
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Power Financial Group Limited (“**Company**”), you should at once hand this circular, together with the enclosed form of proxy, to the purchasers or transferees or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchasers or transferees.

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Power Financial Group Limited
權威金融集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 397)

**(1) GRANT OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES;
(2) RE-ELECTION OF DIRECTORS;
AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at 9:30 a.m. on Thursday, 6 June 2019 at Sapphire Room, Level 2, Royal Park Hotel, 8 Pak Hok Ting Street, Shatin, New Territories, Hong Kong is set out on pages AGM-1 to AGM-5 of this circular. A form of proxy for use by the Shareholders at the AGM is enclosed herein.

Whether or not you are able to attend the meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible and in any event by 9:30 a.m. (Hong Kong time) on Tuesday, 4 June 2019 or not less than 48 hours before the time appointed for holding of any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

25 April 2019

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DEFINITIONS

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

| | |
|---------------------|--|
| “AGM” | the annual general meeting of the Company to be held at 9:30 a.m. on Thursday, 6 June 2019 at Sapphire Room, Level 2, Royal Park Hotel, 8 Pak Hok Ting Street, Shatin, New Territories, Hong Kong, the notice of which is set out on pages AGM-1 to AGM-5 of this circular |
| “Board” | the board of Directors |
| “Bye-Laws” | the bye-laws of the Company, as amended from time to time |
| “Companies Act” | the Companies Act 1981 of Bermuda (as amended from time to time) |
| “Company” | Power Financial Group Limited 權威金融集團有限公司, a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange |
| “Director(s)” | the director(s) of the Company |
| “Extension Mandate” | a general and unconditional mandate proposed to be granted to the Directors at the AGM to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the General Mandate |
| “General Mandate” | a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the number of issued Shares as at the date of passing of the resolution numbered 5 as set out in the notice convening the AGM |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |

DEFINITIONS

| | |
|---------------------------|--|
| “Latest Practicable Date” | 18 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “PRC” | the People’s Republic of China, and for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan |
| “Repurchase Mandate” | a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to repurchase Shares, which shall not exceed 10% of the number of issued Shares as at the date of passing of the resolution numbered 4 as set out in the notice convening the AGM |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | the ordinary share(s) of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Takeovers Code” | the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong (as amended from time to time) |
| “%” | per cent. |



Power Financial Group Limited
權威金融集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 397)

Executive Directors:

Mr. Choi Chun Chung, Danny

(Chairman and Chief Executive Officer)

Mr. Sit Sai Hung, Billy

Registered office:

Canon's Court

22 Victoria Street

Hamilton HM12

Bermuda

Independent non-executive Directors:

Mr. Wong Kun To

Mr. Chu Hau Lim

Ms. Lim Xue Ling, Charlene

*Head office and principal place of
business in Hong Kong:*

Units 3910–13, 39/F, COSCO Tower

183 Queen's Road Central, Hong Kong

25 April 2019

To the Shareholders

Dear Sir or Madam,

**(1) GRANT OF GENERAL MANDATES
TO REPURCHASE SHARES AND TO ISSUE NEW SHARES;
AND
(2) RE-ELECTION OF DIRECTORS**

INTRODUCTION

The purpose of this circular is to provide you with information regarding (i) the grant of the Repurchase Mandate, the General Mandate and the Extension Mandate; and (ii) the re-election of Directors, and to give you notice of the AGM.

LETTER FROM THE BOARD

GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES

The general mandate previously granted to the Directors at the annual general meeting of the Company held on 1 June 2018 to allot and issue and deal with the unissued Shares not exceeding 20% of the number of issued Shares as at the date of such annual general meeting and the general mandate granted to the Directors to repurchase Shares will expire at the conclusion of the AGM. In order to give the Company the flexibility to repurchase and issue Shares if and when appropriate, the following ordinary resolutions will be proposed at the AGM to approve the grant of new general mandates to the Directors to exercise all power of the Company:

- (a) to repurchase Shares on the Stock Exchange of up to 10% of the number of issued Shares on the date of passing of such resolution (i.e. 278,355,273 Shares assuming that the total number of Shares in issue remains the same at 2,783,552,734 Shares from the Latest Practicable Date up to the date of passing of such resolution);
- (b) to allot, issue or deal with Shares of up to 20% of the number of issued Shares on the date of passing of such resolution (i.e. 556,710,546 Shares assuming that the total number of Shares in issue remains the same at 2,783,552,734 Shares from the Latest Practicable Date up to the date of passing of such resolution); and
- (c) to extend the General Mandate by an amount representing the number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The General Mandate and the Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 4 and 5 of the notice of the AGM as set out on pages AGM-1 to AGM-5 of this circular. With reference to the Repurchase Mandate and the General Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate to the Directors. The explanatory statement for such purpose is set out in Appendix I to this circular.

RE-ELECTION OF DIRECTORS

Pursuant to Bye-Law 99 of the Bye-Laws, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation. In addition, the Listing Rules provide that every director should be subject to retirement by rotation at least once every three years. The retiring Directors shall be eligible for re-election. As such, Mr. Wong Kun

LETTER FROM THE BOARD

To (“**Mr. Wong**”) and Ms. Lim Xue Ling, Charlene (“**Ms. Lim**”) shall retire at the AGM and each of them, being eligible, will offer himself/herself for re-election at the AGM.

Each of Mr. Wong and Ms. Lim, being an independent non-executive Director, has given to the Company his/her annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that each of Mr. Wong and Ms. Lim meets the requirements of the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the independence guidelines.

Further particulars of Mr. Wong and Ms. Lim are set out in Appendix II to this circular.

AGM AND PROXY ARRANGEMENT

The notice of the AGM is set out on pages AGM-1 to AGM-5 of this circular. At the AGM, resolutions will be proposed to approve, inter alia, (i) the grant of the Repurchase Mandate, the General Mandate and the Extension Mandate; and (ii) the re-election of Directors.

A form of proxy for use at the AGM is enclosed with this circular and published on the websites of the Stock Exchange and the Company. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, by 9:30 a.m. (Hong Kong time) on Tuesday, 4 June 2019 or not less than 48 hours before the time appointed for holding or any adjourned meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked. The results of the poll will be published on the websites of the Stock Exchange and the Company after the AGM pursuant to the Listing Rules.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquires, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM under the Listing Rules. All the resolutions put to vote at the AGM will be decided by way of poll as required by the Listing Rules (except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 3 June 2019 to Thursday, 6 June 2019 (both days inclusive) (Hong Kong time), during which period no transfer of Shares can be registered. In order to be eligible for attending and voting at the AGM, all duly completed share transfer documents, together with the relevant share certificates, must be lodged for registration with the Company’s branch share registrar and transfer office in Hong Kong,

LETTER FROM THE BOARD

Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. (Hong Kong time) on Friday, 31 May 2019.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Directors consider that (i) the grant of the Repurchase Mandate, the General Mandate and the Extension Mandate; and (ii) the re-election of Directors are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Repurchase Mandate) and Appendix II (Details of the Directors proposed to be re-elected) to this circular.

Yours faithfully
On behalf of the Board
Power Financial Group Limited
Choi Chun Chung, Danny
Chairman and Chief Executive Officer

The following explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) of the Listing Rules to enable the Shareholders to make an informed decision on whether to vote for or against the resolution to approve the grant of the Repurchase Mandate to the Directors.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 2,783,552,734 Shares. Subject to the passing of resolution numbered 4 approving the Repurchase Mandate as set out in the notice convening the AGM on pages AGM-1 to AGM-5 of this circular, and assuming that the issued share capital of the Company will not change prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 278,355,273 Shares until (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws, the Companies Act or any other applicable laws of Bermuda to be held; or (iii) the revocation or variation by ordinary resolution of the Shareholders in general meeting, whichever is the earliest.

2. REASONS FOR REPURCHASES

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

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and the Bye-Laws, the Companies Act, the laws of Bermuda and/or any other applicable laws, as the case may be.

The Companies Act provides that a company may only repurchase its own shares out of capital paid up on its shares to be repurchased, or out of funds of the company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made by the company for the purpose. Any amount of premium payable on a repurchase over the par value of the shares may only be effected out of either funds of the company that would otherwise be available for dividend or distribution, or out of the company's share premium account. Further, such repurchase may not be made if, on the date on which the repurchase is to be effected, there are reasonable grounds for believing that the company is, or after the repurchase would be, unable to pay its liabilities as they become due.

4. IMPACT OF REPURCHASES

Taking into account the current working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or gearing position of the Company as compared with the position as at 31 December 2018, the date to which the latest audited consolidated financial statements of the Group were made up.

5. SHARE PRICES

In each of the previous 12 months and up to the Latest Practicable Date, the highest and lowest prices per Share at which the Shares were traded on the Stock Exchange are as follows:

| Month | Highest <i>HK\$</i> | Lowest <i>HK\$</i> |
|---|-------------------------------|------------------------------|
| 2018 | | |
| April | 0.218 | 0.179 |
| May | 0.202 | 0.174 |
| June | 0.202 | 0.167 |
| July | 0.178 | 0.142 |
| August | 0.166 | 0.100 |
| September | 0.123 | 0.098 |
| October | 0.116 | 0.098 |
| November | 0.160 | 0.098 |
| December | 0.142 | 0.084 |
| 2019 | | |
| January | 0.096 | 0.080 |
| February | 0.120 | 0.080 |
| March | 0.117 | 0.097 |
| April (up to the Latest Practicable Date) | 0.110 | 0.082 |

6. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge, information and belief, having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate, in the event that the Repurchase Mandate is approved at the AGM by the Shareholders.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company and no such person has undertaken not to sell any Shares held by him/her/it to the Company, in the event that the Repurchase Mandate is approved at the AGM by the Shareholders.

7. UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases of the Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of Bermuda, and the memorandum of association of the Company and the Bye-Laws.

8. TAKEOVERS CODE IMPLICATIONS

If as a result of a repurchase of Shares, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. As a result, a shareholder or a group of shareholders acting in concert could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Choi Chun Chung, Danny ("**Mr. Choi**"), an executive Director, the Chairman and chief executive officer of the Group, was interested in 822,480,000 Shares, representing approximately 29.55% of the voting rights of the Company. The exercise of the Repurchase Mandate in full will result in Mr. Choi's voting rights in the Company crossing 30% of such voting rights and thereby triggering a mandatory offer obligation. However, the Directors have no intention to exercise the Repurchase Mandate to such extent that will result in triggering any mandatory offer obligation of any Shareholder.

In addition, the Directors have no intention to exercise the Repurchase Mandate to such extent that will result in the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

9. SHARE REPURCHASES MADE BY THE COMPANY

In the six months preceding the Latest Practicable Date, the highest and lowest prices per Share at which the 302,820,000 Shares were repurchased by the Company on the Stock Exchange are as follows:

| Date | Number of Shares repurchased | Highest HK\$ | Lowest HK\$ |
|------------------|---|-------------------------|------------------------|
| 23 November 2018 | 20,000,000 | 0.150 | 0.150 |
| 26 November 2018 | 20,000,000 | 0.152 | 0.150 |
| 27 November 2018 | 22,000,000 | 0.149 | 0.148 |
| 28 November 2018 | 30,000,000 | 0.149 | 0.146 |
| 29 November 2018 | 50,000,000 | 0.144 | 0.141 |
| 30 November 2018 | 50,000,000 | 0.145 | 0.141 |
| 3 December 2018 | 38,000,000 | 0.142 | 0.139 |
| 5 December 2018 | 42,820,000 | 0.141 | 0.134 |
| 6 December 2018 | 30,000,000 | 0.136 | 0.133 |
| | 302,820,000 | | |

The following are the particulars of Mr. Wong Kun To and Ms. Lim Xue Ling, Charlene all of whom will retire at the AGM and being eligible, will offer themselves for re-election.

1. Mr. Wong Kun To (“Mr. Wong”)

Mr. Wong, aged 62, was appointed as an independent non-executive Director with effect from 20 October 2017. He is also the chairman of the remuneration committee of the Board and a member of the audit committee of the Board and the nomination committee of the Board (“**Nomination Committee**”).

Mr. Wong has over 26 years of experience in property development, investment and construction management. He started his career in the Shui On Group as a graduate engineer and worked for the Shui On Group from 1979 to 1992 to the position of deputy general manager. He rejoined the Shui On Group in 2006 to oversee the property division of SOCAM Development Limited (“**SOCAM Development**”), a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 983), and successfully led a number of property acquisitions and transactions. During the period from July 2009 to June 2013, Mr. Wong had served SOCAM Development in various roles which included executive director, chief executive officer and managing director. Mr. Wong was subsequently re-designated as a non-executive director of SOCAM Development in July 2013 and he had served in such role until May 2015.

Mr. Wong was also an executive director and the managing director of Shui On Land Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 272), from January 2014 to June 2015. He was also the chief executive officer of China Xintiandi Limited, a wholly-owned subsidiary of Shui On Land Limited, from July 2013 to September 2015.

Mr. Wong holds a Bachelor of Engineering degree, and is a member of the Dalian Municipal Committee of the Chinese People’s Political Consultative Conference and the Hong Kong Institution of Engineers.

Pursuant to the appointment letter entered into between the Company and Mr. Wong, Mr. Wong is appointed for a fixed term of one year from 20 October 2018 and is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Bye-Laws and the Listing Rules. Mr. Wong is entitled to a monthly director’s fee of HK\$10,000 which is determined with reference to his responsibilities, the Company’s remuneration policy and the prevailing market conditions.

2. Ms. Lim Xue Ling, Charlene (“Ms. Lim”)

Ms. Lim, aged 31, was appointed as an independent non-executive Director with effect from 20 October 2017. She is also a member of the audit committee of the Board, the remuneration committee of the Board and the Nomination Committee.

Ms. Lim possesses more than 9 years of experience in internal controls and financial planning. Ms. Lim has been the cluster controller at Coats Shenzhen Limited since 2015. During the years from 2009 to 2013, she also worked in one of the major international accounting firms as a senior auditor where she accumulated experience in external audit and assurances.

She is an associate member of the Institute of Singapore Chartered Accountants. She holds a Bachelor of Accountancy degree from Nanyang Technological University, Singapore.

Pursuant to the appointment letter entered into between the Company and Ms. Lim, Ms. Lim is appointed for a fixed term of one year from 20 October 2018 and is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Bye-Laws and the Listing Rules. Ms. Lim is entitled to a monthly director's fee of HK\$10,000 which is determined with reference to her responsibilities, the Company's remuneration policy and the prevailing market conditions.

GENERAL

As at the Latest Practicable Date, save as disclosed above, (i) each of Mr. Wong and Ms. Lim has not held any other major appointments and professional qualifications or directorships in the last three years in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) each of Mr. Wong and Ms. Lim does not hold any other positions with the Company or other members of the Group; (iii) each of Mr. Wong and Ms. Lim does not have any relationship with any Directors, senior management, substantial or controlling shareholders (having the meaning ascribed to it in the Listing Rules) of the Company; (iv) each of Mr. Wong and Ms. Lim does not have any interest and short positions in the Shares or underlying Shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO; and (v) there was no further information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules nor any other matters that needed to be brought to the attention of the Shareholders in relation to the re-election of each of Mr. Wong and Ms. Lim.

NOMINATION POLICY AND PROCESS FOR THE INDEPENDENT NON-EXECUTIVE DIRECTORS

The Nomination Committee and the Board have followed the nomination policy adopted by the Company in 2018 and the board diversity policy adopted by the Company in 2013 for the re-appointment of Mr. Wong and Ms. Lim as independent non-executive Directors. In reviewing the structure of the Board, the Nomination Committee and the Board will consider the Board diversity from a number of aspects, including but not limited to gender, age, cultural and educational background, professional and qualifications, skills, knowledge, length of service and industry and regional experience. All Board appointments will be based on meritocracy, and candidates will be considered against criteria including talents, skills and experience as may be necessary for the operation of the Board as a whole, with a view to maintaining a sound balance of the Board's composition.

Mr. Wong was appointed as an independent non-executive Director with effect from 20 October 2017. Mr. Wong has over 26 years of experience in property development, investment and construction management and has been an executive director of Shui On Land Limited, a company whose shares are listed on the Main Board of the Stock Exchange (stock code: 272). The Nomination Committee and the Board consider that Mr. Wong possesses the basic knowledge of operations of listed companies and has the relevant working experiences in investments and management and other experiences necessary for serving as an independent non-executive Director. Moreover, Mr. Wong has confirmed his independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee and the Board also consider that Mr. Wong meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

The re-election of Mr. Wong as an independent non-executive Director will continue to further replenish the valuable knowledge of the Board in investment and management. As such, the Nomination Committee proposed the re-appointment of Mr. Wong to the Board for it to recommend to the Shareholders for re-election at the AGM. The Board believes his re-election is in the interests of the Company and its Shareholders as a whole and therefore he should be re-elected.

Ms. Lim was appointed as an independent non-executive Director with effect from 20 October 2017. Ms. Lim has over 9 years of experience in internal control and financial planning. The Nomination Committee and the Board consider that Ms. Lim has the relevant working experiences in internal control and financial planning and other experiences necessary for serving as an independent non-executive Director. Moreover, Ms. Lim has confirmed her independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee and the Board also consider that Ms. Lim meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

The re-election of Ms. Lim as an independent non-executive Director will continue to further replenish the valuable knowledge of the Board in internal control and financial planning and the re-election of Ms. Lim can maintain the diversity of the Board in terms of gender. As such, the Nomination Committee proposed the re-appointment of Ms. Lim to the Board for it to recommend to the Shareholders for re-election at the AGM. The Board believes her re-election is in the interests of the Company and its Shareholders as a whole and therefore she should be re-elected.

NOTICE OF AGM



Power Financial Group Limited **權威金融集團有限公司**

(Incorporated in Bermuda with limited liability)

(Stock code: 397)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“**Meeting**”) of Power Financial Group Limited (“**Company**”) will be held at 9:30 a.m. on Thursday, 6 June 2019 at Sapphire Room, Level 2, Royal Park Hotel, 8 Pak Hok Ting Street, Shatin, New Territories, Hong Kong for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors (“**Directors**”, each a “**Director**”) and the auditors of the Company for the year ended 31 December 2018.
2. (A) (i) To re-elect Mr. Wong Kun To as an independent non-executive Director; and
(ii) To re-elect Ms. Lim Xue Ling, Charlene as an independent non-executive Director; and
(B) To authorise the board of Directors (“**Board**”) to fix the directors’ remuneration.
3. To re-appoint BDO Limited as auditors of the Company and to authorise the Board to fix their remuneration.

As special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

4. “**THAT:**
 - (a) subject to paragraph (b) below, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to repurchase (or agree to repurchase) its shares in the share capital

NOTICE OF AGM

of the Company (each, a “**Share**”) on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”), or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for such purpose, be and the same is hereby generally and unconditionally approved;

- (b) the Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the number of issued Shares as at the date of passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;
- (c) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (b) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (b) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same; and
- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) or any other applicable laws of Bermuda to be held; or
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors under this resolution.”

5. “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (“**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with the authorised and unissued shares in the capital of the Company (each, a “**Share**”) and to make or grant offers, agreements or options, including warrants to subscribe for Shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;

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- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options, including warrants to subscribe for Shares, which might require the exercise of such powers after the expiration of the Relevant Period;
- (c) the aggregate number of Shares allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to or in consequence of: (i) a Rights Issue (as defined below); or (ii) the exercise of any option granted under any share option scheme or similar arrangements adopted by the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants, convertible bonds, debentures, notes or any securities issued by the Company which are convertible into Shares, shall not exceed the aggregate of:
 - (aa) 20 per cent. of the number of issued Shares as at the date of passing of this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the number of issued Shares as at the date of passing of this resolution), and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly;
- (d) if, after the passing of this resolution, the Company conducts a share consolidation or subdivision, the number of Shares subject to the limit set out in paragraph (c) above shall be adjusted to the effect that the number of Shares subject to the limit set out in paragraph (c) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same; and
- (e) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

 - (i) the conclusion of the next annual general meeting of the Company;

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company, the Companies Act 1981 of Bermuda (as amended) or any other applicable laws of Bermuda to be held; or
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors under this resolution;

“**Rights Issue**” means an offer of Shares, or an offer of warrants, options or other securities giving rights to subscribe for Shares, open for a period fixed by the Directors to holders of Shares whose names appear on the Company’s register of members on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

6. “**THAT** conditional upon the passing of resolutions nos. 4 and 5 above, the general mandate granted to the directors of the Company (“**Directors**”) pursuant to resolution no. 5 above be and is hereby extended by the addition to the number of shares of the Company which may be allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with by the Directors pursuant to or in accordance with such general mandate of an amount representing the number of shares of the Company repurchased by the Company pursuant to or in accordance with the authority granted under resolution no. 4 above.”

On behalf of the Board
Power Financial Group Limited
Choi Chun Chung, Danny
Chairman and Chief Executive Officer

Hong Kong, 25 April 2019

Registered office:
Canon’s Court
22 Victoria Street
Hamilton HM12
Bermuda

*Head office and principal place of
business in Hong Kong:*
Units 3910–13, 39/F, COSCO Tower
183 Queen’s Road Central, Hong Kong

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Notes:

1. Any shareholder of the Company entitled to attend and vote at the Meeting convened by the above notice shall be entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his/her/its behalf. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In the case of joint holders of any share of the Company, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present in person or by proxy at the Meeting, then one of such joint holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. For the purpose of ascertaining the shareholders who are entitled to attend and vote at the Meeting, the register of members of the Company will be closed from Monday, 3 June 2019 to Thursday, 6 June 2019 (both days inclusive), during which period no transfer of shares can be registered. In order to qualify for attending and voting at the Meeting, all transfer documents, together with the relevant share certificates, must be lodged for registration with the Company's share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. (Hong Kong time) on Friday, 31 May 2019.
4. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, at the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by 9:30 a.m. on Tuesday, 4 June 2019 or not less than 48 hours before the time appointed for holding any adjourned meeting.
5. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the Meeting or any adjournment thereof should he/she so wish, and in such case, the instrument appointing a proxy previously submitted shall be deemed to be revoked.
6. The above resolutions put to vote at the Meeting will be decided by way of poll as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

As at the date of this notice, the executive Directors are Mr. Choi Chun Chung, Danny and Mr. Sit Sai Hung, Billy; and the independent non-executive Directors are Mr. Wong Kun To, Mr. Chu Hau Lim and Ms. Lim Xue Ling, Charlene.