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

If you have sold or transferred all your shares in **Hao Tian International Construction Investment Group Limited**, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company.

HAO TIAN INTERNATIONAL CONSTRUCTION INVESTMENT GROUP LIMITED

昊天國際建設投資集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1341)

CONNECTED TRANSACTION ISSUE OF NEW SHARES UNDER THE SHARE AWARD SCHEME PURSUANT TO SPECIFIC MANDATE AND NOTICE OF EXTRAORDINARY GENERAL MEETINGS

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



A letter from the Board is set out on pages 5 to 13 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on pages 14 to 15 of this circular. A letter from Opus Capital Limited, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 16 to 45 of this circular.

A notice convening an extraordinary general meeting of the Company to be held at 10/F, CKK Commercial Centre, 289 Hennessy Road, Wanchai, Hong Kong, on Thursday, 29 October 2020 at 10:30 a.m. or any adjournment thereof is set out on pages 53 to 54 of this circular. Whether or not you are able to attend the meeting, you are advised to read the notice and complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the extraordinary general meeting (Hong Kong Time) 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 should you so wish.

9 October 2020

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PRECAUTIONARY MEASURES FOR THE EGM

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 EGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on Shareholders, proxies and other attendees at the entrance of the EGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the EGM venue.
- (ii) Shareholders, proxies and other attendees are required to complete and submit a health declaration form providing their names and contact details, and confirming that they are not subject to quarantine and they, or to their best of knowledge, any person whom they have/had close contact with, have not entered Hong Kong from Mainland China or any overseas countries/areas at any time in the preceding 14 days. Any person who does not comply with this requirement may be denied entry into the EGM venue.
- (iii) Shareholders, proxies and other attendees are required to wear surgical face masks inside the EGM venue at all times. Any person who does not comply with this requirement may be denied entry into the EGM venue.
- (iv) No refreshments or drinks will be provided at the EGM.

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

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 EGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM instead of attending the EGM in person.

A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.haotianint.com.hk).

If you are not a registered shareholder (if your shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

DEFINITIONS

In this circular, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Award”	an award of Shares granted under the Share Award Scheme
“Award Shares”	for the selected Grantee, the number of Shares designated by the Board as an Award in accordance with the Share Award Scheme
“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are open for normal banking business (excluding Saturdays, Sundays and public holidays)
“Company”	Hao Tian International Construction Investment Group 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 (stock code: 1341)
“Connected Award Shares”	Award Shares granted by the Company to the Connected Grantees
“Connected Grantees”	Mr. Fok and three other selected Grantees who are connected persons of the Company
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider, and if thought fit, approve the issue and allotment of the Connected Award Shares to the Connected Grantees under the Specific Mandate
“Grantee(s)”	any Participant who accepts an offer of Award in accordance with the Scheme Rules
“Group”	the Company and its Subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Independent Board Committee”	an independent committee of the Board, comprising Mr. Lee Chi Hwa Joshua, Mr. Mak Yiu Tong and Mr. Li Chi Keung Eliot, being all independent non-executive Directors, which has been established to give advice to the Independent Shareholders in respect of the grant of the Specific Mandate for the allotment and issue of the Connected Award Shares
“Independent Financial Adviser” or “Opus Capital”	Opus Capital Limited, a corporation licensed under the SFO to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the allotment and issue of the Connected Award Shares under the Specific Mandate
“Independent Shareholders”	the Shareholders who are independent of, and not connected with, the Connected Grantees and their respective associates and are not required to abstain from voting at the EGM of the Company
“Latest Practicable Date”	29 September 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Fok”	Mr. Fok Chi Tak, an executive Director and the chief executive officer of the Company
“Non-connected Grantees”	the selected Grantees who are not connected with the Company
“Offer Date”	in respect of an Award, the date on which an offer is made to a Participant, which must be a Business Day

DEFINITIONS

“Participant”	any director (including executive, non-executive director and independent non-executive director), employee (whether full time or part time), officer, agent or consultant of the Company or any of its Subsidiary or any of its affiliates or any other person as determined by the Board, whom the Board considers, in its absolute discretion, have contributed or will contribute to the Group
“PRC”	the People’s Republic of China which for the purpose of this circular shall excluded Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Scheme Rules”	the rules constituting the Share Award Scheme and adopted by the Board
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) with a par value of HK\$0.01 each in the capital of the Company (or such other nominal amount as shall result from a sub-division, reduction, consolidation, reclassification or reconstruction of the share capital of the Company from time to time)
“Shareholder(s)”	holder(s) of the Share(s)
“Share Award Scheme”	the share award scheme adopted by the Board on 24 April 2020 whereby awards of Shares may be made by the Board to the Participants pursuant to the Scheme Rules
“Specific Mandate”	a specific mandate to allot and issue the Connected Award Shares, which is subject to the approval by the Independent Shareholders
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	subsidiary(ies) (within the meaning of the Listing Rules, whether incorporated in Hong Kong or elsewhere) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

LETTER FROM THE BOARD

**HAO TIAN INTERNATIONAL
CONSTRUCTION INVESTMENT GROUP LIMITED**

昊天國際建設投資集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1341)

Executive Directors:

Mr. Fok Chi Tak

Mr. Zheng Li

Mr. Tang Yiu Chi James

Dr. Zhiliang Ou, *J.P. (Australia)*

Registered Office:

Clifton House

75 Fort Street

P.O. Box 1350

Cayman, KY1-1108

Cayman Islands

Independent Non-executive Directors:

Mr. Lee Chi Hua Joshua

Mr. Mak Yiu Tong

Mr. Li Chi Keung Eliot

Head Office and Principal Place

of Business in Hong Kong:

Rooms 2510–2518

25/F, Shui On Centre

6–8 Harbour Road

Wanchai, Hong Kong

9 October 2020

To the Shareholders

Dear Sir or Madam,

**CONNECTED TRANSACTION
ISSUE OF NEW SHARES
UNDER THE SHARE AWARD SCHEME PURSUANT TO
SPECIFIC MANDATE**

INTRODUCTION

Reference is made to the announcement of the Company dated 29 June 2020 in which the Company announces that the Board has resolved to grant an aggregate of 65,475,610 Connected Award Shares to four Connected Grantees, consisting of Mr. Fok who is an executive Director and three directors of the Subsidiaries, to be issued under the Specific Mandate.

The purpose of this circular is to provide you with further details of the proposed allotment and issue of 65,475,610 Connected Award Shares to four Connected Grantees under the Share Award Scheme and to provide you with the letter from the Independent Board Committee and the letter from the Independent Financial Adviser.

LETTER FROM THE BOARD

DETAILS OF THE AWARD

On 29 June 2020, the Board resolved to award an aggregate of 65,475,610 Connected Award Shares to four Connected Grantees under the Share Award Scheme. The award of Connected Award Shares will be settled by way of allotment and issue of 65,475,610 new Shares pursuant to the Specific Mandate to be obtained at the EGM.

A total of 65,475,610 Connected Award Shares are granted by the Company as follows:

Name of Grantee	Position held with the Group	Number of Awarded Shares
Mr. Fok	an executive Director and chief executive officer of the Company	60,975,610
Leung Ka Kit	a director of a Subsidiary	1,500,000
Lau Chi Hang	a director of Subsidiaries	1,500,000
Cheung Wang Lok	a director of Subsidiaries	<u>1,500,000</u>
Total		<u>65,475,610</u>

The total of 65,475,610 Connected Award Shares represent (i) approximately 1.30% of the existing Shares in issue as at 29 June 2020; (ii) approximately 1.24% of the existing Shares in issue as at the Latest Practicable Date; and (iii) approximately 1.22% of the total number of Shares in issue as enlarged by the allotment and issue of the Connected Award Shares (assuming there is no change in the total number of Shares in issue from the Latest Practicable Date up to the proposed allotment date of the Connected Award Shares, other than the proposed allotment and issue of the Connected Award Shares).

The Connected Award Shares shall be granted for nil consideration, and therefore, no funds will be raised as a result of the aforesaid proposed allotment and issue. Based on the closing price of HK\$0.148 per Share as quoted on the Stock Exchange as at 29 June 2020, the market value of 60,975,610 Connected Award Shares granted to Mr. Fok is approximately HK\$9,024,390 and the market value of 4,500,000 Connected Award Shares granted to the other three Connected Grantees is HK\$666,000. The average closing price of the Shares for the five consecutive trading days immediately preceding 29 June 2020 as quoted on the Stock Exchange was approximately HK\$0.1562 per Share.

The number of Award Shares to be granted under the Share Award Scheme throughout its duration is limited to 10% of the total number of Shares in issue as at the Offer Date. As at the Latest Practicable Date, 26,274,929 Award Shares had been granted to certain Non-connected Grantees under the Share Award Scheme, among which 25,500,000 Award Shares are outstanding and 774,929 Award Shares had been issued to a grantee pursuant to his grant.

LETTER FROM THE BOARD

Vesting dates

The Connected Award Shares shall be vested in three equal tranches of which: (a) 1/3 of the Connected Award Shares under the Award shall be vested in the first calendar year of continuous service with the Group after the Offer Date; (b) 1/3 of the Connected Award Shares under the Award shall be vested in the second calendar year of continuous service with the Group after the Offer Date; (c) 1/3 of the Connected Award Shares under the Award shall be vested in the third calendar year of continuous service with the Group after the Offer Date. The vesting of the Connected Award Shares is subject to the conditions as set out in the Scheme Rules and the fulfillment of such conditions, if any, as specified by the Board.

Ranking of the Connected Award Shares

The Connected Award Shares, when issued and fully paid, shall rank pari passu among themselves and with the other Shares in issue, with rights to receive all dividends and other distributions declared, made or paid on or after the date of proposed allotment and issue.

Conditions precedent

The proposed allotment and issue of the Connected Award Shares to the Connected Grantees shall be subject to (i) the approval by the Independent Shareholders in respect of the proposed allotment and issue of the Connected Award Shares under the Specific Mandate; (ii) the Stock Exchange having granted the approval for the listing of, and permission to deal in the Connected Award Shares; and (iii) fulfillment of the conditions as set out in the Scheme Rules and such conditions, if any, as specified by the Board.

Application for listing

An application will be made to the listing committee of the Stock Exchange for the listing of, and permission to deal in the Connected Award Shares on the Stock Exchange.

LETTER FROM THE BOARD

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
7 September 2020	Placing of a total of 234,296,000 new Shares at the placing price of HK\$0.285 each	Approximately HK\$66,440,488	— approximately HK\$33,220,244, will be used for general working capital of the Group; and — approximately HK\$33,220,244, will be used to support the development of the existing financial business of the Group, including securities brokerage, asset management and securities investments.	Approximately 43.65% of the proceeds from the placing has been used to support the development of existing financial business of the Group and the balance will be used as intended.

Save as disclosed, the Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the Latest Practicable Date.

LETTER FROM THE BOARD

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below are the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) upon allotment and issue of the Connected Award Shares (assuming no change in the total issued Shares between the Latest Practicable Date and the date of issue of the Connected Award Shares in full under the Share Award Scheme):

Shareholders	As at the Latest Practicable Date		Immediately after the allotment and issue of the Connected Award Shares (assuming that there is no other change in the existing shareholding of the Company) (Note 3)	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Hao Tian Development Group Limited (Note 1)	3,164,504,688	59.84	3,164,504,688	59.11
Oshidori International Holding Limited (Note 2)	625,000,000	11.82	625,000,000	11.67
Mr. Fok	—	—	60,975,610	1.14
Other Connected Grantees	—	—	4,500,000	0.08
Public	<u>1,498,449,873</u>	<u>28.34</u>	<u>1,498,449,873</u>	<u>28.00</u>
Total	<u>5,287,954,561</u>	<u>100.00</u>	<u>5,353,430,171</u>	<u>100.00</u>

Notes:

1. As at the Latest Practicable Date, Hao Tian Development Group Limited was interested in 3,164,504,688 Shares through its directly wholly-owned subsidiary, Win Team Investments Limited, which in turn held (i) 2,388,944,688 Shares through its wholly-owned subsidiary, Hao Tian Management (China) Limited; and (ii) 775,560,000 Shares through its 92.41%-owned subsidiary, Hao Tian Management (Hong Kong) Limited.
2. As at the Latest Practicable Date, Oshidori International Holding Limited was interested in 625,000,000 Shares through its indirect wholly-owned subsidiary, Kenson Investment Limited.
3. Certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

Under the rules of the Share Award Scheme, in the event of an alteration in the capital structure of the Company by way of a capitalisation of profits or reserves, bonus issue, rights issue, open offer, subdivision or consolidation of Shares or reduction of the share capital of the Company in accordance with applicable laws and the Listing Rules (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company or any of its subsidiaries is a party or in connection with any

LETTER FROM THE BOARD

share award schemes of the Company), such corresponding adjustments (if any) shall be made to the number, the issue price and/or nominal value of Shares underlying any Award or part thereof which has not yet vested and/or been satisfied.

REASONS FOR THE ISSUANCE OF THE CONNECTED AWARD SHARES

The Company is an exempted company incorporated in the Cayman Islands with limited liability. The Company is an investment holding company and the Group is engaged in the following principal activities: (a) the construction machinery business, serving primarily the construction sector in Hong Kong including (i) rental of construction machinery; (ii) trading of construction machinery and spare parts; and (iii) provision of machinery transportation services; and (b) the provision of financial services, conducting: (i) Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO; (ii) money lending activities; and (iii) brokerage of general insurance and long term (including linked long term) insurance.

The Share Award Scheme was adopted by the Company on 24 April 2020 and forms part of the incentive schemes of the Group. The Board considers that the award of the Connected Award Shares to the Connected Grantees recognises and motivates the outstanding contributions made by them and aim to motivate them in driving the continuous business operation and development of the Group.

In determining the number of Connected Award Shares to Mr. Fok, the Remuneration Committee of the Board has considered, amongst others, (i) his past contribution made to the Group, where he has been instrumental in the business diversification initiatives undertaken by the Group in the financial services and money lending sectors, resulting in the Group in completing the acquisition of Hao Tian International Financial Holdings Limited in December 2018 and developing a new line of business for the Group which is revenue-generating; (ii) his additional duties as a co-chief executive officer of the Company (subsequently re-designated as the chief executive officer with effect from 30 June 2020), in particular to implement and review the strategic development plans of the Group in the financial services and money lending sectors, since he is not entitled to any salary for this new appointment which was effective since 1 May 2020; and (iii) to encourage, motive and provide additional incentives to him to achieve performance goals with a view to attain the objectives of increasing the value of the Group and to align the interest of Mr. Fok to the Group through ownership of Shares.

In determining the number of Connected Award Shares to the other three Connected Grantees who are directors of Subsidiaries engaged in money lending business or asset management business, the Remuneration Committee has taken into account (i) their years of service with the Group, ranging from 3 years to 10 years, (ii) their qualifications and relevant work experience; and (iii) their work performance.

LETTER FROM THE BOARD

Mr. Leung Ka Kit (“**Mr. Leung**”) was the deputy financial controller of the Group, primarily responsible for overseeing financial reporting matters. With Mr. Leung’s experience in financial matters and supervision, the Group has developed a smooth and efficient financial reporting system to monitor the financial performance of the Group and ensure the financial controls and compliance procedures are in place. Mr. Leung resigned from his position recently but he will continue to serve as a director of Hao Tian Credit.

Mr. Lau Chi Hang (“**Mr. Lau**”) joined Hao Tian Finance Company Limited, a Subsidiary, as vice president on 2 February 2015 and subsequently assumed the position as General Manager in Hao Tian Credit Company Limited (“**Hao Tian Credit**”) since 1 October 2017. Mr. Lau played an important role in the development of the mortgage loan business in Hao Tian Credit. He has formulated several strategic product plans, including business development, promotion recommendation and marketing which contributed to the success of the mortgage business of the Group.

Mr. Cheung Wang Lok (“**Mr. Cheung**”) joined the Group in 2010 and was appointed as a director of various Subsidiaries in May 2016. Mr. Cheung was later promoted to senior finance manager of the Group in 2019. He is principally responsible for the treasury management of the Group, including liaising with financial institutions in connection with the Group’s financing activities and liquidity management. With his solid experience and negotiation skills, he is instrumental in securing sufficient funds from the financial institutions to meet the funding needs for the business expansion of the Group.

There will not be any actual cash outflow by the Group under the award of the Connected Award Shares. In this regard, the Directors consider that the terms and conditions of the proposed allotment and issue of the Connected Award Shares under the Share Award Scheme are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Mr. Fok, having a material interest in the grant of the Connected Award Shares, has abstained from voting on the Board resolutions approving the grant of the Connected Award Shares to be issued under the Specific Mandate.

LISTING RULES IMPLICATIONS

The Connected Award Shares will be satisfied by new Shares to be allotted and issued to the Connected Grantees by the Company under the Specific Mandate. An application will be made by the Company to the listing committee of the Stock Exchange for the listing of, and permission to deal in the Connected Award Shares on the Stock Exchange.

As Mr. Fok is an executive Director and the other Connected Grantees are directors of the Subsidiaries, they are therefore connected persons of the Company. The proposed allotment and issue of Connected Award Shares to the Connected Grantees under the Share Award Scheme

LETTER FROM THE BOARD

constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and shall be subject to, among others, the approval by the Independent Shareholders at a general meeting of the Company.

An Independent Board Committee has been formed to advise the Independent Shareholders in respect of the allotment and issue of the Connected Award Shares under the Specific Mandate. Opus Capital has been appointed as the independent financial adviser of the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

EXTRAORDINARY GENERAL MEETING AND PROXY ARRANGEMENT

A notice convening the EGM to be held at 10/F, CKK Commercial Centre, 289 Hennessy Road, Wanchai, Hong Kong at 10:30 a.m. on Thursday, 29 October 2020 is set out on pages 53 to 54 of this circular, for the purpose of considering and, if thought fit, passing the resolutions in respect of the grant of the Specific Mandate and the grant of the Connected Award Shares to the Connected Grantees.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.haotianint.com.hk>). Whether or not you propose to attend the EGM, you are requested to complete the accompanying form of proxy for use at the EGM in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so desire and, in such event, the form of proxy shall be deemed to be revoked.

As at the Latest Practicable Date, so far as the Directors were aware and based on available information, Mr. Cheung and Mr. Lau owns 16,000 Shares and 8,000 Shares respectively and therefore each of them has an interest in the grant of the Connected Award Shares to be issued under the Specific Mandate. Each of them and their associates will be required to abstain from voting on the resolutions approving the grant of the Connected Award Shares to the Connected Grantees under the Specific Mandate.

Save for the aforesaid and to the best knowledge, information and belief of the Company, as at the Latest Practicable Date, no other Shareholder has a material interest in the grant of the Connected Award Shares to be issued under the Specific Mandate nor is required to abstain from voting at the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, the resolutions at the EGM will be voted on by way of poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 14 to 15 of this circular which contains the recommendation of the Independent Board Committee to the Independent Shareholders regarding the proposed resolutions to approve the grant of the Specific Mandate and the grant of the Connected Award Shares to the Connected Grantees; and (ii) the letter from Opus Capital set out on pages 16 to 45 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the allotment and issue of the Connected Award Shares and the principal factors and reasons considered in arriving at its opinion.

The Directors (including the independent non-executive Directors but excluding Mr. Fok) consider that although the allotment and issue of the Connected Award Shares to the Connected Grantees is not in the ordinary and usual course of business of the Group, the terms and conditions of the Connected Award Shares granted to the Connected Grantees are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (excluding Mr. Fok) recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the grant of the Specific Mandate and the grant of the Connected Award Shares to the Connected Grantees.

ADDITIONAL INFORMATION

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

By order of the Board

Hao Tian International Construction Investment Group Limited

Fok Chi Tak

Executive Director

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

**HAO TIAN INTERNATIONAL
CONSTRUCTION INVESTMENT GROUP LIMITED**

昊天國際建設投資集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1341)

9 October 2020

To the Independent Shareholders

Dear Sir or Madam,

**CONNECTED TRANSACTION
ISSUE OF NEW SHARES
UNDER THE SHARE AWARD SCHEME PURSUANT TO
SPECIFIC MANDATE**

We refer to the circular dated 9 October 2020 issued by the Company (the “Circular”), of which this letter forms part. Capitalised terms defined in this letter shall bear the same meanings as those defined in the Circular unless the context requires otherwise.

We have been formed to advise you in connection with the allotment and issue of the Connected Award Shares to four Connected Grantees under the Specific Mandate and to advise you as to whether, in our opinion, the terms and conditions of the Connected Award Shares to the Connected Grantees are fair and reasonable so far as the Independent Shareholders are concerned. Details of the allotment and issue of the Connected Award Shares to the Connected Grantees are set out in the letter from the Board contained in the Circular. Opus Capital has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the allotment and issue grant of the Connected Award Shares to the Connected Grantees under the Specific Mandate.

We wish to draw your attention to the letter from the Board, as set out on pages 5 to 13 of the Circular, and letter from Opus Capital to the Independent Board Committee and Independent Shareholders as set out on pages 16 to 45 of the Circular which contains its advice to us in respect of whether the terms and conditions of the Connected Award Shares to the Connected Grantees are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having taken into account the reasons relating to the allotment and issue of the Connected Award Shares and the advice of the Independent Financial Adviser, we are of the opinion that although the allotment and issue of the Connected Award Shares is not in the ordinary and usual course of business of the Group, the terms and conditions of the grant of the Connected Award Shares to the Connected Grantees are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM to approve the grant of the Specific Mandate and the grant of the Connected Award Shares to the Connected Grantees.

Yours faithfully,
For and on behalf of
Independent Board Committee of

Hao Tian International Construction Investment Group Limited

Mr. Lee Chi Hwa Joshua

Mr. Mak Yiu Tong

Mr. Li Chi Keung Eliot

Independent Non-Executive Directors

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is the text of a letter received from Opus Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the allotment and issue of the Connected Award Shares for the purpose of inclusion in this circular.



18th Floor, Fung House
19–20 Connaught Road Central
Central, Hong Kong

9 October 2020

*To: The Independent Board Committee and the Independent Shareholders of
Hao Tian International Construction Investment Group Limited*

Dear Sir or Madam,

CONNECTED TRANSACTION ISSUE OF NEW SHARES UNDER THE SHARE AWARD SCHEME PURSUANT TO SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment by the Company as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed allotment and issue of the Connected Award Shares to four (4) Connected Grantees as set out in the Letter from the Board (the “**Letter from the Board**”) contained in the circular dated 9 October 2020 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context requires otherwise.

On 29 June 2020, the Board resolved to grant 65,475,610 Connected Award Shares to four (4) Connected Grantees, consisting of Mr. Fok who is an executive Director and three directors of the Subsidiaries, to be issued under the Specific Mandate (the “**Connected Award Shares Issue**”).

As Mr. Fok is an executive Director and the other Connected Grantees are directors of the Subsidiaries, they are therefore connected persons of the Company. The Connected Award Shares Issue under the Share Award Scheme constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and shall be subject to, among others, the approval of the Independent Shareholders at the EGM.

Mr. Fok, having a material interest in the Connected Award Shares Issue, has abstained from voting on the Board resolutions approving the Connected Award Shares Issue.

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As at the Latest Practicable Date, so far as the Directors were aware and based on available information, Mr. Cheung Wang Lok and Mr. Lau Chi Hang owns 16,000 Shares and 8,000 Shares respectively and therefore each of them has an interest in the grant of the Connected Award Shares to be issued under the Specific Mandate. Each of them and their associates will be required to abstain from voting on the resolutions approving the grant of the Connected Award Shares to the Connected Grantees under the Specific Mandate.

Save for the aforesaid, to the best of the Directors' knowledge, information and belief, as at the Latest Practicable Date, no other Shareholder has a material interest in respect of the Connected Award Shares Issue and accordingly none of them is required to abstain from voting on the resolutions relating to the Connected Award Shares Issue at the EGM.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee, comprising Mr. Lee Chi Hwa Joshua, Mr. Mak Yiu Tong and Mr. Li Chi Keung Eliot, all being independent non-executive Directors, has been established by the Company to advise and make recommendation to the Independent Shareholders as to: (i) whether the terms and conditions of the Connected Award Shares are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole; (ii) whether the Connected Award Shares Issue is in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote on the resolutions in relation to the Connected Award Shares Issue to be proposed at the EGM. Our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders has been approved by the Independent Board Committee in this respect.

OUR INDEPENDENCE

We were appointed as the independent financial adviser to advise the independent board committee and the independent shareholders of the Company on the following:

- (i) a major and connected transaction in relation to the acquisition of listed securities, details of which are set out in the circular of the Company dated 17 January 2019;
- (ii) a connected transaction involving allotment and issuance of new Shares to its chief executive officer, details of which are set out in the circular of the Company dated 21 March 2019; and
- (iii) a major and connected transaction in relation to the acquisition of a company involving issue of convertible notes, details of which are set out in the circular of the Company dated 27 December 2019.

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We were also appointed as the independent financial adviser to advise the independent board committee and the independent shareholders of Hao Tian Development Group Limited (“HTD”), an indirect controlling shareholder of the Company, in respect of the following:

- (a) a disclosable and connected transaction in relation to the acquisition of notes from, and issue of bonds, to the controlling shareholder of HTD, details of which are set out in the circular of HTD dated 6 September 2018; and
- (b) a disclosable and connected transaction in relation to the acquisition of minority interest in a subsidiary involving issue of consideration shares under specific mandate, details of which are set out in the circular of HTD dated 8 August 2019.

The above appointments by the Company and HTD are collectively known as the “**Past Appointments**”.

As at the Latest Practicable Date, we did not have any relationship with, or interest in, the Group, Connected Grantees or other parties that could reasonably be regarded as relevant to our independence. Apart from normal independent financial advisory fees paid or payable to us in connection with the Past Appointments and this appointment, no arrangements existed whereby we had received or will receive any fees or benefits from the Group or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent pursuant to Rule 13.84 of the Listing Rules.

BASIS OF OUR OPINION AND RECOMMENDATION

In formulating our advice and recommendation to the Independent Board Committee and the Independent Shareholders, we have reviewed, amongst other things:

- (i) the Company’s annual reports for the financial year ended 31 March (“FY”) 2019 (the “**2019 Annual Report**”) and FY2020 (the “**2020 Annual Report**”);
- (ii) the Company’s interim report for the six months ended 30 September 2019 (the “**2020 Interim Report**”);
- (iii) the service contract entered into between Mr. Fok and the Company dated 29 April 2020 in respect of his appointment as the co-chief executive officer of the Company (“**Co-CEO**”);
- (iv) the Scheme Rules; and
- (v) other information as set out in the Circular.

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We have relied on the truth, accuracy and completeness of the statements, information, opinions and representations contained or referred to in the Circular and the information and representations made to us by the Company, the Directors and the management of the Company (collectively, the “**Management**”). We have assumed that all information and representations contained or referred to in the Circular and provided to us by the Management, for which they are solely and wholly responsible, are true, accurate and complete in all respects and not misleading or deceptive at the time when they were provided or made and will continue to be so up to the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Management in the Circular were reasonably made after due enquiries and careful consideration and there are no other facts not contained in the Circular, the omission of which make any such statement contained in the Circular misleading. We have no reason to suspect that any relevant information have been withheld, or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Management, which have been provided to us.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. However, we have not carried out any independent verification of the information provided by the Management, nor have we conducted any independent investigation into the business, financial conditions and affairs of the Group or its future prospect.

The Directors jointly and severally accept full responsibility for the accuracy of the information disclosed and confirm, having made all reasonable enquiries that to the best of their knowledge and belief, there are no other facts not contained in this letter, the omission of which would make any statement herein misleading.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely in connection for their consideration of the terms of the Connected Award Shares Issue, and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent.

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PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Connected Award Shares Issue, we have taken into consideration the following principal factors and reasons:

1. Background of and reasons for the Connected Award Shares Issue

(a) Overview of the Group

The Company is an investment holding company and the Group is engaged in the following principal activities:

- (a) the construction machinery business, serving primarily the construction sector in Hong Kong. The business includes: (i) rental of construction machinery; (ii) trading of construction machinery, spare parts and construction materials; and (iii) provision of machinery transportation services; and
- (b) the provision of financial services, conducting: (i) Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO; (ii) money lending activities; and (iii) brokerage of general insurance and long term (including linked long term) insurance.

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Set out below is a summary of the audited consolidated financial results and positions of the Group for FY2020, FY2019 and FY2018, as extracted from the 2020 Annual Report and the 2019 Annual Report:

Table 1: Highlights of the financial results and positions of the Group

	FY2020		FY2019		FY2018	
	(HK\$'000)	%	(HK\$'000)	%	(HK\$'000)	%
Revenue	192,445	100.0%	176,518	100.0%	165,869	100.0%
— trading of construction machinery and spare parts	28,489	14.8%	54,760	31.0%	46,762	28.2%
— rental of construction machinery	108,902	56.6%	106,100	60.1%	117,870	71.1%
— provision of transportation services	364	0.2%	1,549	0.9%	1,237	0.7%
— provision of commodities, futures, securities brokerage and financial services	54,690	28.4%	14,109	8.0%	—	—
Gross profit	63,505		27,739		13,473	
Profit/(loss) attributable to the Shareholders	71,624		(6,452)		(12,528)	
Net asset value	988,553		766,761		352,992	

Source: the 2020 Annual Report and the 2019 Annual Report

FY2019 vs FY2018

The Group's revenue increased by approximately 6.4% from approximately HK\$165.9 million for FY2018 to approximately HK\$176.5 million for FY2019. Such increase was mainly attributable to the new revenue stream from the provision of commodities, futures, securities brokerage and financial services, resulting from the acquisition of 100% equity interest in Hao Tian International Financial Holdings Limited ("**Hao Tian Financial**") in December 2018 (the "**HTF Acquisition**"). Hao Tian Financial and its subsidiaries are financial services companies, primarily engaged in money lending business, insurance agency service and regulated activities licensed by the Securities and Futures Commission.

The loss attributable to the Shareholders was approximately HK\$6.5 million for FY2019, representing an improvement in the loss position by approximately 48.0% from a loss of approximately HK\$12.5 million for FY2018. Such

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improvement was mainly attributable to the increased gross profit margin from approximately 8.1% for FY2018 to approximately 15.7% for FY2019, which was mainly contributed by the additional gross profit generated from provision of commodities, futures, securities brokerage and financial services.

FY2020 vs FY2019

The Group's revenue increased by approximately HK\$15.9 million or 9.0% from approximately HK\$176.5 million for FY2019 to approximately HK\$192.4 million for FY2020. Such increase was mainly attributable to the full year contribution from the provision of money lending, asset management, securities brokerage, commodities, futures securities and other financial services which generated approximately HK\$54.7 million for FY2020 as compared to approximately HK\$14.1 million during FY2019, representing a significant increase of approximately 287.9%. It is also noted that the gross profit has recorded an improvement of approximately 129.2% to approximately HK\$63.5 million for FY2020. Gross profit margin also equally registered an impressive increase from approximately 15.7% for FY2019 to approximately 33.0% for FY2020. As disclosed in the 2020 Annual Report, the increase in both the gross profit and gross profit margin was mainly due to gross profit generated from the provision of money lending, asset management, securities brokerage, commodities, futures and other financial services.

The profit attributable to the Shareholders was approximately HK\$71.6 million for FY2020, as compared to the loss attributable to the Shareholders of approximately HK\$6.5 million for FY2019. The improvement in the Group's results was mainly attributable to, among other things, (i) the increase in gross profit of approximately HK\$35.8 million as mentioned above; (ii) a nine-fold increase in the share of results of an associate/joint ventures to approximately HK\$51.7 million; (iii) an one-off gain on disposal of a property holding subsidiary, Chim Kee Crane Company Limited, of approximately HK\$32.2 million; (iv) a gain on bargain purchase of approximately HK\$18.3 million; and (v) an approximate 56.4% increase in the change of fair value of financial assets at fair value through profit and loss. This was partially off-set by: (i) an approximately three-fold increase in the expected credit loss on financial assets to approximately HK\$48.3 million; and (ii) a rise in administrative expenses of approximately HK\$24.0 million or 52.9%.

Review of the financial position of the Group

The Group achieved a significant growth in its net asset value ("NAV") by approximately 117.2%, from approximately HK\$353.0 million as at 31 March 2018 to approximately HK\$766.8 million as at 31 March 2019. As noted in the

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2019 Annual Report, the increase in NAV was primarily due to the introduction of new assets class as a result of the HTF Acquisition. This comprised of: (i) loan receivables of approximately HK\$163.3 million; (ii) financial assets of approximately HK\$114.4 million; and (iii) interest in joint ventures of approximately HK\$165.4 million, which consists of the Group's investment in Riverwood China Growth Fund and 延安振興發展產業投資基金管理有限公司, a PRC asset management company.

As at 31 March 2020, the NAV of the Group continued to strengthen to approximately HK\$988.6 million, representing an increase of approximately 28.9% from approximately HK\$766.8 million as at 31 March 2019. According to the 2020 Annual Report, the surge in total assets of the Group was primarily due to an approximate 122.3% increase in loan receivables by approximately HK\$199.8 million and the net increase in bank balances and cash by approximately HK\$90.8 million or 70.1%, derived mainly from the sale of land in Yuen Long undertaken in March 2019 where the balance consideration of HK\$100 million was received in April 2019.

(b) Business diversification of the Group and its development strategies

We note that from the 2019 Annual Report and the 2020 Annual Report, rental and trading of construction machinery, trading of construction materials and provision of repair and maintenance services were major revenue drivers to the Group, contributing approximately 91.1% and 71.4% of the total revenue of the Group for FY2019 and FY2020, respectively. Although a segment profit was registered in FY2019, the Group recorded a segment loss in FY2020. Despite the fact that various infrastructure projects were approved and commenced, new and subsequent funding have been approved in a much slower pace than those committed in previous years. Such delays in funding approvals caused projects to lag behind the original schedules, so contractors tend to be more cautious when making investment decisions on construction machinery.

As advised by the Management, with careful consideration, the Group embarked on its business diversification initiatives in developing a new line of business in the financial services and money lending sectors, culminating in the acquisition of Hao Tian Financial which was completed in December 2018. The HTF Acquisition allows the Group to develop a new income stream in the financial services and money lending sectors and diversify the businesses of the Group. It would broaden the Group's range of business and source of income, which will potentially increase the Group's revenue and enhance the Group's financial performance. The Group subsequently completed the acquisition of the entire equity interest of Hao Tian Credit Company Limited ("**Hao Tian Credit**") on 31 January 2020, a licensed money lender with a particular focus on

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providing mortgage loans in Hong Kong. This was undertaken to enlarge its market share in the money lending industry and expand its network coverage and customer base.

The Group has also started to build up a portfolio of its investments when it completed the acquisition of 4.05% equity interest in China Shandong Hi-Speed Financial Group Limited (“**China Shandong**”) in February 2019, making it one of the Group’s initial investments in its portfolio, with an aim to generate attractive returns to the Group.

As stated in the 2020 Annual Report and the 2020 Interim Report, the Group is committed to forge a financial platform with diversified businesses by proactively exploring both PRC and Southeast Asia markets and re-developing its strategies in line with the Belt and Road Initiative and the economic development trends in Guangdong-Hong Kong-Macau Greater Bay Area (“**Greater Bay Area**”). The Group is in full swing of the expansion into traditional financial institutions with full licenses in those countries along the “Belt and Road” regions through equity investment and takeover of the right of operation by consolidating strong industrial support from the Shareholders and platform resources, and leveraging on which, the Group could gradually extend its footprint to internet finance, a rapidly developing economic sector.

Leveraging on its strength on resources in Hong Kong, the Group will assist more domestic enterprises in mergers and acquisitions business overseas, while diversifying its financing system, expanding financing channels abroad, optimising the debt structure and reducing financing costs. It will also take this opportunity to intensify its ties with enterprises by setting up industry funds, facilitating integration of local innovation industry and offering quality investment services. Furthermore, the Group would act proactively in the development of Greater Bay Area by cooperating with local enterprises in Shenzhen and Macau and keeping abreast of the development in various fields.

As at 31 March 2020, the Group had a total of three funds with an aggregate assets under management of approximately HK\$179.4 million, a loan portfolio of approximately HK\$363.1 million and an investment portfolio with total value of approximately HK\$129.8 million.

As stated above, the Group has charted a clear development plan and is aware of its development strategies to further grow its principal activity in the financial services sector. As discussed with the Management, we understand that the Board is encouraged by the continued positive outlook in the financial services industry as stated below.

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(c) Overview of the financial services industry

As mentioned in the 2020-21 Budget published by the Hong Kong Government in February 2020, the rapid spread of the novel coronavirus has dealt a severe blow to economic activities and sentiment in Hong Kong. The forecasted economy growth is between -1.5% to 0.5% in 2020. However, the economic outlook of Hong Kong remains positive in the medium term due to the huge market potential of the PRC as well as the opportunities brought by the Belt and Road Initiative and the development of Greater Bay Area.

Financial services industry has long been identified as one of the four pillar industries in the Hong Kong economy. According to the report titled “2019 Economic Background and 2020 Prospects” published by the Hong Kong Government, the value added to Hong Kong economy by the financial services in 2018 was approximately HK\$532.8 billion, accounting for approximately 19.7% of the total value added. The value added by the financial services increased from approximately HK\$409.9 billion in 2015 to approximately HK\$532.8 billion, representing a compound annual growth rate of 9.1%. Despite of the continuing uncertainty in the local social incidents and the outbreak of COVID-19 pandemic, the financial services industry could still leverage its strengths and take advantage from the stable growth in the Hong Kong debt and equity markets, market potential of the PRC, Belt and Road Initiative and the development of Greater Bay Area to maintain its sustainable growth in the long term.

Taking into consideration of the Group’s intention to expand its financial services business as one of its principal activities, the Board views the strong management experience of Mr. Fok (one of the Connected Grantees), his solid understanding of the financial industry in view of his 19 years’ of experience in corporate finance, corporate governance, mergers and acquisitions, auditing and financial management, past successful track record in the Group and his vast customers network will make him an ideal personnel to play a pivotal role in leading the Group into its new expansion phase. Furthermore, the other three (3) Connected Grantees who are holding senior positions in the Group will also play an important role in propelling the Group towards achieving its objectives and goals in the financial services expansion strategies.

(d) Information of the Connected Grantees

(i) Mr. Fok, chief executive officer and an executive Director

Mr. Fok, aged 44, was appointed as an executive Director on 28 February 2017. Mr. Fok is a member of the nomination committee of the Board and he also serves as a director of various Subsidiaries. Mr. Fok holds a master degree in Business Administration from the University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, the Institute of Chartered

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Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries, respectively. Mr. Fok currently serves as an executive director of HTD (stock code: 474), the controlling shareholder of the Company, whose shares are listed on the Main Board of the Stock Exchange.

On 17 February 2020, the Company entered into a service contract with Mr. Fok for a term of three (3) years commencing from 28 February 2020 (the “**Existing Service Contract**”). Pursuant to the Existing Service Contract, Mr. Fok has been appointed as an executive Director and is entitled to an annual remuneration package comprising of cash remuneration of HK\$2,496,000 per annum at the end of each completed year of service.

As disclosed in the announcement dated 29 April 2020, the Company subsequently entered into a service contract (the “**Additional Service Contract**”) with Mr. Fok for his appointment as the Co-CEO for a term of three (3) years commencing from 1 May 2020, which may be terminated by not less than three months’ notice in writing served by either party at any time. Pursuant to the terms and conditions of the Additional Service Contract, Mr. Fok is not entitled to a salary for the appointment, but the Board may determine the remuneration entitlement of Mr. Fok from time to time in its absolute discretion with reference to his performance and the Company’s remuneration policy and financial performance. Mr. Fok was re-designated as the chief executive officer (“**CEO**”) of the Company on 30 June 2020.

Upon our further enquiries with the Company, we understand that Mr. Fok, being the executive Director and CEO, is tasked with the following areas of responsibilities:

- (i) implement and review the vision and strategic development plans for the Group in the financial services and money lending sectors;
- (ii) develop operational plans to implement the business strategies of the Group;
- (iii) review and update operational plans which incorporate the goal and objectives that work towards the strategic direction of the Group;
- (iv) lead the Group to expand its financial services business in light of opportunities arising from the “One Belt, One Road” initiatives and the rapid development of Greater Bay Area;
- (v) supervise the day-to-day operations of the Company to ensure they are consistent with the Group’s overall strategies and objectives; and

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(vi) maintain an efficient and effective management team and provide guidance where necessary.

(ii) Mr. Leung Ka Kit

Mr. Leung Ka Kit (“**Mr. Leung**”) was the deputy financial controller of the Group, primarily responsible for overseeing financial reporting matters. Mr. Leung has over 15 years of experience in auditing, accounting and corporate finance. Before joining the Group, he was the senior finance manager of Union Medical Healthcare Limited, a company incorporated in the Cayman Islands which shares are listed on the Main Board of the Stock Exchange (stock code: 2138), during which he was also appointed as the company secretary of the same company. We were informed by the Company that with Mr. Leung’s experience in financial matters and supervision, the Group has developed a smooth and efficient financial reporting system to monitor the financial performance of the Group and ensure the financial controls and compliance procedures are in place. Mr. Leung resigned from his position recently but he will continue to serve as a director of Hao Tian Credit.

(iii) Mr. Lau Chi Hang

Mr. Lau Chi Hang (“**Mr. Lau**”) joined Hao Tian Finance Company Limited, a Subsidiary, as vice president on 2 February 2015 and subsequently assumed the position as General Manager in Hao Tian Credit since 1 October 2017. In our discussion with the Company, we understand that Mr. Lau played an important role in the development of the mortgage loan business in Hao Tian Credit. He has formulated several strategic product plans, including business development, promotion recommendation and marketing which contributed to the success of the mortgage business of the Group.

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(iv) Mr. Cheung Wang Lok

Mr. Cheung Wang Lok (“**Mr. Cheung**”) has more than 18 years of experience in internal and external auditing, accounting, finance, taxation, treasury management, internal control and personnel management in international and listed companies. Mr. Cheung joined the Group in 2010 and was appointed as a director of various Subsidiaries in May 2016. Mr. Cheung was later promoted to senior finance manager of the Group in 2019. He is principally responsible for the treasury management of the Group, including liaising with financial institutions in connection with the Group’s financing activities and liquidity management. With his solid experience and negotiation skills, he is instrumental in securing sufficient funds from the financial institutions to meet the funding needs for the business expansion of the Group.

(e) Reasons for the issuance of the Connected Award Shares

As stated in the Letter from the Board, the Share Award Scheme was adopted by the Company on 24 April 2020 and forms part of the incentive schemes of the Group. The Board considers that the grant of the Connected Award Shares to the Connected Grantees is to: (i) recognise the contributions made to the Group by the Connected Grantees; (ii) encourage, motivate and retain the Connected Grantees, whose contributions are beneficial to the continual operation, development and long-term growth of the Group; and (iii) provide additional incentive for the Connected Grantees to achieve performance goals, with a view to achieving the objectives of increasing the value of the Group and aligning the interests of the Connected Grantees to the Shareholders through ownership of Shares.

In determining the number of Connected Award Shares to Mr. Fok, the remuneration committee of the Board has considered, amongst others, (i) his past contribution made to the Group, where he has been instrumental in the business diversification initiatives undertaken by the Group in the financial services and money lending sectors, resulting in the Group in completing the acquisition of Hao Tian Financial in December 2018 and developing a new line of business for the Group which is revenue-generating; (ii) his additional duties as the CEO, in particular to implement and review the strategic development plans of the Group in the financial services and money lending sectors, since he is not entitled to a salary for this new appointment which was effective since 1 May 2020; and (iii) to encourage, motive and provide additional incentives to him to achieve performance goals with a view to attain the objectives of increasing the value of the Group and to align the interest of Mr. Fok to the Group through ownership of Shares.

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Mr. Fok's past contribution to the Group

Mr. Fok is instrumental in the business diversification initiatives undertaken by the Group in the financial services and money lending sectors. We understand from the Management that he has been responsible for the following areas in the Group:

- (a) oversee the Group's fund raising activities, as well as potential mergers and acquisitions corporate exercises;
- (b) explore market investment opportunities and allocate resources for projects;
- (c) identify suitable and viable projects for investment purposes by the asset management companies in the Group;
- (d) identify potential customers for money lending opportunities by the licensed money lender entities in the Group; and
- (e) overall deal evaluation, terms negotiation, execution and post-transaction management for the Group's securities investment entity.

Set out below is the list of corporate exercises specifically related to the financial services and/or capital market transactions undertaken by the Group in the past 2 years where Mr. Fok has played a critical role and was actively involved in deal sourcing, evaluation, execution and management of the transactions:

Announcement date	Notable events
2 April 2020	Emergence of Oshidori International Holdings Limited (" Oshidori ") (stock code: 622) as a new substantial shareholder in the Company, where the Company undertook a share swap of its new Shares to Oshidori, in exchange for new shares representing approximately 3.1% equity interest in Oshidori. Oshidori's principal business is in the financial services sector. The transaction was subsequently completed on 29 April 2020 where Oshidori became a substantial shareholder of the Company, holding an equity interest of 12.37%.

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Announcement date	Notable events
6 December 2019	Hao Tian International Finance Company Limited, a licensed money lender, provided a loan to an independent third party borrower for a principal amount of HK\$50 million.
27 November 2019	Partial disposal of the Company's investment of the listed securities in China Shandong for approximately HK\$75 million.
10 September 2019	Major acquisition of the entire equity interest of Hao Tian Credit for HK\$213 million via an issue of convertible notes by the Company.
12 July 2019	Acquisition of assets comprising six sets of canvas and paper painting art pieces via an issue of new Shares.
5 March 2019	Subscription of interest in Riverwood China Growth Fund for US\$20 million and the consideration for the subscription was settled by the transfer of the Company's investment of the listed securities in China Shandong into the fund.
3 March 2019	Disposal of a property holding company holding a piece of land in Yuen Long, Hong Kong for HK\$100 million.
17 December 2018	Major acquisition of 4.05% equity interest in China Shandong for HK\$198 million via an issue of new Shares which was completed in February 2019.
17 August 2018	K B Leasing Limited, a licensed money lender, provided a loan to an independent third party borrower for a principal amount of HK\$30 million.

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Announcement date	Notable events
25 June 2018	Proposed rights issue on the basis of one rights share for every two Shares to raise gross proceeds of approximately HK\$180 million.
8 June 2018	Glory Century Limited provided a loan to an independent third party borrower for a principal amount of HK\$20 million.
28 March 2018	Major acquisition of the entire equity interest of Hao Tian Financial for a consideration of HK\$200 million via an issue of new Shares which was completed in December 2018.

Source: the Stock Exchange

As advised by the Management, the relentless efforts of Mr. Fok in advancing the Group's financial services and money lending business are clearly evidenced in the significant increase in the NAV of the Group, from approximately HK\$353.0 million as at 31 March 2018 to approximately HK\$988.6 million as at 31 March 2020, representing a remarkable leap of about 180.1%. Furthermore the Group managed to turnaround to record a modest net profit of approximately HK\$71.6 million for FY2020 after registering losses for two consecutive financial years.

Additional incentive for Mr. Fok

As stated in the section headed "Business diversification of the Group and its development strategies" above, the Board will be reliant on Mr. Fok to drive the development strategies of the Group formulated for the financial services sector, and to lead his team in working towards realising the Group's goals and objectives in Greater Bay Area as well as in Southeast Asia to solidify its position in the financial markets. Mr. Fok's ample experience in terms of management leadership, strategic planning, product development, sales initiative, together with his in-depth financial knowledge and proven track record in the financial industry will further strengthen the Group's positioning and business operation.

The grant of the Connected Award Shares serves as an incentive for Mr. Fok to utilise his past experiences, expertise and strong clientele network in his role as the CEO and to motivate Mr. Fok to participate in the continuing

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operation and long-term development of the Group. The Company is of the view that the Connected Award Shares gives Mr. Fok a direct economic interest via Share ownership in the Company, which should propel him to attain the long term business objectives for the Group that may potentially be reflected in the performance of the Share price. Based on the factors discussed above, we concur with the Company that the expertise and experience of Mr. Fok will be valuable and important to the future development of the Group. Therefore we consider that the proposed grant of the Connected Award Shares to Mr. Fok by the Company is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Alternative award methods

We have enquired with the Management regarding alternative award methods other than the grant of the Connected Award Shares. The Management advised that the Board has considered several methods, including an all-cash bonus and/or the granting of share options. The Management advised that they have given careful consideration to the following factors:

- (i) in respect of the granting of share options, exercising the share options will require payment of the subscription price by the Connected Grantees and they can only enjoy the potential reward if they realises the options when the prevailing market price is higher than the subscription price. Furthermore, the exercise of share options is subject to vesting period restriction that allows the Connected Grantees to exercise only a portion of their share options each year. As share options require financial outlay on the part of the Connected Grantees, the Company considers the grant of share options to be less attractive to serve the purpose of providing immediate incentives and reward;
- (ii) an all-cash bonus will incur cash outflow by the Company and it cannot serve the purpose of giving rewards in equity form to enable the Connected Grantees to enjoy the potential growth of the Group. Furthermore such award method is unable to effectively align the interests of the Group and the Connected Grantees together since the award will be paid regardless of the efforts or non-efforts made by the Connected Grantees towards the performance of the Group; and

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(iii) as the market value of the Connected Award Shares is generally affected by the financial performance of the Group, it serves to incentivise the Connected Grantees to contribute to the long-term development of the Group by rewarding them with the Connected Award Shares with a view to align their interests together with the Shareholders and the Company.

Given that the Company intends to attract and motivate the Connected Grantees to participate in, and contribute to, the future development and growth of the Group that focuses in the financial services sector, with less cash outflow being incurred by the Company, the Company considers, and we concur with its view, that the grant of the Connected Award Shares, is an appropriate and balanced mean to reward the Connected Grantees.

2. Principal terms of the Connected Award Shares under the Share Award Scheme

A total of 65,475,610 Connected Award Shares are proposed to be granted by the Company as follows:

Name of Grantee	Position held with the Group	Number of Award Shares
Mr. Fok	an executive Director and CEO	60,975,610
Mr. Leung	a director of a Subsidiary	1,500,000
Mr. Lau	a director of Subsidiaries	1,500,000
Mr. Cheung	a director of Subsidiaries	<u>1,500,000</u>
Total		<u><u>65,475,610</u></u>

The total of 65,475,610 Connected Award Shares represent (i) approximately 1.30% of the existing Shares in issue as at 29 June 2020; (ii) approximately 1.24% of the existing Shares in issue as at the Latest Practicable Date; and (iii) approximately 1.22% of the total number of Shares in issue as enlarged by the allotment and issue of the Connected Award Shares (assuming there is no change in the total number of Shares in issue from the Latest Practicable Date up to the proposed allotment and issuance date of the Connected Award Shares, other than the proposed allotment and issuance of the Connected Award Shares).

The Connected Award Shares shall be granted for nil consideration, and therefore, no funds will be raised as a result of the aforesaid proposed allotment and issuance.

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Based on the closing price of HK\$0.148 per Share as quoted on the Stock Exchange as at 29 June 2020 (the “**Last Trading Day**”), the market value of the Connected Award Shares granted to the Connected Grantees is approximately HK\$9,690,390, comprising the market value of 60,975,610 Connected Award Shares granted to Mr. Fok is approximately HK\$9,024,390 and the market value of 4,500,000 Connected Award Shares granted to the other three Connected Grantees is HK\$666,000.

The average closing price of the Shares for the five consecutive trading days immediately preceding the Last Trading Day as quoted on the Stock Exchange was approximately HK\$0.1562 per Share.

The number of Award Shares to be granted under the Share Award Scheme throughout its duration is limited to 10% of the total number of Shares in issue as at the Offer Date. As at the Latest Practicable Date, 26,274,929 Award Shares had been granted to certain Non-connected Grantees under the Share Award Scheme, among which 25,500,000 Award Shares are outstanding and 774,929 Award Shares had been issued to a grantee pursuant to his grant.

Vesting dates

The Connected Award Shares shall be vested in three equal tranches of which: (a) 1/3 of the Connected Award Shares under the Award shall be vested in the first calendar year of continuous service with the Group after the Offer Date; (b) 1/3 of the Connected Award Shares under the Award shall be vested in the second calendar year of continuous service with the Group after the Offer Date; and (c) 1/3 of the Connected Award Shares under the Award shall be vested in the third calendar year of continuous service with the Group after the Offer Date.

The vesting of the Connected Award Shares is subject to the conditions as set out in the Scheme Rules and the fulfillment of such conditions, if any, as specified by the Board.

Ranking of the Connected Award Shares

The Connected Award Shares, when issued and fully paid, shall rank pari passu among themselves and with the other Shares in issue, with rights to receive all dividends and other distributions declared, made or paid on or after the date of proposed allotment and issue.

Conditions precedent

The proposed allotment and issuance of the Connected Award Shares to the Connected Grantees shall be subject to (i) the approval by the Independent Shareholders in respect of the proposed allotment and issue of the Connected Award

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Shares under the Specific Mandate; (ii) the Stock Exchange having granted the approval for the listing of, and permission to deal in the Connected Award Shares; and (iii) fulfillment of the conditions as set out in the Scheme Rules and such conditions, if any, as specified by the Board.

Application for listing

An application will be made to the listing committee of the Stock Exchange for the listing of, and permission to deal in the Connected Award Shares on the Stock Exchange.

We have obtained and reviewed the meeting minutes of the remuneration committee and that of the Board approving the grant of the Connected Award Shares to the Connected Grantees. We are satisfied that the necessary procedures for approving the grant of the Connected Grantees under the Share Award Scheme had been complied with. Furthermore we have also reviewed the Scheme Rules and remuneration policy of the Group. As set out in the remuneration policy, the Share Award Scheme forms part of the total remuneration package of the Group's employees. As discussed with the Management, we understand that the Group's remuneration policy was formulated according to market practices, experiences, skills and performance of individual employee and are reviewed annually.

3. Review of Mr. Fok's total remuneration package

We noted that Mr. Fok is proposed to be granted 60,975,610 Connected Award Shares, representing approximately 93.1% of the total number of the Connected Award Shares to be granted. Considering that over 90% of the Connected Award Shares are to be granted to Mr. Fok, we have conducted the following analysis on the remuneration package of Mr. Fok to assess the fairness and reasonableness of the Connected Award Shares Issue.

We have reviewed a copy each of the Existing Service Contract and the Additional Service Contract obtained from the Company and understood that Mr. Fok's total annual remuneration package as the executive Director consists of salaries of HK\$2,496,000, together with other benefits and retirement benefits scheme contributions totalling to approximately HK\$2,514,000 to be paid per annum. Mr. Fok does not receive any remuneration on his position as the CEO.

In addition, Mr. Fok may be entitled to:

- (i) discretionary bonus each year, which is based on the Group's performance in the year and with reference to Mr. Fok's performance, the Company's remuneration policy and the prevailing market situation; and
- (ii) any share option as may be granted by the Company from time to time.

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In order to assess the reasonableness and fairness of the total annual remuneration of Mr. Fok, who is proposed to be granted 60,975,610 Connected Award Shares, representing approximately 93.1% of the total number of the Connected Award Shares, we have compared, on a best effort basis, Mr. Fok's total annual remuneration package of approximately HK\$5.5 million, comprising the current annual remuneration package of approximately HK\$2.5 million (under the Existing Service Contract) and the Connected Award Shares to be vested and issued on an annual basis for the amount of approximately HK\$3.0 million (calculated by multiplying 20,325,203 Connected Award Shares (being the number of Connected Award Shares to be issued to Mr. Fok each year) with HK\$0.148 per Share as at the Last Trading Day), with that of other executive directors (the "**Comparable EDs**") of listed companies in Hong Kong (the "**Comparable Companies**"), which was disclosed in the latest annual reports of the Comparable Companies. As mentioned in the section headed "Reasons for the issuance of the Connected Award Shares" above, Mr. Fok has been and will continue to be principally responsible for the business development of the financial services business comprising, among others, investment management and consumer finance businesses of the Group. As advised by the Management, Mr. Fok has not been involved in the construction machinery business since he joined the Company in February 2017. Therefore, we are of view that it is more representative and meaningful to compare his remuneration package with executive directors in listed companies which are principally involved in the investment management and consumer finance businesses. Based on the abovementioned, the selection criteria for the Comparable Companies are as follows:

- (i) the highest paid Comparable ED who has additional role (apart from being an executive director) in the Comparable Companies;
- (ii) over 50% of the revenue of the Comparable Companies are generated from the consumer finance or/and investment management in the latest audited annual report; and
- (iii) the Comparable Companies are listed on the Main Board of the Stock Exchange.

Based on our research conducted, we identified a total of 20 Comparable EDs. We consider that the Comparable EDs are representative to provide a general reference for the recent market practice in relation to the total remuneration package of executive directors who have additional position/role in the Comparable Companies. Nevertheless, Shareholders should note that the principal businesses, market capitalisations, profitability and financial positions of the Comparable Companies may not be the same as those of the Company, and we have not conducted any in-depth investigation into their businesses and operations. As the Comparable EDs can provide a general understanding of the remuneration packages for executive directors with additional position/role in listed companies in Hong Kong under the current market conditions, we consider, to the best of our knowledge and ability, that the list of Comparable EDs is exhaustive, fair and indicative in assessing the fairness and reasonableness of the total remuneration package of Mr. Fok.

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Table 2: Comparable EDs Remuneration

Comparable Company	Stock code	Name of the Comparable ED	Additional position/role	Annual cash remuneration <i>(Notes 1& 2)</i> <i>(HK\$'000)</i>
Shanghai Realway Capital Assets Management Company Limited	1835	Zhu Ping	Chairman	1,214,400
China Renaissance Holdings Limited	1911	Bao Fan	Chairman	9,257,600
51 Credit Card Incorporation	2051	Sun Haitao	Chairman and CEO	931,700
VCredit Holdings Limited	2003	Liu Sai Wang Stephen	CEO	3,516,700
Huifu Payment Limited	1806	Zhou Ye	Chairman & CEO	1,691,800
Yixin Group Limited	2858	Xuan Zhang	Chairman & CEO	3,884,100
China Huarong Asset Management Company Limited	2799	Wang Lihua	Vice President	632,700
Hengtai Securities Company Limited	1476	Pang Jiemin	Chairman	6,353,600
Zuoli Kechuang Micro-Finance Company Limited	6866	Yu Yin	Chairman	635,800
Differ Group Holding Company Limited	6878	Hong Mingxian	Chairman	605,000
China Huirong Financial Holdings Limited	1290	Wu Min	Chairman & CEO	1,689,600
Value Partners Group Limited	806	So, Chun Ki Louis	Chairman & CEO	37,688,000
Easy One Financial Group Limited	221	Chan Chun Hong	Chairman & Managing Director	2,078,000
Vongroup Limited	318	Vong Tat Icong David	CEO	3,600,000
Cinda International Holdings Limited	111	Lau Mun Chung	Deputy CEO	2,719,200
Asia Pacific Silk Road Investment Company Limited	767	Li Jiuhua	CEO	2,556,000
Aeon Credit Service Asia Company Limited	900	Hideo Tanaka	Managing Director	2,390,000
China Gem Holdings Limited	1191	Liu Jieshan	Chairman	2,078,000
Oshidori International Holdings Limited	622	Sam Nickolas David Hing Cheong	Chairman	2,209,000
Sun Hung Kai & Company Limited	86	Lee Seng Huang	Group Executive & Chairman	58,890,000
			Maximum	58,890,000
			Minimum	605,000
			Average	7,231,060
The Company	1341	Mr. Fok	CEO	5,522,130

Notes:

- The annual remuneration includes fees, salaries and other benefits and retirement benefits scheme contributions, but excludes equity-settled share-based payments

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2. If the companies adopted Renminbi (“RMB”) as its reporting currency, an exchange rate of RMB1=HK\$1.10 has been applied.

We noted from the above table that the total remuneration package of the Comparable EDs ranged from HK\$0.6 million to HK\$58.9 million, with an average remuneration of HK\$7.2 million. Mr. Fok’s total annual remuneration package of HK\$5.5 million is within the range and below the average remuneration package of the Comparable EDs.

As disclosed in the announcement in relation to the appointment of Directors published by the Company on 30 August 2019, we noted that Mr. Zhang Sheng was appointed as the vice chairman of the Company whilst Mr. Zheng Li was appointed as an executive Director. Mr. Zhang Sheng and Mr. Zheng Li are entitled to a director’s fee of HK\$6.0 million and HK\$5.0 million per annum, respectively, for their services as an executive Director as specified in their respective service contract. We are of the view that the total annual remuneration package of Mr. Fok of HK\$5.5 million is in line with the newly appointed Directors by the Company.

Taking into account that: (i) as the grant of the Connected Award Shares under the Share Award Scheme only comprised of the Shares, no cash outlay will be imposed on the Group; (ii) the total annual remuneration package of Mr. Fok is in line with the newly appointed Directors with similar position in the Company; (iii) the grant of the Connected Award Shares will provide a sense of ownership to Mr. Fok which will propel him to work towards the long term development of the Group; and (iv) Mr. Fok has served the Group for over 3 years with substantial contributions, the Board believes that the grant of the Connected Award Shares will serve the purpose of reinforcement of Mr. Fok’s incentive for continuing contribution to the Group and further align his interests as a key management member of the Group with the Shareholders whilst not causing any significant impact on the financial performance of the Group.

Based on the above, we are of the view that the proposed grant of the Connected Award Shares to Mr. Fok is in the interests of the Company and the Shareholders as a whole and the annual remuneration package of Mr. Fok is comparable to that of his peers in the market.

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4. Evaluation on the vesting period of the Connected Award Shares

In order to assess the fairness and reasonableness of the vesting period of the Connected Award Shares, we have, on a best effort basis, conducted a search of all recent share awards announced since 1 April 2020 up to the Last Trading Day (the “**Comparison Period**”). We are of the opinion that the length of the Comparison Period has covered a fair and reasonable number of Award Comparables (as defined below) to reflect the current practice in the market in respect of the vesting period of the award shares.

Based on our research conducted, we identified a total of 17 share awards announced by companies listed on the Stock Exchange which have disclosed the vesting period (the “**Award Comparables**”) during the Comparison Period. To the best of our knowledge and effort and based on the information disclosed on the Stock Exchange’s website, the list of the Award Comparables is an exhaustive list of comparable share awards for comparison purpose. We also noted that the business activities of the Award Comparables are not directly comparable to those carried out by the Group and the terms of the share awards of the Award Comparables may vary from companies with different financial standings, business performance and future prospects. Since the Award Comparables are the most recent share awards that are publicly announced, we consider that the Award Comparables could provide a general reference in respect of the common market practice on the vesting period of share awards conducted by listed companies in Hong Kong. The details are set out below:

Table 3: Vesting period of share award announced by the Award Comparables

Company	Stock code	Date of announcement	Vesting period
Altus Holdings Limited	8149	26 June 2020	To connected persons: 30% on 31 December 2021 70% on 31 December 2022 To non-connected persons: Did not disclose
Fretech Road Recycling Technology (Holdings) Limited	6888	8 June 2020	40.00% on 7 June 2021 30.00% on 7 June 2022 30.00% on 7 June 2023
China Mengniu Dairy Company Limited	2319	22 May 2020	50.00% on 22 May 2021 50.00% on 22 May 2022

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Company	Stock code	Date of announcement	Vesting period
AGTech Holdings Limited	8279	22 May 2020	<p>To connected persons:</p> <p>25% on 1 April 2021</p> <p>25% on 1 April 2022</p> <p>25% on 1 April 2023</p> <p>25% on 1 April 2024</p> <p>To non-connected persons:</p> <p>21% on 1 April 2021</p> <p>29% on 12 December 2021 to 7 May 2022</p> <p>25% on 12 December 2022 to 7 May 2023</p> <p>25% on 12 December 2023 to 7 May 2024</p>
Tang Palace (China) Holdings Limited	1181	15 May 2020	Immediately vested
Planetree International Development Limited	613	14 May 2020	<p>33.33% on 14 May 2020</p> <p>33.33% on 14 May 2021</p> <p>33.33% on 14 May 2022</p>
KWG Group Holdings Limited	1813	7 May 2020	<p>33.33% on 14 April 2021</p> <p>33.33% on 14 April 2022</p> <p>33.33% on 14 April 2023</p>
IGG INC	799	6 May 2020	<p>25.00% on 6 May 2021</p> <p>25.00% on 6 May 2022</p> <p>25.00% on 6 May 2023</p> <p>25.00% on 6 May 2024</p>
Razer Inc.	1337	4 May 2020	<p>25.00% on 1 July 2020</p> <p>25.00% on 1 April 2021</p> <p>25.00% on 1 April 2022</p> <p>25.00% on 1 April 2023</p>
MMG Limited	1208	29 April 2020	In or around June 2023
BOC Aviation Limited	2588	28 April 2020	In December 2022

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Company	Stock code	Date of announcement	Vesting period
Fosun International Limited	656	24 April 2020	33.33% on 1 April 2021 33.33% on 1 April 2022 33.33% on 1 April 2023
Bosideng International Holdings Limited	3998	23 April 2020	30% commencing from the first trading day after the 15-month period from the date of grant and ending on the last trading date of the 51-month period from the date of grant 30% commencing from the first trading day after the 27-month period from the date of grant and ending on the last trading day of the 51-month period from the date of grant 40% commencing from the first trading day after the 39-month period from the date of grant and ending on the last trading day of the 51-month period from the date of grant
Shangri-La Asia Limited	69	22 April 2020	From 1 October 2020 to 1 April 2022
KWG Group Holdings Limited	1813	14 April 2020	33.3% on 14 April 2021 33.3% on 14 April 2022 33.3% on 14 April 2023

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Company	Stock code	Date of announcement	Vesting period
Razer Inc.	1337	1 April 2020	<p>As payment in respect of two-thirds of the directors' fees:</p> <p>25% on 25 March 2021</p> <p>25% on 1 January 2022</p> <p>25% on 1 January 2023</p> <p>25% on 1 January 2024</p> <p>In capacity as employees:</p> <p>25% on 1 April 2020</p> <p>25% on 1 April 2021</p> <p>25% on 1 April 2022</p> <p>25% on 1 April 2023</p>
Fosun International Limited	656	1 April 2020	<p>33.3% on 1 April 2021</p> <p>33.3% on 1 April 2022</p> <p>33.3% on 1 April 2023</p>
The Company		29 June 2020	<p>33.3% on 29 June 2021</p> <p>33.3% on 29 June 2022</p> <p>33.3% on 29 June 2023</p>

Source: the Stock Exchange

We noted from the above table that the vesting periods of other share awards range from immediate vesting to approximately four years.

In addition, the vesting period of the Connected Award Shares, which will be over a period of three years, is in line with the Award Comparables.

Consideration for the Connected Award Shares Issue

The Connected Award Shares Issue will be made at no extra cash consideration, other than the minimum payment required by the applicable law in Cayman Islands, since the consideration is reflected by the work and effort of the Connected Grantees. As disclosed in the 2020 Annual Report, the Group recorded (i) audited total revenue of approximately HK\$192.4 million for FY2020; and (ii) audited NAV attributable to the Shareholders of approximately HK\$988.3 million as at 31 March 2020. The total value of the Connected Award Shares of approximately HK\$9.7 million as at the Last

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Trading Day represents approximately 5.0% of the revenue of the Group for FY2020 and approximately 1.0% of the NAV attributable to the Shareholders as at 31 March 2020.

The Connected Award Shares will not be vested at once but over a period of three years. In light of the above, we consider that the Connected Award Shares Issue at no extra cash consideration is acceptable.

After considering that:

- (i) the Connected Award Shares Issue serves as an incentive to the Connected Grantees to further develop and expand the Group's business prospects in light of the foreseeable opportunities for the Group;
- (ii) the important role expected to be played by Mr. Fok in the business development of the Group's principal activities;
- (iii) the vesting period in which the Connected Grantees will receive the Connected Award Shares over three years would motivate for the Connected Grantees to contribute to the continuous operation and development of the Group; and
- (iv) the Connected Award Shares is a better alternative compared to immediate cash bonus payment or the grant of share options from the Company's perspective in remunerating the Connected Grantees,

we are of the view that the terms of the Connected Award Shares Issue are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE CONNECTED AWARD SHARES ISSUE

Earnings

After the Connected Award Shares Issue, the fair value of the Connected Award Shares as of the allotment date will be allocated and charged as expense of the Group for the relevant financial year during the vesting period.

NAV

Upon the allotment and issue of the Connected Award Shares, the share capital and the reserves of the Group would increase by the amount equivalent to the market value of the Connected Award Shares, and the same amount will be recognised in the Group's consolidated statement of profit and loss as expenses. The total net assets of the Group would remain unchanged.

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Cashflow

Save for the administrative and professional expenses relating to the Connected Award Shares Issue under the Share Award Scheme, the Connected Award Shares Issue will have no impact on the cash position of the Group as no cash outlay by the Group is required.

Notwithstanding that the Connected Award Shares Issue would decrease the Group's earnings in the future, the Directors expect the Connected Award Shares Issue would retain and motivate the Connected Grantees to make continuous contributions to the Group and the allocation of the fair value of the Connected Award Shares is part of the Group's recurring wages and salaries expenses.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Upon the allotment and issuance of 65,475,610 Connected Award Shares to the Connected Grantees in full (assuming that there is no change in the issued share capital of the Company), the shareholding interests of the existing public Shareholders will be diluted from approximately 28.34% to approximately 28.00%.

Taking into account: (i) the aforementioned reasons for and possible benefits of the Connected Award Shares Issue; (ii) the terms of the Connected Award Shares being fair and reasonable; and (iii) there will not be any cash outflow by the Group, we are of the view that the dilution to the shareholding interests of the existing public Shareholders as a result of the Connected Award Shares Issue is acceptable.

RECOMMENDATION

In light of the above and having considered in particular that:

- (i) the past contributions of the Connected Grantees to the Group which improved the revenue of the Group generated by the provision of commodities, future, securities brokerage and financial services activities;
- (ii) the important role played by the Connected Grantees, in particular Mr. Fok, to develop and execute the business strategies and lead the Group to expand its financial services business in light of opportunities arising from the "One Belt, One Road" initiative and the rapid development of Greater Bay Area;
- (iii) Mr. Fok's proven track record in serving the Group for the last three years, his managerial experience and expertise in the financial industry and his strong clientele network will be beneficial for the Group's future development;
- (iv) the grant of the Connected Award Shares is a better alternative compared to immediate cash bonus payment or the grant of share options to reward the Connected Grantees;

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- (v) the total annual remuneration (including the Connected Award Shares to be granted) for Mr. Fok is in line with the Comparable EDs' total remuneration package in the market; and
- (vi) the vesting period of the Connected Award Shares is in line with the Award Comparables,

we are of the opinion that although the Connected Award Shares Issue is not in the ordinary and usual course of business of the Group, the terms of the Connected Award Shares are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the resolutions to approve the allotment and issuance of the Connected Award Shares to the Connected Grantees under the Specific Mandate at the EGM.

Yours faithfully,
For and on behalf of
Opus Capital Limited
Koh Kwai Yim
Managing Director

Ms. Koh Kwai Yim is the Managing Director of Opus Capital and is licensed under the SFO as a Responsible Officer to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities. Ms. Koh has over 20 years of corporate finance experience in Asia and has participated in and completed various financial advisory and independent financial advisory transactions.

1. 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 Group. 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.

2. DISCLOSURE OF INTERESTS OF DIRECTORS

As at the Latest Practicable Date, none of the Directors or chief executive of the Company had registered in an interest or short position in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the directors or chief executive of the Company were deemed or taken to have under such provisions of the SFO); (ii) recorded in the register kept by the Company, pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules.

3. DISCLOSURE OF INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or a short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Long positions in Shares and underlying shares of equity derivatives of the Company as at the Latest Practicable Date:

Name of substantial Shareholder	Capacity/nature of interests	Number of Shares/underlying Shares held (Note 1)	Approximate % of
			the issued share capital in the Company (Note 11)
Hao Tian Management (Hong Kong) Limited (Note 2)	Beneficial owner	775,560,000	14.67%
Hao Tian Management (China) Limited (Note 3)	Beneficial owner	2,388,944,688	45.18%

APPENDIX**GENERAL INFORMATION**

Name of substantial Shareholder	Capacity/nature of interests	Number of Shares/underlying Shares held <i>(Note 1)</i>	Approximate % of the issued share capital in the Company <i>(Note 11)</i>
Win Team Investments Limited <i>(Note 4)</i>	Interest of controlled corporation	3,164,504,688	59.84%
Hao Tian Finance Company Limited <i>(Note 5)</i>	Beneficial owner	382,857,143	7.24%
Guo Guang Limited <i>(Note 5)</i>	Interest of controlled corporation	382,857,143	7.24%
Hao Tian Development Group Limited <i>(Note 6)</i>	Interest of controlled corporation	3,547,361,831	67.08%
Asia Link Capital Investment Holdings Limited <i>(Note 7)</i>	Interest of controlled corporation	3,547,361,831	67.08%
Li Shao Yu <i>(Note 7)</i>	Interest of controlled corporation	3,547,361,831	67.08%
Cheer Hope Holdings Limited <i>(Note 8)</i>	Security interest	2,332,384,688	44.11%
China Construction Bank Corporation <i>(Note 8)</i>	Security interest	2,332,384,688	44.11%
Kenson Investment Limited <i>(Note 9)</i>	Beneficial owner	625,000,000	11.82%
Oshidori International Holdings Limited <i>(Note 9)</i>	Interest of controlled corporation	625,000,000	11.82%
Opulent Elite Investments Limited <i>(Note 10)</i>	Beneficial owner	275,862,069	5.22%
Chen Tingjia <i>(Note 10)</i>	Interest of controlled corporation	275,862,069	5.22%

Notes:

1. All interests stated are long positions.
2. According to the information available to the Company, Hao Tian Management (Hong Kong) Limited is a company incorporated in Hong Kong with limited liability and is directly owned as to approximately 92.41% by Win Team Investments Limited.
3. According to the information available to the Company, Hao Tian Management (China) Limited is a company incorporated in Hong Kong with limited liability and is directly wholly owned by Win Team Investments Limited.
4. According to the information available to the Company, Win Team Investments Limited is a company incorporated in the British Virgin Islands and is directly wholly owned by Hao Tian Development Group Limited.
5. According to the information available to the Company, Hao Tian Finance Company Limited is a company incorporated in Hong Kong with limited liability and is directly wholly owned by Guo Guang Limited which is directly wholly owned by Hao Tian Development Group Limited.
6. According to the information available to the Company, Hao Tian Development Group Limited is a company incorporated in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange (stock code: 474).
7. According to the information available to the Company, Asia Link Capital Investment Holdings Limited beneficially owns 47.23% of the entire issued share capital of the Hao Tian Development Group Limited and is in turn directly wholly owned by Li Shao Yu.
8. Such shares represent the shares charged to Cheer Hope Holdings Limited by Hao Tian Management (China) Limited on 12 October 2018. According to the information available to the Company, Cheer Hope Holdings Limited is wholly owned by CCBI Investments Limited, which in turn is wholly owned by CCB International (Holdings) Limited, which in turn is wholly owned by CCB Financial Holdings Limited, which in turn is wholly owned by CCB International Group Holdings Limited, which in turn is wholly owned by China Construction Bank Corporation, which in turn is 57.11% owned by Central Huijin Investment Ltd.
9. According to the information available to the Company, Kenson Investment Limited is indirectly wholly owned by Oshidori International Holdings Limited.
10. According to the information available to the Company, Opulent Elite Investments Limited is directly wholly owned by Chen Tingjia.
11. The percentage figures are based on the number of Shares in issue as at the Latest Practicable Date (i.e. 5,287,954,561 Shares).

Save as disclosed herein, as at the Latest Practicable Date, there was no other person so far as was known to the Directors of the Company (other than a Director or chief executive of the Company) had an interest or a short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which was not expiring or determinable within one year without payment of compensation (other than statutory compensation).

5. OTHER INTERESTS OF THE DIRECTORS

As at the Latest Practicable Date:

- (a) none of the Directors had any direct or indirect interest in any assets which have, since 31 March 2020, being the date to which the latest published audited consolidated financial statements of the Group were made up, been acquired by or disposed of, or leased to, or were proposed to be acquired or disposed of by, or leased to any member of the Group; and
- (b) none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group which contract or arrangement was subsisting as at the date of this circular and which was significant in relation to the business of the Group as a whole.

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or their respective close associates was interested directly or indirectly in any business, apart from their interest in the Company, which competes or is likely to compete with the business of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2020, being the date to which the latest published audited consolidated financial statements of the Group were made up.

8. MATERIAL LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries were engaged in any litigation or arbitration proceedings of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

9. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) had been entered into by the Company or any members of the Group within the two years immediately preceding the Latest Practicable Date and are or may be material:

- (a) the sale and purchase agreement dated 17 December 2018 entered into between Glory Century Limited, Hao Tian Management (Hong Kong) Limited and the Company in respect of acquisition of the 990,000,000 ordinary shares of China Shandong Hi-Speed Financial Group Limited (details are set out in the Company's announcement dated 18 December 2018);
- (b) the sale and purchase agreement dated 1 March 2019 entered into between Crawler Krane Business Limited and Bravo Rich Limited in relation to the disposal of the 100 issued shares of Chim Kee Crane Company Limited and the shareholder's loan (details are set out in the Company's announcement dated 3 March 2019);
- (c) the subscription order dated 5 March 2019 issued by Glory Century Limited for the subscription of 319,325.73 participating redeemable shares having a nominal value of US\$0.001 each in the share capital of Riverwood China Growth Fund (details are set out in the Company's announcement dated 5 March 2019);
- (d) the sale and purchase agreement dated 12 July 2019 entered into between the Company as purchaser; Opulent Elite Investments Limited as vendor; and Chen Tingjia, as warrantor, in relation to a collection of six sets of canvas and paper painting art pieces (details are set out in the Company's announcement dated 12 July 2019);
- (e) the sale and purchase agreement dated 10 September 2019 entered into between Hao Tian Finance Company Limited as vendor, Hao Tian International Financial Holdings Limited as purchaser and the Company in respect of the total of 200,000,000 shares in the capital of Hao Tian Credit, being its entire issued share capital (details are set out in the Company's announcement dated 10 September 2019);
- (f) the loan agreement dated 6 December 2019 entered into between Hao Tian International Finance Company Limited as lender and Loyal Kingdom Limited as borrower, in relation to a term loan facility in the principal amount of up to HK\$50,000,000 for a term commencing from the relevant drawdown date and ended on 30 March 2020 and at an interest rate of 16% per annum (details are set out in the Company's announcement dated 6 December 2019);
- (g) the license agreement dated 31 December 2019 entered into between Glory Century Limited as licensor and Hao Tian Management (Hong Kong) Limited a company incorporated in Hong Kong and an indirect subsidiary of Hao Tian Development Group Limited, as licensee for the licensing of the premises located at Rooms 2501–2509,

25/F., Shui On Centre, 6–8 Harbour Road, Wanchai, Hong Kong for a term commencing from 1 January 2020 to 31 December 2022 (details are set out in the Company’s announcement dated 31 December 2019);

- (h) the share swap agreement dated 2 April 2020 entered into between the Company and Oshidori International Holdings Limited (“**Oshidori**”) in relation to the issue and allot the 625,000,000 Shares under general mandate to Oshidori or its nominee(s) in exchange of the 187,500,000 shares of Oshidori (details are set out in the Company’s announcement dated 2 April 2020);
- (i) the sale and purchase agreement dated 4 September 2020 entered into between the Company, Victory Bright Limited as the buyer and Soaring Wealth Ventures Limited as the seller in respect of the acquisition of 100 ordinary shares in Alcott Global Limited, being its entire issued capital (details are set out in the Company’s announcement dated 4 September 2020); and
- (j) the placing agreement dated 7 September 2020 entered into between the Company and Hao Tian International Securities Limited as the placing agent in respect of the placement of up to 234,296,000 new Shares pursuant to the terms of the placing agreement at the price of HK\$0.285 per Share (details are set out in the Company’s announcement dated 7 September 2020).

10. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this circular and has given its letter contained in this circular:

Name	Qualification
Opus Capital	a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Opus Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its letter and reference to its name, in the form and context in which it is included.

As at the Latest Practicable Date, Opus Capital did not have any shareholding in any member of the Group and did not have the right to subscribe for or to nominate persons to subscribe for shares in any members of the Group.

As at the Latest Practicable Date, Opus Capital did not have any interest, direct or indirect, in any assets which have been acquired by or disposed of or leased to any member of the Group, or which are proposed to be acquired by or disposed of or leased to any member of the Group since 31 March 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up.

11. GENERAL

- (a) The company secretary of the Company is Ms. Chan Lai Ping, who is a qualified lawyer in Hong Kong.
- (b) The share registrar and transfer office of the Company is Tricor Investors Services Limited.
- (c) The English text of this circular shall prevail over their respective Chinese text for the purpose of interpretation.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays and public holidays excepted) at Rooms 2510–2518, 25/F, Shui On Centre, 6–8 Harbour Road Wanchai, Hong Kong from the date of this circular up to and including the date which is 14 days from the date of this circular:

- (a) the Scheme Rules;
- (b) the letter from the Independent Board Committee to the Independent Shareholders, the text of which is set out on pages 14 to 15 of this circular;
- (c) the letter from Opus Capital to the Independent Board Committee and the Independent Shareholders, the text of which is set out on pages 16 to 45 of this circular;
- (d) the material contracts as referred to in the paragraph headed “9. Material Contracts” in this appendix;
- (e) the memorandum of association and articles of association of the Company;
- (f) the audited consolidated accounts for the Group for the years ended 31 March 2019 and 31 March 2020;
- (g) the written consent from Opus Capital referred to the section headed “10. Expert and Consent” in this appendix;
- (h) this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING

HAO TIAN INTERNATIONAL CONSTRUCTION INVESTMENT GROUP LIMITED

昊天國際建設投資集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1341)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Hao Tian International Construction Investment Group Limited (the “**Company**”) will be held at 10/F, CKK Commercial Centre, 289 Hennessy Road, Wanchai, Hong Kong on Thursday, 29 October 2020 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions, with or without amendments, as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT** the grant of specific mandate to the board (the “**Board**”) of directors of the Company (the “**Directors**”) regarding the allotment and issue of an aggregate of 65,475,610 new shares of the Company to selected employees who are Directors and/or directors of certain subsidiaries of the Company, accordingly connected persons (as defined in Chapter 14A of the Listing Rules) of the Company, and are selected by the Board for participation in the share award scheme adopted by the Company on 24 April 2020 (the “**Share Award Scheme**”) (a copy of which has been produced at the EGM marked “A” and signed by the chairman of the EGM for the purpose of identification) be and are hereby approved and confirmed.”
2. “**THAT** to the grant, allotment and issue award shares (each as a separate resolution) :
 - (a) the grant, allotment and issue of 60,975,610 awarded shares pursuant to the Share Award Scheme to Mr. Fok Chi Tak is hereby approved and confirmed;
 - (b) the grant, allotment and issue of 1,500,000 awarded shares pursuant to the Share Award Scheme to Mr. Leung Ka Kit is hereby approved and confirmed;
 - (c) the grant, allotment and issue of 1,500,000 awarded shares pursuant to the Share Award Scheme to Mr. Lau Chi Hang is hereby approved and confirmed;
 - (d) the grant, allotment and issue of 1,500,000 awarded shares pursuant to the Share Award Scheme to Mr. Cheung Wang Lok is hereby approved and confirmed; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (e) any one or more of the Directors be and is/are hereby authorized to do all such acts and things and execute all such documents which he/they consider necessary, desirable or expedient for the purpose of, or in connection with, the implementation of and giving effect to the allotment and issue of the new shares pursuant to the Share Award Scheme.”

By order of the Board

Hao Tian International Construction Investment Group Limited

Chan Lai Ping

Company Secretary

Hong Kong, 9 October 2020

Notes:

1. Any Shareholder entitled to attend and vote at the Meeting is entitled to appoint another person as his proxy to attend and vote instead of him. Any Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a Shareholder. To be valid, the proxy form, together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than forty-eight (48) hours before the time appointed for holding the Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting.
2. Where there are joint holders of any Share, any one of such joint holder may vote, either in person 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 Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.
3. For determining the entitlement to attend and vote at the Meeting or any adjournment thereof, the record date is fixed on Thursday, 22 October 2020. Shareholders whose names appear on the Register of Members of the Company at the close of business on the record date will be entitled to attend and vote at the Meeting. In order to be entitled to attend and vote at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 22 October 2020.
4. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect at the time of the Meeting, the Meeting will be held as scheduled unless further notice posted on the websites of the Company at <http://www.haotianint.com.hk> and the Stock Exchange at <http://www.hkexnews.hk> to notify Shareholders of the date, time and place of the rescheduled meeting.

Shareholders should make their own decision as to whether they would attend the 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.

5. As at the date of this notice, the Board comprises four executive Directors, namely Mr. Fok Chi Tak, Mr. Zheng Li, Mr. Tang Yiu Chi James and Dr. Zhiliang Ou, J.P. (Australia); and three independent non-executive Directors, namely Mr. Lee Chi Hwa Joshua, Mr. Mak Yiu Tong and Mr. Li Chi Keung Eliot.