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## **Shanghai Jin Jiang International Hotels (Group) Company Limited\***

**上海錦江國際酒店(集團)股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 02006)**

### **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the annual general meeting for the year 2017 (the “**AGM**”) of Shanghai Jin Jiang International Hotels (Group) Company Limited (the “**Company**”) will be held at Plaza Ball Room, 3/F Holiday Inn Downtown Shanghai, No. 285 Tianmu West Road, Shanghai, the People’s Republic of China (the “**PRC**”) on Friday, 15 June 2018 at 2:00 p.m. for the following purposes:

by way of ordinary resolutions:

1. to consider and approve the report of the board of directors of the Company (the “**Board**”) for the year ended 31 December 2017;
2. to consider and approve the report of the supervisory committee of the Company (the “**Supervisory Committee**”) for the year ended 31 December 2017;
3. to consider and approve the audited financial statements and the auditors’ report of the Company and of the Group as at and for the year ended 31 December 2017;

4. to consider and approve the proposed profit distribution plan and the final dividend distribution plan of the Company for the year ended 31 December 2017 and to authorise the Board to distribute such dividend to shareholders of the Company;
5. to consider and approve the re-appointment of PricewaterhouseCoopers, Hong Kong Certified Public Accountants as the Company's international auditors to hold office until the conclusion of the next annual general meeting of the Company and to ratify and confirm the determination of its remuneration by the audit committee of the Board;
6. to consider and approve the re-appointment of PricewaterhouseCoopers Zhong Tian LLP as the Company's PRC auditors to hold office until the conclusion of the next annual general meeting of the Company and to ratify and confirm the determination of its remuneration by the audit committee of the Board;

by way of special resolutions:

7. to consider and approve the following:

**“THAT:**

- (1) there be granted to the Board an unconditional general mandate to issue, allot and deal with additional shares in the share capital of the Company, whether Domestic Shares or H Shares, and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:
  - (a) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
  - (b) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board shall not exceed:
    - (i) 20% of the aggregate number of Domestic Shares of the Company in issue; and/or
    - (ii) 20% of the aggregate number of H Shares of the Company in issue,in each case as at the date of passing this resolution; and

- (c) the Board will only exercise its power under such mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) (as amended from time to time) and only if all necessary approvals from China Securities Regulatory Commission and/or other relevant PRC government authorities have been obtained;

for the purposes of this resolution:

“**Domestic Shares**” means the domestic invested shares in the share capital of the Company with a par value of RMB1.00 each, which are subscribed for in Renminbi (“**RMB**”) by PRC investors;

“**H Shares**” means the overseas-listed foreign invested shares in the share capital of the Company with a par value of RMB1.00 each, which are subscribed for and traded in Hong Kong dollars;

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

- (A) the conclusion of the next annual general meeting of the Company following the passing of this resolution; or
- (B) the expiration of the 12-month period following the passing of this resolution; or
- (C) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company at a general meeting; and

- (2) contingent on the Board resolving to issue shares pursuant to sub-paragraph (1) of this resolution, the Board be authorised to:
- (a) approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares including, without limitation, the time and place of issue, making all necessary applications to the relevant authorities, entering into an underwriting agreement (or any other agreements);
  - (b) to determine the use of proceeds and to make all necessary filings and registrations with the relevant PRC, Hong Kong and other authorities; and
  - (c) to increase the registered capital of the Company in accordance with the actual increase of capital by issuing shares pursuant to sub-paragraph (1) of this resolution, to register the increased capital with the relevant authorities in the PRC and to make such amendments to the articles of association of the Company as it thinks fit so as to reflect the increase and any other resultant changes in the registered capital of the Company.”
8. to consider and approve the proposed resolution on the amendments to the articles of association of the Company (the “**Articles**”).

The proposed amendments to the Articles are set out as follows:

<b>Article to be amended</b>	<b>Terms of the original article</b>	<b>Terms of the amended article</b>
Article 1.12	—	<p>In accordance with the “Constitution of the Communist Party of China”, a Communist Party of China (“CPC”) Committee and a CPC Disciplinary Inspection Committee shall be set up at the Company to conduct CPC activities.</p> <p>The CPC organisation shall be an organic component of the Company’s corporate governance structure. The CPC Committee shall focus its work on the production and operations of the enterprise to play a leadership role by steering the Company in the right direction, providing oversight and ensuring implementation; the Company shall establish a CPC working organisation equipped with adequate personnel for CPC work and shall ensure the provision of operating funds for the CPC organisation.</p>

<b>Article to be amended</b>	<b>Terms of the original article</b>	<b>Terms of the amended article</b>
Article 10.3 Paragraph I	The board of directors shall be accountable to the general meeting and shall exercise the following functions and powers:	The board of directors shall be accountable to the general meeting, consult the CPC Committee prior to making any decision on significant matters of the Company, and exercise the following functions and powers:
Chapter 19	Trade Union Organisation and Party Organisation	CPC organisation and trade union organisation
Article 19.1	<p>Workers of the Company shall have the right to organise trade union, conduct trade union activities and safeguard the legal interests of workers in accordance with the PRC Trade Union Law. The Company shall provide conditions which are prerequisite for the activities of the trade union of the Company. The trade union shall represent the workers in entering into a collective contract with the Company in respect of labour emoluments, working hours, benefits, insurance and labour safety and health in accordance with the law.</p> <p>The Company shall practise democratic management through worker representatives' meetings or other means in accordance with the constitution and the provisions of the relevant laws.</p> <p>The Company shall listen to the opinions of the trade union of the Company, and listen to the opinions and recommendations of the workers through worker representatives' meetings or other means when the Company is studying major issues of conversion and operations, as well as formulating important regulations and systems.</p>	<p>The Company shall persist in and enhance the full-scale leadership of the CPC, persisting in the governance of CPC by CPC and stringent CPC discipline in all aspects.</p> <p>The Company shall institute a CPC Committee secretary and certain number of CPC Committee members. A dedicated deputy secretary responsible for CPC development at the Company shall also be instituted, and the CPC Disciplinary Inspection Committee shall be instituted in accordance with relevant regulations; members of the CPC Committee complying with relevant conditions shall join the board of directors, the supervisory committee and the management through statutory procedures; CPC members sitting on the board of directors or the supervisory committee or in the management who comply with relevant conditions shall join the CPC Committee in accordance with relevant regulations and procedures.</p>

**Article to be amended**

**Terms of the original article**

**Terms of the amended article**

Article 19.2

The Company shall establish an organisation of the Chinese Communist Party and conduct party activities in accordance with the provisions of the constitution of the Chinese Communist Party. The Company shall provide conditions which are prerequisite for the activities of the party organisation of the Company.

The CPC Committee shall exercise the following duties and powers:

- (I) To ensure thorough implementation of the directional policies of the CPC and the State at the enterprise and to implement important work plans of senior CPC organisations.
- (II) To persist in the combination of the principle of CPC governance over officers on one hand and the selection of managers by the board of directors in accordance with the law and the power of the managers to deploy personnel in accordance with the law on the other. The CPC Committee shall be engaged in deliberations and furnish its views or recommendations on candidates nominated by the board of directors or chief executive officer, or recommend to the board of directors or chief executive officer candidates for nomination; and shall examine such candidates in association with the board of directors and furnish its views and recommendations upon collective research.
- (III) To take part in the decision of significant matters of the enterprise, study and discuss the stability of the Company's reform and development, significant operational and management issues and significant issues involving staff interests of immediate concern, and to furnish its views and recommendations.

**Article to be amended**

**Terms of the original article**

**Terms of the amended article**

- (IV) To undertake responsibility for implementing stringent CPC discipline in all aspects, providing leadership over the Company's ideological and political work, work relating to the united front, development of spiritual civilisation, corporate culture development and work relating to unions and groups such as the trade union and the CPC Youth League, and supporting the work of worker representatives' meetings.
- (V) To lead in the development of corruption-free CPC practices and support the CPC Disciplinary Inspection Committee in the performance of supervisory and disciplinary enforcement duties.
- (VI) To deal with other significant issues that should be deliberated and determined by the CPC organisation.

Article 19.3

Originally Article 19.1

Workers of the Company shall have the right to organise trade union, conduct trade union activities and safeguard the legal interests of workers in accordance with the PRC Trade Union Law. The Company shall provide conditions which are prerequisite for the activities of the trade union of the Company. The trade union shall represent the workers in entering into a collective contract with the Company in respect of labour emoluments, working hours, benefits, insurance and labour safety and health in accordance with the law.

**Article to be amended**

**Terms of the original article**

**Terms of the amended article**

Article 19.4

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The Company shall practise democratic management through worker representatives' meetings or other means in accordance with the constitution and the provisions of the relevant laws.

The Company shall listen to the opinions of the trade union of the Company, and listen to the opinions and recommendations of the workers through worker representatives' meetings or other means when the Company is studying major issues of conversion and operations, as well as formulating important regulations and systems.

The Company shall establish an organisation of the CPC Youth League and conduct league activities in accordance with the provisions of the Constitution of the Chinese Communist Party Youth League.

For further details of the amendments to the Articles, please refer to the Company's announcement dated 26 April 2018.

By order of the Board  
**Shanghai Jin Jiang International Hotels (Group) Company Limited\***  
**Zhang Qian**  
*Executive Director and Chief Executive Officer*

Shanghai, the PRC, 27 April 2018

*Notes:*

- (A) Important: You should first review the annual report of the Company for the year 2017 before appointing a proxy. The annual report of the Company for the year 2017 will include the report of the Board for the year 2017, the report of the Supervisory Committee for the year 2017 and the financial statements for the year 2017. The annual report of the Company for the year 2017 will be despatched to the shareholders of the Company to their addresses as shown in the register of members of the Company (the “**Register of Members**”).



For the purpose of holding the AGM, the Register of Members will be closed from Wednesday, 16 May 2018 to Friday, 15 June 2018 (both dates inclusive), during which period no share transfers will be registered. Shareholders of the Company whose names appear on the Register of Members on Friday, 15 June 2018 are entitled to attend and vote at the AGM.

In order to attend the AGM, holders of the Company's H Shares shall lodge all transfer documents together with the relevant share certificates with Computershare Hong Kong Investor Services Limited, the Company's H share registrar and transfer office, not later than 4:30 p.m. on Tuesday, 15 May 2018.

The Board has recommended a final dividend of RMB8.0 cents per share (inclusive of tax) for the year ended 31 December 2017 and, if the relevant resolution regarding the payment of dividend is approved and passed by the shareholders of the Company, the Register of Members will be closed from Friday, 22 June 2018 to Wednesday, 27 June 2018 (both dates inclusive), during which period no share transfers will be registered. The dividend is expected to be paid no later than 15 August 2018 to those shareholders of the Company whose names appear on the Register of Members on Wednesday, 27 June 2018.

In order to qualify for the final dividend, holders of the Company's H Shares shall lodge all transfer documents together with the relevant share certificates with Computershare Hong Kong Investor Services Limited, the Company's H share registrar and transfer office, not later than 4:30 p.m. on Thursday, 21 June 2018.

The address of Computershare Hong Kong Investor Services Limited is as follows:

Shops 1712–1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

Pursuant to the Corporate Income Tax Law of the PRC and its implementing regulations (hereinafter collectively referred to as the "CIT Law") which took effect on 1 January 2008 and the Notice on Issues relating to the Recognition of Overseas Registered PRC-invested Enterprises as Resident Enterprises based on Actual Management Organisation Standards issued by the State Administration of Taxation on 22 April 2009, the tax rate of the corporate income tax applicable to the income derived from the PRC of a non-resident enterprise is 10%. For this purpose, any H shares registered under the name of a non-individual enterprise, including those registered under the name of HKSCC Nominees Limited, other nominees or trustees such as securities firms and banks, or other organizations or entities, shall be deemed as shares held by non-resident enterprise shareholders (as defined under the CIT Law). The Company will distribute the final dividend to the non-resident enterprise shareholders subject to a deduction of 10% corporate income tax withheld and paid by the Company on their behalf.

Any resident enterprise (as defined under the CIT Law) which has been legally incorporated in the PRC or which has established de facto administrative entities in the PRC pursuant to the laws of foreign countries (regions) and whose name appears on the Company's H share Register of Members on Wednesday, 27 June 2018 must deliver a legal opinion issued by a lawyer qualified to practice in the PRC (and endorsed with the law firm's chop) and relevant document(s) certifying that it is a resident enterprise to Computershare Hong Kong Investor Services Limited not later than 4:30 p.m. on Thursday, 21 June 2018, if they do not wish to have the 10% corporate income tax withheld and paid on their behalf by the Company.

The 10% corporate income tax will not be withheld from the final dividend payable to any natural person shareholders whose names appear on the H share Register of Members of the Company on Wednesday, 27 June 2018. Any natural person investor whose H shares are registered under the name of a non-individual shareholder and who does not wish to have any corporate income tax to be withheld by the Company may consider transferring the legal title of the relevant H Shares into his or her name and duly lodge all transfer documents with the relevant H share certificates with the Company's H share registrar and transfer office for registration on or before 4:30 p.m. on Thursday, 21 June 2018.

The Company will not take any responsibility arising from any delay in, or inaccurate determination of the status of the shareholders or any disputes over the mechanism of withholding and no action will be taken in this regard.

- (B) As at the date of this notice, the shares of the Company in issue comprises 4,174,500,000 Domestic Shares and 1,391,500,000 H Shares. Subject to the approval for resolution No. 7 on the general mandate to issue shares and on the basis that no further shares will be issued prior to the AGM, the Company may issue up to 834,900,000 Domestic Shares and 278,300,000 H Shares.
- (C) Holders of Domestic Shares or H Shares of the Company, who intend to attend the AGM, must complete the reply slips and return them to the Office of the Board of Directors of the Company not later than 20 days before the date of the AGM, i.e. not later than Friday, 25 May 2018.

Details of the Office of the Board of Directors are as follows:

26/F., Union Building  
No. 100 Yan'an East Road  
Shanghai  
the People's Republic of China  
Post code: 200002  
Tel: (86 21) 6326 4000  
Fax: (86 21) 6323 8221

- (D) Each holder of H Shares of the Company who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the AGM.
- (E) A proxy must be appointed by a shareholder in writing and the instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing or, in the case of the shareholder being a corporation, must be either executed under its common seal or under the hand of its directors(s) or attorney(s) duly authorised in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other authorisation documents, must be notarised.
- (F) For holders of H Shares of the Company, the form of proxy and, if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 24 hours before the time appointed for holding the AGM (i.e. no later than Thursday, 14 June 2018 at 2:00 p.m.) or any adjournment thereof in order for such documents to be valid.
- (G) Each holder of Domestic Shares of the Company is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the AGM. Notes (D) to (F) also apply to holders of Domestic Shares of the Company, except that the form of proxy or other documents of authority must be delivered to the Office of the Board of Directors of the Company, the address of which is set out in Note (C) above, not later than 24 hours before the time appointed for holding the AGM (i.e. no later than Thursday, 14 June 2018 at 2:00 p.m.) or any adjournment thereof in order for such documents to be valid.
- (H) If a proxy attends the AGM on behalf of a shareholder, he should produce his identity card and the form of proxy signed by the shareholder or his legal representative or his duly authorised attorney, specifying the date of its issuance. If a corporate shareholder appoints its corporate representative to attend the AGM, such representative should produce his identity card and the notarised copy of the resolution passed by the board of directors or other authorities of such corporate shareholder.
- (I) In accordance with the requirements of Rule 13.39(4) of the Listing Rules, all votes of the shareholders to be taken at a general meeting shall be taken by poll. Therefore, in accordance with Article 8.18 of the articles of association of the Company, the chairman of the AGM will demand a poll for all resolutions to be voted on as set out in this notice of AGM.

On a poll taken at the meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his votes in the same way.

- (J) The AGM is expected to last for half a day. Shareholders attending the AGM are responsible for their own transportation and accommodation expenses.

*As at the date of this notice, the executive directors of the Company are Mr. Yu Minliang, Ms. Guo Lijuan, Mr. Chen Liming, Mr. Zhang Qian and Mr. Han Min; and the independent non-executive directors of the Company are Mr. Ji Gang, Dr. Rui Mingjie, Dr. Tu Qiyu, Dr. Xu Jianxin, Mr. Xie Hongbing and Dr. He Jianmin.*

*\* The Company is registered as a non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) under its Chinese name and the English name “**Shanghai Jin Jiang International Hotels (Group) Company Limited**”.*