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

If you have sold or transferred all your shares in Shenzhen Investment Holdings Bay Area Development Company Limited (the "Company"), you should at once hand this circular together with the form of proxy enclosed with this circular to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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## Shenzhen Investment Holdings Bay Area Development Company Limited 深圳投控灣區發展有限公司

*(incorporated in the Cayman Islands with limited liability)*

Stock Codes: 737 (HKD counter) and 80737 (RMB counter)

### PROPOSALS FOR RE-ELECTION OF DIRECTOR, GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening an annual general meeting of the Company to be held at The Glass Pavilion, 3/F., Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong on Friday, 22 May 2020 at 11:00 a.m. is set out on pages 13 to 17 of this circular. If you do not propose to attend the annual general meeting, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or adjourned meeting should you so desire.

#### PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In accordance with health advice recommended by the Centre for Health Protection, for general meetings must be held, please refer to Notice of Annual General Meeting (page 17) for precautionary measures being taken to prevent and control the spread of the novel coronavirus pneumonia (COVID-19) at the AGM, including:

- (i) mandatory body temperature screening at the entrance of the venue for each attendee. Any person with a body temperature over 37.5°C shall not be permitted to enter the venue;
- (ii) use of a surgical mask for each attendee;
- (iii) no distribution of corporate souvenirs/gifts or refreshments; and
- (iv) appropriate distancing and spacing between seats.

Any attendee who does not comply with the precautionary measures or is subject to quarantine, with any flu-like symptoms, who has had close contact with any person under quarantine, or has travelled overseas within 14 days immediately before the AGM shall not be permitted to enter the venue. All shareholders are strongly encouraged to appoint the chairman of the meeting as their meeting proxy to vote on the relevant resolutions(s) at the AGM as an alternative to attending the AGM in person and contacting the Investor Relations Department of the Company for questions for management.

17 April 2020

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## DEFINITIONS

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

“AGM”	the annual general meeting of the Company to be held at The Glass Pavilion, 3/F, Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong on Friday, 22 May 2020 at 11:00 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time
“Board”	the board of Directors of the Company
“Business Day”	a day (other than a Saturday or a Sunday) on which licensed banks are open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities
“Cayman Islands Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“close associates”	has the meaning ascribed to it under the Listing Rules
“Company”	Shenzhen Investment Holdings Bay Area Development Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“core connected persons”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company for the time being
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Government”	the government of Hong Kong

## DEFINITIONS

“Latest Practicable Date”	6 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Memorandum and Articles of Association”	The memorandum and articles of association of the Company as amended, supplemented or modified from time to time
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and deal with Shares during the period as set out in the proposed Ordinary Resolution No. 5(B) of the notice of AGM up to a maximum of 20% of the total number of issued Shares as at the date of passing of the resolution approving the Share Issue Mandate
“Share Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase, during the period as set out in the proposed Ordinary Resolution No. 5(A) of the notice of AGM, Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing of the resolution approving the Share Repurchase Mandate
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company (or of such other nominal amount as shall result from a subdivision, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent.

**Shenzhen Investment Holdings Bay Area  
Development Company Limited**  
**深圳投控灣區發展有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**Stock Codes: 737 (HKD counter) and 80737 (RMB counter)**

**Chairman and Non-executive Director**

Mr. Zhengyu LIU\* (劉征宇)

**Executive Directors**

Mr. Tianliang ZHANG\* (張天亮) (*General Manager*)

Mr. Cheng WU\* (吳成) (*Deputy General Manager*)

Mr. Ji LIU\* (劉繼)

*(Deputy General Manager and secretary to the Board)*

**Non-executive Directors**

Mr. Junye CAI\* (蔡俊業)

Mr. Jiyang TANG\* (唐激揚)

**Independent Non-executive Directors**

Mr. Brian David Man Bun LI JP

Mr. Yu Lung CHING

Mr. Tony Chung Nin KAN SBS, JP

**Registered office**

P.O. Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

**Head office and principal  
place of business**

Room 63-02 63rd Floor

Hopewell Centre

183 Queen's Road East

Wan Chai

Hong Kong

17 April 2020

*To the Shareholders*

Dear Sir or Madam,

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

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to (i) re-election of Director and (ii) granting the Directors general mandates to issue and repurchase Shares up to 20% and 10% respectively of the Company's total number of issued Shares as at the date of the passing of the resolutions.

## LETTER FROM THE CHAIRMAN

### RE-ELECTION OF DIRECTOR

The Board currently consists of nine Directors namely, Mr. Zhengyu LIU\*, Mr. Tianliang ZHANG\*, Mr. Cheng WU\*, Mr. Ji LIU\*, Mr. Junye CAI\*, Mr. Jiyang TANG\*, Mr. Brian David Man Bun LI, Mr. Yu Lung CHING and Mr. Tony Chung Nin KAN.

Pursuant to Article 112 of the Articles of Association, Mr. Brian David Man Bun LI shall retire from office at the AGM and being eligible, offer himself for re-election.

Mr. Brian David Man Bun LI has served as independent non-executive Directors almost 9 years and his re-election will be subject to separate resolution to be approved by the Shareholders. As independent non-executive Director with in-depth understanding of the Company's operations and business, Mr. Brian David Man Bun LI has expressed objective views and given independent guidance to the Company over the years, and he continues demonstrating a firm commitment to his role. The Board considers that the long service of Mr. Brian David Man Bun LI would not affect his exercise of independent judgment and is satisfied that Mr. Brian David Man Bun LI has the required character, integrity and experience to continue fulfilling the role of independent non-executive Director. The Board considers the re-election of Mr. Brian David Man Bun LI as independent non-executive Director is in the best interest of the Company and the Shareholders as a whole.

In addition, the Board had identified candidate pursuant to criteria set out in the nomination policy adopted by the Company and reviewed the written confirmation of independence of Mr. Brian David Man Bun LI based on the independence criteria as set out in rule 3.13 of the Listing Rules. The Board is also of the view that Mr. Brian David Man Bun LI would bring to the Board his own perspectives, skills and experience, as further described in his biographical details in Appendix I to this circular.

Based on the board diversity policy adopted by the Company, the Board considered that Mr. Brian David Man Bun LI can contribute to the diversity of the Board, in particular, with his professional background enable him to provide valuable, independent and objective view to the Company's affairs.

Accordingly, the Board has proposed that the above retiring Director, namely Mr. Brian David Man Bun LI stands for re-election as Director by way of separate resolution at the Annual General Meeting.

### DIRECTORS' FEES

Having regard to the directors' fees of listed companies of similar businesses and/or market capitalisation and the duties and responsibilities of the Directors towards the Company, the Directors, based on the recommendation of the Remuneration Committee, propose that the Directors' fees for the year ending 31 December 2020 for Shareholders' approval at the AGM will be the same as those for the year ended 31 December 2019.

## LETTER FROM THE CHAIRMAN

Details of the current Directors' fees for the year ended 31 December 2019 and the proposed Directors' fees for the year ending 31 December 2020 are set out below:

	For the year ended 31 December 2019 HK\$ ( <i>per annum</i> )	For the year ending 31 December 2020 HK\$ ( <i>per annum</i> )
<b>Directors' fees:</b>		
Non-executive Director and Chairman	–	–
Each of Executive Directors	200,000	200,000
Each of the Non-executive Directors (excluding Chairman) and Independent Non-executive Directors	350,000	350,000
<b>Additional Directors' fees for Audit Committee:</b>		
Chairman	50,000	50,000
Each of the other members	20,000	20,000
<b>Additional Directors' fees for Remuneration Committee:</b>		
Chairman	50,000	50,000
Each of the other members	20,000	20,000

A resolution will be proposed at the AGM under Resolution No. 3(b) of the notice of the AGM regarding the fixing of the Directors' fees for the year ending 31 December 2020.

### GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 30 April 2019, a general mandate was given to the Directors to exercise the powers of the Company to repurchase Shares up to 10% of the total number of issued Shares as at the date of the passing of the resolution. Such general mandate will lapse at the conclusion of the AGM.

An ordinary resolution will be proposed at the AGM to grant the Directors the Share Repurchase Mandate, details of which are set out in Ordinary Resolution No. 5(A) of the notice of AGM.

An explanatory statement as required under the Listing Rules, giving certain information regarding the Share Repurchase Mandate, is set out in Appendix II to this circular.

## LETTER FROM THE CHAIRMAN

### GENERAL MANDATE TO ISSUE SHARES

At the annual general meeting of the Company held on 30 April 2019, a general mandate was given to the Directors to exercise the powers of the Company to allot, issue and deal with Shares not exceeding 20% of the total number of issued Shares as at the date of the passing of the resolution and such general mandate was extended by adding to it the total number of Shares repurchased by the Company, if any, under the authority to repurchase Shares granted on that date. Such general mandate will also lapse at the conclusion of the AGM.

It will be proposed at the AGM the following two ordinary resolutions respectively: (i) granting the Directors the Share Issue Mandate; and (ii) authorising an extension of the limit of the Share Issue Mandate so granted by adding to it the number of Shares repurchased by the Company under the Share Repurchase Mandate, if granted.

As at the Latest Practicable Date, the total number of issued Shares comprised 3,081,690,283 Shares. Assuming that there is no change in the total number of issued Shares between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Issue Mandate, the Company would be allowed to issue a maximum of 616,338,056 Shares pursuant to the Share Issue Mandate as at the date of passing of the resolution approving the Share Issue Mandate.

Details of the Share Issue Mandate and the extension of the Share Issue Mandate are set out in Ordinary Resolutions Nos. 5(B) and 5(C) of the notice of AGM respectively.

### ANNUAL GENERAL MEETING

At the AGM, resolutions will be proposed to the Shareholders in respect of ordinary businesses to be considered at the AGM, including the re-election of Director, the proposed granting of the Share Repurchase Mandate, the Share Issue Mandate and the extension of the Share Issue Mandate. The notice of AGM is set out on pages 13 to 17 of this circular.

If you do not propose to attend the AGM, you are requested to complete and return the form of proxy enclosed with this circular in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding 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 AGM or adjourned meeting should you so desire.



## LETTER FROM THE CHAIRMAN

### VOTING BY POLL

Under Rule 13.39(4) of the Listing Rules, vote(s) of Shareholders at general meeting(s) must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. As such, the Chairman of the AGM shall pursuant to Article 76 of the Articles of Association demand each of the resolutions set out in the notice of AGM and to be proposed at the AGM be put to the vote by way of a poll.

### RECOMMENDATION

The Directors consider that the re-election of Director, the granting of the Share Repurchase Mandate, the Share Issue Mandate and the extension of the Share Issue Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the resolutions to be proposed at the AGM to give effect to them.

Yours faithfully,  
**Zhengyu LIU\***  
*Chairman*

\* *For identification purpose only*

The biographical details of the Director proposed to be re-elected at the AGM are set out as follows:

**Mr. Brian David Man Bun LI JP**

Aged 45, Mr. LI was appointed as an Independent Non-executive Director and a member of the Audit Committee of the Company on 1 July 2011. He was further appointed as a member of the Remuneration Committee of the Company on 26 August 2015 and was appointed as the chairman of the Remuneration Committee on 11 April 2018. Mr. LI is Co-Chief Executive of The Bank of East Asia, Limited (“BEA”), a company listed on the Stock Exchange. He was General Manager & Head of Wealth Management Division of BEA from July 2004 to March 2009. Mr. LI was subsequently appointed Deputy Chief Executive of BEA in April 2009, Executive Director in August 2014 and Co-Chief Executive in July 2019. Mr. LI is currently an Independent Non-executive Director of Towngas China Company Limited and China Overseas Land & Investment Limited, both of which are listed on the Stock Exchange.

Mr. LI holds a number of public and honorary positions, including being a member of the National Committee of the Chinese People’s Political Consultative Conference, a member of the Chief Executive’s Council of Advisers on Innovation & Strategic Development of the Government of the Hong Kong Special Administrative Region, a Council Member of the Hong Kong Trade Development Council, a Director of the Financial Services Development Council, a member of the Aviation Development and Three-runway System Advisory Committee, and Vice Chairman of the Executive Committee of St. James’ Settlement.

Mr. LI is a member of the Hong Kong-Europe Business Council and a member of the Hongkong-Japan Business Co-operation Committee. He is also a Vice Chairman of the Asian Financial Cooperation Association and a member of the Financial Consulting Committee for the Authority of Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone of Shenzhen.

Mr. LI is a fellow of the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. He is also a full member of the Treasury Markets Association. Mr. LI holds an MBA degree from Stanford University and a BA degree from the University of Cambridge.

Save as disclosed above, Mr. LI has not held any directorship in other listed public company during the three years preceding the Latest Practicable Date.

Mr. LI does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

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

Mr. LI has entered into an appointment letter with the Company for a term of three years up to 30 June 2020 and he is subject to retirement from office and re-election at the annual general meetings of the Company and vacation of office in accordance with the provisions of the Articles of Association. His Director's fee for acting as an Independent Non-executive Director and additional Director's fee for serving as a member of Audit Committee and chairman of Remuneration Committee, currently being HK\$350,000 per annum, HK\$20,000 per annum and HK\$50,000 per annum respectively, which were determined by reference to the duties and responsibilities of Directors towards the Company and the then prevailing market conditions and practice, is to be determined by the Shareholders at the annual general meetings of the Company. For the year ended 31 December 2019, he received a Director's fee of HK\$420,000 from the Company.

Further, Mr. LI has confirmed his independence as regard the factors set out in Rule 3.13 of the Listing Rules.

Save as disclosed above, there are no other matters in relation to the re-election of Mr. LI as a Director that need to be brought to the attention of the Shareholders and there is no information required to be disclosed under Rule 13.51(2)(h) to (v) of the Listing Rules.

*This appendix serves as an explanatory statement to provide Shareholders with requisite information to enable them to make an informed decision as to whether to vote in favour of the Share Repurchase Mandate.*

## **1. SHARE CAPITAL**

As at the Latest Practicable Date, the total number of issued Shares comprised 3,081,690,283 Shares.

Subject to the passing of Ordinary Resolution No. 5(A) of the notice of AGM and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Share Repurchase Mandate to repurchase a maximum of 308,169,028 Shares.

## **2. REASONS FOR REPURCHASE**

The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from Shareholders to enable the Directors 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 the Shareholders. Such repurchase may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or its earnings per Share.

## **3. FUNDING OF REPURCHASE**

It is proposed that repurchase of Shares under the Share Repurchase Mandate in these circumstances would be financed from available cash flow or working capital facilities of the Group.

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association, the Listing Rules and the applicable laws and regulations of the Cayman Islands. Pursuant to the Share Repurchase Mandate, repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, including profits of the Company or out of a fresh issue of Shares made for the purpose of the repurchase or, if authorised by the Articles of Association and subject to the Cayman Islands Companies Law, out of capital and, in case of any premium payable on the repurchase, out of the profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorised by the Articles of Association and subject to the Cayman Islands Companies Law, out of capital of the Company.

**4. IMPACT OF REPURCHASE**

There might be material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements for the year ended 31 December 2019 contained in the Annual Report 2019 of the Company) in the event that the Share Repurchase Mandate was to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Share Repurchase Mandate 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.

**5. SHARE PRICES**

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

	<b>Shares</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2019</b>		
April	4.27	4.15
May	4.23	3.71
June	4.10	3.69
July	4.38	4.04
August	4.32	3.78
September	4.01	3.74
October	3.98	3.70
November	4.05	3.74
December	3.84	3.69
<b>2020</b>		
January	3.78	3.35
February	3.50	2.98
March	3.25	2.47
April (up to and including the Latest Practicable Date)	2.79	2.63

## **6. UNDERTAKINGS AND DIRECTORS' DEALINGS AND CORE CONNECTED PERSONS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases of Shares pursuant to Ordinary Resolution No. 5(A) of the notice of AGM and in accordance with the Listing Rules, the Memorandum and Articles of Association and the applicable laws and regulations of the Cayman Islands.

None of the Directors nor, to the best of their knowledge and belief, having made all reasonable enquiries, any of their respective close associates, has any present intention to sell any Shares to the Company in the event that the Share Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons that they have a present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the Share Repurchase Mandate is approved by the Shareholders.

## **7. TAKEOVERS CODE**

If, as a result of a share repurchase, 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 under the Takeovers Code), depending on the level of increase in the interest of the Shareholder(s) but subject to the latitude provided by the 2% creeper provision under Rule 26 of the Takeovers Code, could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code and the provisions thereof may otherwise apply as a results of any such increase.

As at the Latest Practicable Date, Shenzhen Investment International Capital Holdings Infrastructure Co., Ltd is interested in 2,213,449,666 Shares (representing approximately 71.83% of the total number of issued Shares).

In the event that the Directors exercise in full the power to repurchase Shares under the Share Repurchase Mandate, then, assuming the present equity shareholdings remain the same, the equity interests of Shenzhen Investment International Capital Holdings Infrastructure Co., Ltd in the Company would be increased from approximately 71.83% to approximately 79.81% of the total number of issued Shares. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Share Repurchase Mandate. The Directors will not repurchase Shares to such an extent which will result in the number of Shares held by the public being reduced to less than 25% of the total number of issued Shares.

## **8. SHARE REPURCHASES MADE BY THE COMPANY**

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING

**Shenzhen Investment Holdings Bay Area  
Development Company Limited**  
**深圳投控灣區發展有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**Stock Codes: 737 (HKD counter) and 80737 (RMB counter)**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of Shenzhen Investment Holdings Bay Area Development Company Limited (the “**Company**”) will be held at The Glass Pavilion, 3/F., Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong on Friday, 22 May 2020 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated Financial Statements and the Report of the Directors and Independent Auditor’s Report for the year ended 31 December 2019.
2. To approve the payment of final dividend for the year ended 31 December 2019.
3. (a) To re-elect Mr. Brian David Man Bun LI as Director;  
(b) To fix the Directors’ fees (see Note 6).
4. To re-appoint Auditor and authorise the Directors to fix their remuneration.
5. To consider and, if thought fit, pass with or without amendments, the following resolutions as Ordinary Resolutions:

**ORDINARY RESOLUTIONS**

(A) “**THAT:**

- (a) a general mandate be and is hereby generally and unconditionally given to the Directors to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and which 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 the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time provided however that the total number of the shares of the

## NOTICE OF ANNUAL GENERAL MEETING

Company to be repurchased pursuant to this Resolution shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this Resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this Resolution); and

(b) for the purposes of this Resolution:

“**Relevant Period**” means the period from the passing of this Resolution until whichever is the earlier 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 law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”

(B) “**THAT:**

- (a) a general mandate be and is hereby generally and unconditionally given to the Directors to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to allot, issue and deal with additional shares of the Company, and to make or grant offers, agreements or options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into shares of the Company) which would or might require the exercise of such powers either during or after the expiry of the Relevant Period, provided that the total number of the shares allotted or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to this Resolution (otherwise than as scrip dividends pursuant to the Articles of Association of the Company from time to time or pursuant to a Rights Issue (as hereinafter defined) or pursuant to the exercise of any rights of subscription or conversion under any existing warrants, bonds, debentures, notes and other securities issued by the Company or pursuant to any share option scheme), shall not exceed 20% of the total number of issued shares of the Company as at the date of the passing of this Resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this Resolution); and



## NOTICE OF ANNUAL GENERAL MEETING

(b) for the purposes of this Resolution:

**“Relevant Period”** means the period from the passing of this Resolution until whichever is the earlier 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 law to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company;

**“Rights Issue”** means an offer of shares of the Company or issue of options, warrants or other securities giving the right to subscribe for 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 (or, 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 (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 restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company.”

- (C) **“THAT** the general mandate granted to the Directors to allot shares pursuant to Ordinary Resolution No. 5(B) of the notice of this meeting be and is hereby extended by the addition thereto of the total number of the shares of the Company repurchased by the Company under the authority granted pursuant to Ordinary Resolution No. 5(A) of the notice of this meeting, provided that such extended number of shares of the Company shall not exceed 10% of the total number of issued shares of the Company as at the date of the passing of this Resolution (such total number to be subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this Resolution).”

By Order of the Board  
**Shenzhen Investment Holdings**  
**Bay Area Development Company Limited**  
**KOO Ching Fan**  
*Company Secretary*

Hong Kong, 17 April 2020

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint not more than two proxies to attend and, on a poll, vote instead of him. A proxy need not be a member of the Company.
2. In order 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 such power or authority, must be deposited at the head office and principal place of business of the Company at Room 63-02, 63rd Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 48 hours before the time appointed for holding the meeting (i.e. not later than 11:00 a.m. on Wednesday, 20 May 2020 (Hong Kong Time)) or adjourned meeting (as the case may be).
3. Where there are joint registered holders of any share, any one of such persons may vote at any 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 any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.
4. To ascertain shareholders' eligibility to attend and vote at the annual general meeting, the Register of Members of the Company will be closed from Monday, 18 May 2020 to Friday, 22 May 2020, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify to attend and vote at the annual general meeting, all transfers of share ownership, accompanied by relevant share certificates, must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4: 30 p.m. on Friday, 15 May 2020 (Hong Kong Time) for registration.
5. To ascertain shareholders' entitlement to the proposed final dividend upon the passing of resolution referred to in item 2 set out in this notice, the Register of Members of the Company will be closed for one day on Thursday, 28 May 2020. No transfer of shares of the Company will then be effected on the aforementioned book-close date. To qualify for the proposed final dividend, all transfers of share ownership, accompanied by relevant share certificates, must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at the above address not later than 4: 30 p.m. on Wednesday, 27 May 2020 (Hong Kong Time) for registration.
6. With regard to the resolution referred to in item 3 of this notice, the Directors, based on the recommendation of the Remuneration Committee, propose that the Directors' fees for the year ending 31 December 2020 to be fixed at the following amounts:

	<i>HK\$</i> <i>(for the year ending</i> <i>31 December 2020)</i> <i>(per annum)</i>
<b>Director's fees:</b>	
Non-executive Director and Chairman	–
Each of Executive Directors	200,000
Each of the Non-executive Directors (excluding Chairman) and Independent Non-executive Directors	350,000
<b>Additional Directors' fees for Audit Committee:</b>	
Chairman	50,000
Each of the other members	20,000
<b>Additional Directors' fees for Remuneration Committee:</b>	
Chairman	50,000
Each of the other members	20,000

## NOTICE OF ANNUAL GENERAL MEETING

7. With regard to the resolutions referred to in item 5 of this notice, the Directors propose to seek shareholders' approval of the general mandates to repurchase shares and to issue shares. A circular in connection with the proposals for re-election of Director and general mandates to repurchase shares and to issue shares has been despatched to the shareholders of which this notice forms part.
8. Each of the resolutions set out in this notice will be voted by way of a poll.
9. If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force on the date of the meeting, the meeting will be postponed as follows:
  - (i) Typhoon Signal No. 8 (or above) is hoisted or a Black Rainstorm Warning Signal is in force but lowered at or before 7:00 a.m. on Friday, 22 May 2020, the meeting will be held as scheduled at 11:00 a.m. on the same day at the same venue; or
  - (ii) Typhoon Signal No. 8 (or above) is hoisted or a Black Rainstorm Warning Signal is in force or remains hoisted at 7:00 a.m. on Friday, 22 May 2020, but lowered at or before 12:00 noon, the AGM will be postponed to 4:00 p.m. on the same day at the same venue; or
  - (iii) Typhoon Signal No. 8 (or above) is hoisted or a Black Rainstorm Warning Signal is in force or remains hoisted at 7:00 a.m. on Friday, 22 May 2020, but lowered after 12:00 noon, the AGM will not be held on that day but will be automatically postponed. The Company will post an announcement on the Company's website ([www.sihbay.com](http://www.sihbay.com)) and the HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) to notify shareholders of the Company of the date, time and venue of the rescheduled meeting.

**10. Precautionary measures being taken to prevent and control the spread of the novel coronavirus pneumonia (COVID-19) at the Annual General Meeting, including:**

- (i) **mandatory body temperature screening at the entrance of the venue for each attendee. Any person with a body temperature over 37.5°C shall not be permitted to enter the venue;**
- (ii) **use of a surgical mask for each attendee;**
- (iii) **no distribution of corporate souvenirs/gifts or refreshments; and**
- (iv) **appropriate distancing and spacing between seats.**

**Any attendee who does not comply with the precautionary measures or is subject to quarantine, with any flu-like symptoms, who has had close contact with any person under quarantine, or has travelled overseas within 14 days immediately before the Annual General Meeting shall not be permitted to enter the venue. All shareholders are strongly encouraged to appoint the chairman of the meeting as their meeting proxy to vote on the relevant resolutions(s) at the Annual General Meeting as an alternative to attending the Annual General Meeting in person and contacting the Investor Relations Department of the Company for questions for management.**

11. In the case of any inconsistency between the Chinese translation and the English text hereof, the English text shall prevail.