
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Sustainable Forest Holdings Limited, you should at once hand this circular, together with the enclosed proxy form, to the purchaser or transferee or to the licensed securities dealer, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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**SUSTAINABLE FOREST HOLDINGS LIMITED****永保林業控股有限公司****(Incorporated in Bermuda with limited liability)***(Stock code: 723)****GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Sustainable Forest Holdings Limited (the “Company”) to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 28 September 2018 at 10:30 a.m. or any adjournment thereof is set out on pages 16 to 20 of this circular. Whether or not you are able to attend the annual general meeting, please complete and return the enclosed proxy form in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, Tricor Tengis Limited, at Level 22, 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 of the annual general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the annual general meeting or any adjourned meeting should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

* For identification purpose only

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DEFINITIONS

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

“AGM”	annual general meeting of the Company to be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 28 September 2018 at 10:30 a.m. or any adjournment thereof
“AGM Notice”	notice convening the AGM as set out on pages 16 to 20 of this circular
“Board”	Board of Directors of the Company
“Bye-laws”	Bye-laws of the Company (as amended, supplemented or modified from time to time)
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Sustainable Forest Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Issue Mandate”	a general mandate to be granted to the Directors at the AGM to exercise the powers of the Company to allot, issue and deal with new Shares not exceeding 20% of the total number of the issued Shares at the date of passing of the resolution for approving such mandate
“Latest Practicable Date”	24 August 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Preferred Share(s)”	convertible preferred share(s) of HK\$0.01 each in the capital of the Company carrying rights to convert into Shares
“Repurchase Mandate”	a general mandate to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase Shares of not exceeding 10% of the total number of the issued Shares at the date of passing of the resolution for approving such mandate
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	Code on Takeovers and Mergers
“%”	per cent.

In the event of any inconsistency, the English text of this circular, the AGM Notice and the accompanying proxy form shall prevail over the Chinese text.

LETTER FROM THE BOARD



SUSTAINABLE FOREST HOLDINGS LIMITED

永保林業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 723)

Executive Directors:

Ms. Wang Jingyu (*Chairlady*)
Mr. Lai Ming Wai (*Chief Executive Officer*)
Ms. Chan Yuk Yee

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-executive Directors:

Mr. Yam Kwong Chun
Mr. Chiang Bun
Mr. Chai Chi Keung

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

Room 2902A, 29th Floor
China Resources Building
26 Harbour Road, Wanchai
Hong Kong

28 August 2018

*To the Shareholders, and for information only,
holders of the Preferred Shares,*

Dear Sir or Madam,

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES, RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information relating to (i) the proposed general mandates to issue and repurchase Shares and to extend the general mandate to allot, issue and deal with Shares by adding to it the number of Shares repurchased; and (ii) re-election of retiring Directors.

* For identification purpose only

LETTER FROM THE BOARD

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the AGM, ordinary resolutions will be proposed to grant to the Directors the Issue Mandate and the Repurchase Mandate. Conditional upon the above resolutions being passed, a separate resolution will be proposed to extend the Issue Mandate by adding to it the aggregate number of Shares repurchased under the Repurchase Mandate. Details of these resolutions are contained in the AGM Notice.

As at the Latest Practicable Date, the Company had 9,105,709,503 Shares in issue. Assuming that there is no change in the number of the issued Shares during the period between the Latest Practicable Date and the date of the AGM, the maximum number of Shares which may be allotted, issued and dealt with pursuant to the Issue Mandate will be 1,821,141,900 Shares and the maximum number of Shares which may be repurchased pursuant to the Repurchase Mandate will be 910,570,950 Shares.

An explanatory statement containing information relating to the Repurchase Mandate as required by Rule 10.06(1)(b) of the Listing Rules is set out in Appendix I to this circular. This explanatory statement provides the Shareholders with information reasonably necessary to enable them to make an informed decision on whether to vote for or against the resolution in relation to the granting of the Repurchase Mandate.

RE-ELECTION OF THE RETIRING DIRECTORS

In accordance with Bye-law 86(2) of the Bye-laws, Ms. Wang Jingyu, Mr. Lai Ming Wai, Ms. Chan Yuk Yee, Mr. Yam Kwong Chun, Mr. Chiang Bun and Mr. Chai Chi Keung will retire at the AGM and being eligible, offer themselves for re-election.

Biographical details of the retiring Directors who are proposed to be re-elected at the AGM as required to be disclosed under Rule 13.51(2) of the Listing Rules are set out in Appendix II to this circular.

THE AGM

The AGM Notice is set out on pages 16 to 20 of this circular. A proxy form for use at the AGM is enclosed.

In order to be eligible to attend and vote at the AGM, all unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 20 September 2018.

LETTER FROM THE BOARD

A proxy form is herewith enclosed for use at the AGM. Whether or not you propose to attend the AGM, you are requested to complete the proxy form and return it to the Hong Kong branch share registrar and transfer office of the Company, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the proxy form will not preclude Shareholders from attending and voting at the AGM or any adjourned meeting if they so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll save for purely procedural or administrative matters.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Directors consider that the above proposed resolutions referred to in this circular and the AGM Notice are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions as set out in the AGM Notice.

Yours faithfully
For and on behalf of the Board
Sustainable Forest Holdings Limited
Wang Jingyu
Chairlady

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the AGM in relation to the granting of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the Company had 9,105,709,503 Shares in issue. Subject to the passing of the ordinary resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased from the Latest Practicable Date up to the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 910,570,950 Shares, representing 10% of the total number of Shares in issue as at the date of the AGM.

2. REASONS FOR REPURCHASE

The Directors believe that it is in the best interests of the Company and its Shareholders as a whole for the Directors to seek a general authority from Shareholders to enable the Company to repurchase Shares in 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 of the Company 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 REPURCHASE

Any repurchases will only be funded out of funds of the Company legally available for the purposes in accordance with the Bye-laws, the applicable laws of Bermuda and the Listing Rules.

4. EFFECT OF EXERCISE OF THE REPURCHASE MANDATE

There might be a material adverse impact on the working capital and/or gearing position of the Company (as compared with the position disclosed in the audited consolidated financial statements of the Company for the year ended 31 March 2018, being the date of the latest published audited consolidated financial statements of the Company) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective close associates have any present intention, in the event that the proposed Repurchase Mandate is approved, to sell any Shares to the Company. No core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the proposed Repurchase Mandate is approved.

6. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

7. EFFECT OF THE TAKEOVERS CODE

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 for the purposes of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase in the Shareholder's interests, may obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, the following Shareholders had interests representing 5% or more of the issued Shares of the Company:

Name	Capacity/ Nature of Interest	Number of Shares held/ interested	Approximate% of interest	
			As at the Latest Practicable Date	If the Repurchase Mandate is exercised in full
Ms. Wang Jingyu ("Ms. Wang")	Interest of controlled corporation	2,444,359,944 (Note (i))	26.84%	29.83%
Elite Prosperous Enterprises Limited ("Elite Prosperous")	Interests of controlled corporation	2,444,359,944 (Note (i))	26.84%	29.83%
Champion Alliance Enterprises Limited ("Champion Alliance")	Beneficial owner	2,444,359,944 (Note (i))	26.84%	29.83%
Ms. Lo Jiah Yee, Katherine ("Ms. Lo")	Interest of controlled corporation	1,294,849,338 (Note (ii))	14.22%	15.80%
Mr. Lau Jack ("Mr. Lau")	Interest of spouse	1,294,849,338 (Note (iii))	14.22%	15.80%
Assure Gain International Limited ("Assure Gain")	Beneficial owner Interest of controlled corporation	822,176,547 (Note (iv)) 434,094,363 (Note (iv))	13.80%	15.33%

Notes:

- (i) These interests were held by Champion Alliance which was a wholly owned subsidiary of Elite Prosperous which in turn was wholly owned by Ms. Wang. Ms. Wang is also the sole director of Champion Alliance and Elite Prosperous. Accordingly, Ms. Wang and Elite Prosperous were deemed to be interested in the 2,444,359,944 Shares under the SFO.
- (ii) Ms. Loh was beneficially interested in 100% of the issued share capital of Assure Gain, which held 100% of the issued share capital of Winner Global Holdings Limited (“Winner Gobal”) and Splendid Asset Holdings Limited (“Splendid Asset”) respectively. Ms. Loh was also beneficially interested in 50% of the issued share capital of Corp Insights Holdings Inc. (“Corp Insights”) held through Corporate Insights Limited. Assure Gain was the registered holder of 822,176,547 Shares, Winner Global was the registered holder of 213,360,741 Shares, Splendid Asset was the registered holder of 220,733,622 Shares and Corp Insights was the registered holder of 38,578,428 Shares. Accordingly, Ms. Loh was deemed to be interested in the 1,294,849,338 Shares under the SFO.
- (iii) Mr. Lau, being the spouse of Ms. Loh, was deemed to have an interest in the same parcel of the Shares in which Ms. Loh was interested under the SFO.
- (iv) Assure Gain held 100% of the issued share capital of Winner Global and Splendid Asset respectively. Assure Gain was the registered holder of 822,176,547 Shares, Winner Global was the registered holder of 213,360,741 Shares and Splendid Asset was the registered holder of 220,733,622 Shares. Accordingly, Assure Gain was deemed to be interested in the 434,094,363 Shares held by Winner Global and Splendid Asset under the SFO.

In the event the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the interests of each of the above Shareholders in the Company would be increased to approximately the respective percentages as set out in the table above. On the basis of the aforesaid increase of shareholding held by the Shareholders set out above, none of the Shareholders above is obliged to make a mandatory offer under Rule 26 of the Takeovers Code.

Save as aforesaid, the Directors are not aware of any other consequences, which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate.

8. SHARE REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

9. SHARE PRICES

The highest and lowest prices of the Shares as traded on the Stock Exchange in each of the previous twelve months before the Latest Practicable Date and the current month up to the Latest Practicable Date were as follows:

Month	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2017		
August	0.062	0.045
September	0.053	0.042
October	0.075	0.043
November	0.071	0.048
December	0.054	0.046
2018		
January	0.056	0.045
February	0.055	0.018
March	0.055	0.027
April	0.036	0.027
May	0.039	0.025
June	0.029	0.023
July	0.028	0.013
August (up to the Latest Practicable Date)	0.030	0.017

Details of the Directors who are required to retire at the AGM according to the Bye-laws and who, being eligible, offer themselves for re-election at the AGM are as follows:

Ms. Wang Jingyu (“Ms. Wang”), Executive Director and Chairlady

Ms. Wang, aged 38, joined the Company as an Executive Director in October 2017 and was appointed as the Chairlady of the Board in March 2018. Ms. Wang is also the Chairlady of the Executive Committee and a director of various subsidiaries of the Company. Ms. Wang holds a Bachelor’s degree in Economics specialised in international finance from the Southwestern University of Finance and Economics in the People’s Republic of China (the “PRC”). She has extensive experience in corporate management and investments. Ms. Wang was the chairlady, the managing director and an executive director of Applied Development Holdings Limited (stock code: 519), a company listed on the Main Board of the Stock Exchange, until 14 September 2016.

Save as disclosed above, Ms. Wang has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

As at the Latest Practicable Date and within the meaning of Part XV of the SFO, Ms. Wang is deemed to be interested in 2,444,359,944 Shares being held by Champion Alliance Enterprises Limited, a company which is wholly owned by Elite Prosperous Enterprises Limited which in turn is wholly owned by Ms. Wang, representing approximately 26.84% of the issued Shares of the Company.

Save as aforesaid, Ms. Wang does not have any relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders.

There is an employment contract entered into between a subsidiary of the Company and Ms. Wang. According to the employment contract, Ms. Wang is not appointed for any specific length or proposed length of service and her term of service shall continue unless and until terminated by either party by giving to the other two months’ prior notice in writing. The directorship of Ms. Wang is subject to retirement by rotation and re-election pursuant to the Bye-laws. Under the employment contract of Ms. Wang, she is entitled to receive a remuneration of HK\$130,000 per annum which has been approved by the Remuneration Committee based on her qualifications, experience, level of responsibilities undertaken and prevailing market conditions. Ms. Wang may also be entitled to receive discretionary bonuses or other benefits as may be decided by the Remuneration Committee having regard to Ms. Wang’s and the Company’s performance. The remuneration of Ms. Wang is subject to annual review by the Remuneration Committee. The director’s emoluments of Ms. Wang for the year ended 31 March 2018 amounted to approximately HK\$58,000.

Save as disclosed above, there is no other information of Ms. Wang that needs to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the Shareholders in respect of Ms. Wang’s re-election.

Mr. Lai Ming Wai (“Mr. Lai”), Executive Director and Chief Executive Officer

Mr. Lai, aged 59, joined the Company as an Executive Director and the Chief Executive Officer in March 2018. Mr. Lai is also a member of the Executive Committee and a director of various subsidiaries of the Company. Mr. Lai holds a Bachelor of Social Sciences degree from The University of Hong Kong. Mr. Lai was a senior executive of Bank of America and was primarily responsible for developing and managing the business of the bank in southern region of the PRC. He has extensive experience in the banking and finance industry. Mr. Lai is an independent non-executive director of Winshine Science Company Limited (stock code: 209), a company listed on the Main Board of the Stock Exchange.

Mr. Lai was an executive director and the chief executive officer of Courage Investment Group Limited (“Courage Investment”) (stock code: 1145), a company primarily listed on the Main Board of the Stock Exchange and secondarily listed on the Singapore Exchange Securities Trading Limited for the period from 14 October 2015 to 31 March 2017 and was re-appointed as an executive director and the chairman of Courage Investment for the period from 19 October 2017 to 28 February 2018. He was an executive director of Enviro Energy International Holdings Limited (“Enviro Energy”) (stock code: 1102), a company listed on the Main Board of the Stock Exchange, until 15 September 2017. Mr. Lai was also a non-executive director of Hong Wei (Asia) Holdings Company Limited (Stock Code: 8191), a company listed on the Growth Enterprise Market of the Stock Exchange, until 11 May 2018.

Save as disclosed above, Mr. Lai has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

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

Mr. Lai does not have any relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders.

There is an employment contract entered into between a subsidiary of the Company and Mr. Lai. According to the employment contract, Mr. Lai is not appointed for any specific length or proposed length of service and his term of service shall continue unless and until terminated by either party by giving to the other two months’ prior notice in writing. The directorship of Mr. Lai is subject to retirement by rotation and re-election pursuant to the Bye-laws. Under the employment contract of Mr. Lai, he is entitled to receive a remuneration of HK\$650,000 per annum which has been approved by the Remuneration Committee based on his qualifications, experience, level of responsibilities undertaken and prevailing market conditions. Mr. Lai may also be entitled to receive discretionary bonuses or other benefits as may be decided by the Remuneration Committee having regard to Mr. Lai’s and the Company’s performance. The remuneration of Mr. Lai is subject to annual review by the Remuneration Committee. The director’s emoluments of Mr. Lai for the year ended 31 March 2018 amounted to approximately HK\$51,000.

Save as disclosed above, there is no other information of Mr. Lai that needs to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the Shareholders in respect of Mr. Lai’s re-election.

Ms. Chan Yuk Yee (“Ms. Chan”), Executive Director

Ms. Chan, aged 50, joined the Group as a consultant in October 2017 and was appointed as an Executive Director in November 2017. Ms. Chan is also a member of the Executive Committee and a director of various subsidiaries of the Company. Ms. Chan holds a Master of Business Law degree from Monash University in Australia and is an associate of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. She has extensive experience in corporate administration and company secretarial practice. Ms. Chan is an executive director and the company secretary of Birmingham Sports Holdings Limited (stock code: 2309), a company listed on the Main Board of the Stock Exchange.

Ms. Chan was an executive director of EPI (Holdings) Limited (stock code: 689), a company listed on the Main Board of the Stock Exchange, and Courage Investment until 10 November 2017 and 19 October 2017 respectively.

Save as disclosed above, Ms. Chan has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

As at the Latest Practicable Date, Ms. Chan does not have any interest in the Shares within the meaning of Part XV of the SFO.

Ms. Chan does not have any relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders.

There is an employment contract entered into between a subsidiary of the Company and Ms. Chan. According to the employment contract, Ms. Chan is not appointed for any specific length or proposed length of service and her term of service shall continue unless and until terminated by either party by giving to the other two months’ prior notice in writing. The directorship of Ms. Chan is subject to retirement by rotation and re-election pursuant to the Bye-laws. Under the employment contract of Ms. Chan, she is entitled to receive a remuneration of HK\$455,000 per annum which has been approved by the Remuneration Committee based on her qualifications, experience, level of responsibilities undertaken and prevailing market conditions. Ms. Chan may also be entitled to receive discretionary bonuses or other benefits as may be decided by the Remuneration Committee having regard to Ms. Chan’s and the Company’s performance. The remuneration of Ms. Chan is subject to annual review by the Remuneration Committee. The director’s emoluments of Ms. Chan for the year ended 31 March 2018 amounted to approximately HK\$168,000.

Save as disclosed above, there is no other information of Ms. Chan that needs to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the Shareholders in respect of Ms. Chan’s re-election.

Mr. Yam Kwong Chun (“Mr. Yam”), *Independent Non-executive Director*

Mr. Yam, aged 53, joined the Company as an Independent Non-executive Director in December 2017 and is the Chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee. Mr. Yam holds a Bachelor of Commerce degree and a Master of Business Administration degree, both from University of Melbourne in Australia. He is a fellow of the Hong Kong Institute of Certified Public Accountants and a certified practising accountant of the CPA Australia. Mr. Yam had worked for Deloitte Touche Tohmatsu, an international accounting firm and as finance executive for a number of group of companies operating in Hong Kong, the PRC, the United States of America and other overseas countries. He is currently the finance director of a multinational company engaged in the business of ODM/OEM design, manufacturing and retail distribution of telecommunication solutions and equipment. He has extensive experience in auditing, accounting and financial management. Mr. Yam is also an independent non-executive director of PT International Development Corporation Limited (stock code: 372), a company listed on the Main Board of the Stock Exchange.

Save as disclosed above, Mr. Yam has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

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

Mr. Yam does not have any relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders.

There is a letter of appointment entered into between the Company and Mr. Yam. According to the letter of appointment, Mr. Yam’s term of service is fixed at a term of twelve-month period which automatically renews for successive twelve-month periods unless terminated by either party in writing prior to the expiry of the term. The directorship of Mr. Yam is subject to retirement by rotation and re-election pursuant to the Bye-laws. Under the letter of appointment of Mr. Yam, he is entitled to receive a director’s fee of HK\$120,000 per annum which has been recommended by the Remuneration Committee and approved by the Board based on his qualifications, experience, level of responsibilities undertaken and prevailing market conditions. The director’s fee of Mr. Yam is subject to annual review by the Remuneration Committee and the Board. The director’s emoluments of Mr. Yam for the year ended 31 March 2018 amounted to approximately HK\$36,000.

Save as disclosed above, there is no other information of Mr. Yam that needs to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the Shareholders in respect of Mr. Yam’s re-election.

Mr. Chiang Bun (“Mr. Chiang”), *Independent Non-executive Director*

Mr. Chiang, aged 48, joined the Company as an Independent Non-executive Director in December 2017 and is the Chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee. Mr. Chiang holds a Bachelor of Social Sciences degree from The University of Hong Kong and a LL.B. from Peking University. Mr. Chiang is also a CFA charter holder. Mr. Chiang has held senior roles in various international banks and financial institutions, primarily responsible for structured debt and/or equity financing. He has extensive experience in the banking and finance industry. Mr. Chiang is an independent non-executive director of Enviro Energy.

Save as disclosed above, Mr. Chiang has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

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

Mr. Chiang does not have any relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders.

There is a letter of appointment entered into between the Company and Mr. Chiang. According to the letter of appointment, Mr. Chiang’s term of service is fixed at a term of twelve-month period which automatically renews for successive twelve-month periods unless terminated by either party in writing prior to the expiry of the term. The directorship of Mr. Chiang is subject to retirement by rotation and re-election pursuant to the Bye-laws. Under the letter of appointment of Mr. Chiang, he is entitled to receive a director’s fee of HK\$120,000 per annum which has been recommended by the Remuneration Committee and approved by the Board based on his qualifications, experience, level of responsibilities undertaken and prevailing market conditions. The director’s fee of Mr. Chiang is subject to annual review by the Remuneration Committee and the Board. The director’s emoluments of Mr. Chiang for the year ended 31 March 2018 amounted to approximately HK\$31,000.

Save as disclosed above, there is no other information of Mr. Chiang that needs to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the Shareholders in respect of Mr. Chiang’s re-election.

Mr. Chai Chi Keung (“Mr. Chai”), *Independent Non-executive Director*

Mr. Chai, aged 55, joined the Company as an Independent Non-executive Director in January 2018 and is the Chairman of the Nomination Committee and a member of the Audit Committee and the Remuneration Committee. Mr. Chai holds a Master of Business degree from the Victoria University of Technology in Australia. He is a certified public accountant of the Hong Kong Institute of Certified Public Accountants, certified practising accountant of the CPA Australia, an associate of The Chartered Institute of Management Accountants in the United Kingdom, an associate and a certified tax adviser of The Taxation Institute of Hong Kong and an ordinary member of the Hong Kong Securities and Investment Institute. Mr. Chai has extensive experience in auditing, taxation, accounting and corporate finance.

Mr. Chai has not held any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

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

Mr. Chai does not have any relationships with any Directors, senior management, substantial Shareholders or controlling Shareholders.

There is a letter of appointment entered into between the Company and Mr. Chai. According to the letter of appointment, Mr. Chai’s term of service is fixed at a term of twelve-month period which automatically renews for successive twelve-month periods unless terminated by either party in writing prior to the expiry of the term. The directorship of Mr. Chai is subject to retirement by rotation and re-election pursuant to the Bye-laws. Under the letter of appointment of Mr. Chai, he is entitled to receive a director’s fee of HK\$120,000 per annum which has been recommended by the Remuneration Committee and approved by the Board based on his qualifications, experience, level of responsibilities undertaken and prevailing market conditions. The director’s fee of Mr. Chai is subject to annual review by the Remuneration Committee and the Board. The director’s emoluments of Mr. Chai for the year ended 31 March 2018 amounted to approximately HK\$20,000.

Save as disclosed above, there is no other information of Mr. Chai that needs to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there is no other matter which needs to be brought to the attention of the Shareholders in respect of Mr. Chai’s re-election.

NOTICE OF AGM



SUSTAINABLE FOREST HOLDINGS LIMITED

永保林業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 723)

NOTICE IS HEREBY GIVEN that the annual general meeting (the “Meeting”) of Sustainable Forest Holdings Limited (the “Company”) will be held at Plaza 3, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 28 September 2018 at 10:30 a.m. for the purposes to consider and, if thought fit, pass the following resolutions:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company and the report of the directors and of the auditor for the year ended 31 March 2018.
2. To re-elect the retiring directors and to authorise the Board of Directors to fix the remuneration of the directors of the Company.
3. To re-appoint Crowe Horwath (HK) CPA Limited as auditor of the Company and to authorise the Board of Directors to fix its remuneration.
4. To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:
 - (A) **“THAT:**
 - (a) subject to paragraph (c) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with authorised and unissued ordinary shares of HK\$0.01 each (the “Shares”) in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants, debentures, notes and any securities carrying rights to subscribe for or convert or exercise into Shares) which might require the exercise of such powers be and is hereby generally and unconditionally approved;

* For identification purpose only

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- (b) the approval in paragraph (a) of this resolution shall authorise the Directors to make or grant offers, agreements or options (including bonds, warrants, debentures, notes and any securities carrying rights to subscribe for or convert or exercise into Shares) during the Relevant Period (as hereinafter defined) which would or might require the exercise of such powers after the end of the Relevant Period;

- (c) the total number of Shares allotted and issued or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as hereinafter defined);
 - (ii) the exercise of options under a share option scheme of the Company;
 - (iii) the exercise of rights of subscription or conversion under the terms of any securities issued by the Company which are convertible or exercisable into Shares; or
 - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on the Shares in accordance with the Bye-laws of the Company from time to time,

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

- (d) for the purpose of this resolution:

“Relevant Period” means the period from the date of 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 or any applicable laws to be held; or
- (iii) the revocation or variation of the authority given to the Directors under this resolution by an ordinary resolution passed by the shareholders of the Company in general meetings.

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“Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares or any class of shares on the register of members on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions 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 any relevant jurisdiction or the requirements of any recognised regulatory body or any stock exchange in any territory applicable to the Company).”

(B) **“THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase ordinary shares of HK\$0.01 each (the “Shares”) in the capital of the Company, subject to and in accordance with the Bye-laws of the Company, the applicable laws, rules and regulations, be and is hereby generally and unconditionally approved;
- (b) the total number of Shares which the Company is authorised to repurchase pursuant to the approval in paragraph (a) of this resolution during the Relevant Period (as hereinafter defined) shall not exceed 10% of the total number of Shares in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution:

“Relevant Period” means the period from the date of 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 or any applicable laws to be held; or
- (iii) the revocation or variation of the authority given to the Directors under this resolution by an ordinary resolution passed by the shareholders of the Company in general meetings.”

NOTICE OF AGM

(C) **“THAT:**

conditional upon the passing of the resolutions numbered 4(A) and 4(B) as set out in the notice convening this meeting (the “Notice”), the general mandate granted to the directors of the Company (the “Directors”) to allot, issue and deal with authorised and unissued ordinary shares of HK\$0.01 each (the “Shares”) in the capital of the Company pursuant to the resolution numbered 4(A) as set out in the Notice be and is hereby extended by the addition thereto of such number of Shares repurchased by the Company under the authority granted to the Directors pursuant to the resolution numbered 4(B) as set out in the Notice, provided that such number of Shares so repurchased shall not exceed 10% of the total number of Shares in issue as at the date of passing of the said resolution.”

By Order of the Board
Sustainable Forest Holdings Limited
Wang Jingyu
Chairlady

Hong Kong, 28 August 2018

NOTICE OF AGM

*Head office and principal place
of business in Hong Kong:*
Room 2902A, 29th Floor
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting is entitled to appoint another person as his/her/its proxy to attend and vote instead of him/her/it. A member of the Company who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf at the Meeting. A proxy need not be a member of the Company. In addition, a proxy or proxies representing either a member of the Company who is an individual or a member of the Company which is a corporation is entitled to exercise the same powers on behalf of the member of the Company which he/she/it or they represent(s) as such member of the Company could exercise.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her/its attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorised to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.
3. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority, together with such evidence as the Board of Directors of the Company may require under the Bye-laws of the Company, shall be delivered to the Hong Kong branch share registrar and transfer office of the Company, Tricor Tengis Limited, at Level 22, 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 of the Meeting or any adjournment thereof (as the case may be) at which the person named in the instrument proposes to vote, and in default the instrument appointing a proxy shall not be treated as valid.
4. Delivery of an instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the Meeting or any adjournment thereof or upon the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint registered holders of any share(s) of the Company, any one of such persons may vote, either personally or by proxy, in respect of such share(s) of the Company as if he/she/it were solely entitled thereto, but if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share(s) of the Company shall alone be entitled to vote in respect thereof.
6. In order to be eligible to attend and vote at the Meeting, all unregistered holders of the shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 20 September 2018.
7. The Chinese version of this notice is for reference only. If there is any conflict between the English and the Chinese versions, the English version shall prevail.
8. As at the date of this notice, the Board of Directors of the Company comprises three Executive Directors, namely Ms. Wang Jingyu (Chairlady), Mr. Lai Ming Wai (Chief Executive Officer) and Ms. Chan Yuk Yee; and three Independent Non-executive Directors, namely Mr. Yam Kwong Chun, Mr. Chiang Bun and Mr. Chai Chi Keung.