited (wholly owned by Shangtex Holding Co., Ltd.* (上海紡織(集團)有限公司)) owns 730,461,936 Shares, or approximately 70.64% interest in the issued share capital of the Company. In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, then the shareholding of Shangtex (Hong Kong)

* For identification purposes only

Limited would be increased to approximately 78.49%. In the opinion of the Directors, such increase will not give rise to a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code.

In any event, the Directors will not exercise the Repurchase Mandate to such an extent that will result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

SHARE REPURCHASE MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the six months immediately preceding the Latest Practicable Date, whether on the Stock Exchange or otherwise.

SHARE PRICES

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

	Share Prices	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2019		
April	0.930	0.880
May	0.960	0.860
June	0.880	0.790
July	0.830	0.780
August	0.790	0.640
September	0.720	0.630
October	0.750	0.620
November	0.720	0.650
December	0.760	0.650
2020		
January	0.720	0.660
February	0.740	0.600
March	0.670	0.455
April (1 April 2020 to the Latest Practicable Date)	0.475	0.380

As required by the Listing Rules, the following sets out the biographical information of the three retiring Directors eligible for re-election and one new Director eligible for election at the AGM:

1. QU ZHIMING

Mr. Qu Zhiming (“Mr. Qu”), aged 63, was appointed as an executive Director on 15 February 2017. He is also a member of the Remuneration Committee and Financing and Banking Committee of the Company.

Mr. Qu is a senior economist who has been conferred an MBA degree by the Asia International Open University (Macau). In 1997, Mr. Qu began to serve as the general manager and board chairman at sizeable import and export trading companies and home textiles companies (such positions held until 2007), by way of which he familiarized himself with the operations across the entire industry chain of the textile industry. Mr. Qu became the assistant to the president of Shangtex Holding Co., Ltd. (a substantial shareholder and the controlling shareholder of the Company) upon joining the group in July 2007, and has been acting as its deputy chief economist from February 2014 to December 2018. Currently, Mr. Qu also serves as the vice board chairman of Shangtex (Hong Kong) Limited which is wholly owned by Shangtex Holding Co., Ltd., the vice chairman of The Hong Kong General Chamber of Textiles Limited, the General Manager of Orient International Holdings Hong Kong Co. Ltd and the board chairman of Wiseknit Factory Limited, and is mainly responsible for the operations management of the group’s foreign trade enterprises as well as the management of its overseas mergers and acquisitions projects. As an industry expert, Mr. Qu has penetrating market insight in the textile industry.

Save as disclosed above, Mr. Qu does not at present, and did not in the past three years, hold any directorship in any other listed public companies or any other position with the Company or any other members of the Group.

As at the Latest Practicable Date, Mr. Qu does not have any interest in the shares of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance and save as disclosed above, does not have any relationship with any other Directors, senior management or any substantial or controlling Shareholders of the Company.

Upon expiration of Mr. Qu’s service agreement on 14 February 2020, no service agreement is entered between the Company and Mr. Qu as at the Latest Practicable Date. Mr. Qu will retire and be eligible for re-election in accordance with the Articles of Association. He is entitled to a monthly salary of HK\$252,000, which was determined with reference to his duties and responsibilities in the Company and the current prevailing market conditions and practice. In addition, Mr. Qu is entitled to a bonus equivalent to one month’s salary payable on or around each Chinese New Year.

Save as disclosed above, there are no other matters concerning Mr. Qu that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

2. HUANG JIE

Mr. Huang Jie (“Mr. Huang”), aged 54, was appointed as a non-executive Director on 15 February 2017 and re-designated as an executive Director on 15 February 2020.

Mr. Huang is an economist and international business engineer who graduated from the China Textile University with a Bachelor of Engineering degree (upon completion of a full-time programme) in 1986, and who obtained an MBA degree from the China Europe International Business School as an on-the-job postgraduate student in 1998. Immediately upon graduating from the university, Mr. Huang joined Shangtex Holding Co., Ltd (a substantial shareholder and the controlling shareholder of the Company) and its subsidiaries (“Shangtex Group”) and has been serving at a number of the Shangtex Group’s subsidiaries, including acting as the deputy general manager of Shanghai Shenda Co., Ltd. (an A-share listed company under the Shangtex Group), between 1995 and 2000 and as the vice president and head of international business of Shanghai Dragon Corporation (another A-share listed company under the Shangtex Group) between 2001 and 2010, taking charge of import and export trading. Since March 2018, Mr. Huang has been acting as the president of international business unit of Orient International (Holding) Co., Ltd. alongside his position as the president of Shangtex (Hong Kong) Limited, taking charge of the transformation and upgrading of the group’s foreign trade business as well as the business operations of its overseas companies. Mr. Huang also serves as the director of Wiseknit Factory Limited and Shangtex Investment And Trading Co., Ltd, both are subsidiaries of Orient International (Holding) Co., Ltd. Mr. Huang has profound knowledge and understanding of the upstream and downstream operations of the textile industry, coupled with his rich experience in corporate governance and a remarkable capability of conducting domestic and foreign businesses.

Save as disclosed above, Mr. Huang does not at present, and did not in the past three years, hold any directorship in any other listed public companies or any other position with the Company or any other members of the Group.

As at the Latest Practicable Date, Mr. Huang does not have any interest in the shares of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance and save as disclosed above, does not have any relationship with any other Directors, senior management or any substantial or controlling Shareholders of the Company.

Mr. Huang renewed his service agreement with the Company for his new role and duties as the executive director of the Company, for term of three years commencing from 15 February 2020. Mr. Huang is subject to retirement by rotation or re-election at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Huang is now entitled to a monthly salary of HK\$252,000, which is determined by the Board with reference to his duties and responsibilities in the Company and the current prevailing market conditions and practice. In addition, Mr. Huang will be entitled to a bonus equivalent to one month’s salary payable on or around each Chinese New Year.

Save as disclosed above, there are no other matters concerning Mr. Huang that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

3. SEING NEA YIE

Mr. Seing Nea Yie (“Mr. Seing”), aged 72, was appointed an independent non-executive Director in January 2005. He is also the Chairman of the Audit Committee and the Remuneration Committee and a member of the Nomination Committee of the Company.

Save the offices held in the Company, Mr. Seing had not held any directorship in other public listed companies during the past three years prior to the Latest Practicable Date.

Mr. Seing has over 43 years of audit experience and is currently holding CPA (Practising) at Hong Kong Institute of Certified Public Accountants. He is currently the sole proprietor of both accounting firms Messrs Chan, Seing & Co. and Messrs Chen Yih Kuen & Co. Certified Public Accountants (Practising).

Mr. Seing is an active contributor to the charity activities in the community. He was the director of Po Leung Kuk, an authorized charity organization in Hong Kong, from 1987 to 1990 and became the Vice Chairman in 1990 and 1991. Mr. Seing was also a member of audit committee of Po Leung Kuk from 1996 to 2000. Currently, Mr. Seing is the honorary president of The Fukienese Association Limited.

Mr. Seing does not have any relationships with any other Directors, senior management or substantial or controlling shareholders of the Company.

As at the Latest Practicable Date, Mr. Seing had no interest in any Share and the shares of the Company’s associated corporations within the meaning of Part XV of the SFO.

Pursuant to a letter of re-appointment dated 28 March 2019, Mr. Seing was reappointed as independent director for a term of another three years commencing from 16 April 2019 with an annual director fee of HK\$240,000 per annum.

Save as disclosed above, there are no other matters concerning Mr. Seing that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

4. ZHANG MIN

Mr. Zhang Min (“Mr. Zhang”), aged 47, graduated from Shanghai University of Finance and Economics with a Bachelor degree of Economics in 1995, and graduated from Fudan University with a Master degree of Economics (on-the-job postgraduate) in 2002. Mr. Zhang is a certified International Business Engineer. Mr. Zhang joined Orient International (Holding) Co., Ltd. (“OIH”) in 1995 and commenced his career in human resources department. During 2006 and 2007, Mr. Zhang was assistant director of Business Development Department of OIH and stationed in United States for one year. From September 2007 to July 2012, Mr. Zhang worked as assistant general manager of Orient International Holdings Hong Kong Co. Limited and continues to serve as assistant director of Business Development Department of OIH. From July 2012 to August 2014, Mr. Zhang worked in Hong Kong serving as deputy general manager of Orient International Holdings Hong Kong Co. Limited. From August 2014 to March 2018, Mr. Zhang served as director of CEO’s Office, director of Foreign Affairs Office and director of Production Safety Committee Office at the same time in OIH. Since March 2018, Mr. Zhang has been acting as the general manager of Overseas Enterprises Management Department and continues to serve as the director of Foreign Affairs Office of OIH.

Save as disclosed above, Mr. Zhang does not at present, and did not in the past three years, hold any directorship in any other listed public companies or any other position with the Company or any other members of the Group.

As at the Latest Practicable Date, Mr. Zhang does not have any interest in the shares of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance and save as disclosed above, does not have any relationship with any other Directors, senior management or any substantial or controlling Shareholders of the Company.

Upon the approval of appointment, it is proposed that Mr. Zhang will be appointed as executive Director of the Company for a term of three years from the conclusion of the AGM. Mr. Zhang will be subject to retirement by rotation or re-election in accordance with the Articles of Association. As at the Latest Practicable Date, no service agreement is entered into for Mr. Zhang’s proposed appointment. The remuneration for Mr. Zhang will be considered by the remuneration committee of the Company and is subject to approval by the Board. Details of Mr. Zhang’s remuneration will be disclosed as soon as practicable after the terms of his remuneration has been determined.

Save as disclosed above, there are no other matters concerning Mr. Zhang that need to be brought to the attention of the Shareholders and there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



LUEN THAI HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 311)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Luen Thai Holding Limited (the “Company”) will be held at the Boardroom, Rooms 1001–1005, 10th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Thursday, 28 May 2020 at 3:00 p.m. for the following purposes:

1. To receive, consider and adopt the audited consolidated accounts and the reports of the directors and of the auditors for the year ended 31 December 2019;
2. To re-elect Mr. Qu Zhiming as an executive director of the Company;
3. To re-elect Mr. Huang Jie as an executive director of the Company;
4. To re-elect Mr. Seing Nea Yie as an independent non-executive director of the Company;
5. To elect Mr. Zhang Min as an executive director of the Company;
6. To authorize the board of directors of the Company to fix the directors’ remuneration;
7. To re-appoint Messrs. PricewaterhouseCoopers as auditors of the Company and to authorize the board of directors of the Company to fix their remuneration;
8. To consider as special business, and if thought fit, to pass the following resolution as Ordinary Resolution:

“THAT:

- (A) subject to paragraph (C) below, the exercise by the directors of the Company during the Relevant Period (as defined in the paragraph (D) below) of all the powers of the Company to allot, issue or otherwise deal with additional shares in the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby approved generally and unconditionally;

NOTICE OF ANNUAL GENERAL MEETING

- (B) the approval in paragraph (A) above shall be in addition to any other authorisation given to the directors of the Company and shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;
- (C) the aggregate number of shares allotted, issued and dealt with, or agreed conditionally or unconditionally to be allotted, issued and dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (A) of this resolution, otherwise than pursuant to:
- (i) a Rights Issue (as defined below); or
 - (ii) the exercise of any option under the Company's share option scheme(s); or
 - (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares pursuant to the Articles of Association of the Company from time to time,

shall not exceed 20% of the number of shares of the Company in issue as at the date of the passing of this resolution and the said approval shall be limited accordingly; and

- (D) for the purpose 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 either by any applicable laws or by the Articles of Association of the Company to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the shareholders in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the directors of the Company to the holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares, subject 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 restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong.”

NOTICE OF ANNUAL GENERAL MEETING

9. To consider as special business, and if thought fit, to pass the following resolution as an Ordinary Resolution:

“THAT:

(A) subject to paragraph (B) below, the exercise by the directors of the Company during the Relevant Period of all powers of the Company to repurchase issued shares in the capital of the Company, in accordance with all applicable laws and the requirements set out in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby approved generally and unconditionally;

(B) the aggregate number of shares authorized to be repurchased or agreed conditionally or unconditionally to be repurchased by the directors of the Company pursuant to the approval in paragraph (A) above shall not exceed 10% of the number of shares of the Company in issue as at the date of this resolution, and the said approval shall be limited accordingly; and

(C) for the purpose 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 either by any applicable laws or by the Articles of Association of the Company to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the shareholders in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

10. To consider as special business, and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**THAT** conditional upon the passing of resolutions numbered 8 and 9 as set out in the notice convening this meeting, the aggregate number of shares of the Company that shall have been repurchased by the Company after the date thereof pursuant to and in accordance with the said resolution 9 shall be added to the aggregate number of shares of the Company that may be allotted, issued and disposed of or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to the general mandate to allot and issue shares granted to the directors of the Company by the said resolution 8.”

By order of the Board
Luen Thai Holdings Limited
Shen Yaoqing
Chairman

Hong Kong, 16 April 2020

Notes

- i. A member entitled to attend and vote at the meeting convened is entitled to appoint another person(s) as his proxy to attend and vote in his stead. A proxy need not be a member of the Company.
- ii. If a member of the Company wishes to nominate a person to stand for election as a director of the Company, (i) a notice in writing signed by the shareholder (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election; and (ii) a notice in writing signed by the person to be proposed of his willingness to be elected must accompany with (a) that nominated candidate's information as required to be disclosed under Rule 13.51(2) of the Listing Rules, and (b) the nominated candidate's written consent to the publication of his/her personal data, must be validly lodged no later than 29 April 2020 at the head office of the Company at Rooms 1001–1005, 10/F, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong or the Hong Kong Branch Share Registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- iii. To be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the meeting or any adjournment thereof should he so wish.

NOTICE OF ANNUAL GENERAL MEETING

- iv. The Register of Members of the Company will be closed from 25 May 2020 to 28 May 2020 (both days inclusive), during which period no transfers of shares will be registered. To determine the entitlement to attend and vote at the Annual General Meeting of the Company, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Branch Share Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration not later than 4:30 p.m. on 22 May 2020.
- v. If Typhoon Signal No. 8 or above is hoisted, or "black" rainstorm warning is on the date of the meeting, shareholders are advised to visit the Company's website (www.luenthai.com) or to contact the Company's share registrar at (852) 2862 8555 for arrangement of the meeting.

Shareholders should make their own decision as to whether they would attend the Annual General Meeting under bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution.