



China Fortune Holdings Limited

中國長遠控股有限公司*

(Incorporated in Bermuda with limited liability, carrying on business in H.K. as CFH Limited)

(Stock Code: 110)

(the “Company”)

Shareholder Communication Policy

1. Purpose

- 1.1 The board of directors (the “Board”) of the Company aims to ensure that its shareholders, both individual and institutional (collectively, “Shareholders”), and, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments, governance and risk profile), in order to enable Shareholders to exercise their rights in an informed manner, and to allow Shareholders and the investment community to engage actively with the Company.
- 1.2 For the purpose of this Policy, references to the investment community is intended to include the Company’s potential investors as well as analysts reporting and analyzing the Company’s performance.

2. General Policy

- 2.1 The Board should maintain an on-going dialogue with Shareholders and the investment community, and will conduct a review this Policy on an annual basis to ensure its implementation and effectiveness.
- 2.2 Information shall be communicated to Shareholders and the investment community mainly through the Company’s financial reports (quarterly (if any), interim and annual reports), annual general meetings and other general meetings that may be convened, as well as by making available all announcements, circulars and other corporate communications on the websites of the Company and The Stock Exchange of Hong Kong Limited (“HKEx”).
- 2.3 Effective and timely dissemination of information to Shareholders and the investment community shall be ensured at all times.

* *For identification purpose only*

3. Corporate Communication

- 3.1 All corporate communication of the Company (including quarterly (if any), interim and annual reports, notice of general meeting, announcements and circulars etc) will be provided to Shareholders in both English and Chinese versions to facilitate Shareholders' understanding.
- 3.2 All corporate communication will be sent to Shareholders by post via the Company's Share Registrar, if required under the Rules Governing the Listing of Securities on the HKEx ("Hong Kong Listing Rules"), and will be uploaded on the websites of the Company and HKEx pursuant to the Hong Kong Listing Rules.

4. Company Website

- 4.1 The Company shall maintain an official website. Information on the Company's website (www.fortunetele.com and www.chinafortune.com) will be updated on a regular basis.

5. Shareholders' Meetings

- 5.1 Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings.
- 5.2 Appropriate arrangements for the annual general meeting shall be in place to encourage Shareholders' participation.
- 5.3 The process of the Company's general meeting will be monitored and reviewed on a regular basis, and if necessary, changes will be made to ensure that Shareholders' needs are best served.
- 5.4 For each substantially separate issue at a general meeting, a separate resolution should be proposed by the chairman of that meeting. The Company should avoid "bundling" resolutions unless they are interdependent and linked forming one significant proposal. Where the resolutions are "bundled", issuers should explain the reasons and material implications in the notice of meeting.
- 5.5 The chairman of the Board should attend the annual general meeting. The chairman of the Board should also invite the chairmen of the audit, remuneration, nomination and any other committees of the Company (as appropriate) to attend. In their absence, the chairman of the Board should invite another member of the committee or failing this their duly appointed delegate, to attend. These persons should be available to answer Shareholder's questions at the annual general meeting.

- 5.6 The chairman of the independent board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent Shareholders' approval.
- 5.7 The Company should also ensure the external auditor to attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditors' report, the accounting policies and auditor's independence.
- 5.8 The Company should arrange for the notice to Shareholders to be sent for annual general meetings at least 21 clear business days before the meeting and to be sent at least 14 clear business days for all other general meetings.
- 5.9 Any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution in which relates to purely to a procedural or administrative matter to be voted by a show of hands.

Procedural and administrative matters are those that:

- (i) are not on the agenda of the general meeting or any supplementary circular to members; and
 - (ii) which relate to the chairman's duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Shareholders a reasonable opportunity to express their view.
- 5.10 The Company should ensure that Shareholders are familiar with the detailed procedures for conducting a poll. The chairman of a meeting should ensure that an explanation is provided of the detailed procedures for conducting a poll and answer any questions from Shareholders on voting by poll.
- 5.11 The Company shall inform the Shareholders of the poll voting results of any general meetings by way of publication of announcement in accordance with the Hong Kong Listing Rules.
- 5.12 The Company must state in the poll results announcement directors' attendance at general meeting.

6. Shareholders' rights

6.1 Convening of a special general meeting on requisition by shareholders

Pursuant to clause 58 of the Company's bye-laws, a special general meeting may be convened by the Board upon requisition by any shareholder holding not less than one-tenth of the issued share capital of the Company and the securities being held carrying the right of voting at any general meetings of the Company. The shareholder shall make a written requisition to the Board or the Company Secretary of the Company at the head office address of the Company, specifying the shareholding information of the shareholder, his/her contact details and the proposal regarding any specified transaction/business and its supporting documents.

The Board shall arrange to hold such general meeting within two (2) months after the receipt of such written requisition. Pursuant to clause 59 of the Company's bye-laws, the Company shall serve requisite notice of the general meeting, including the time, place of meeting and particulars of resolutions to be considered at the meeting and the general nature of the business.

If within twenty one (21) days of the receipt of such written requisition, the Board fails to proceed to convene such special general meeting, the shareholder shall do so pursuant to the provisions of Section 74(3) of the Companies Act 1981 of Bermuda (the "Act").

6.2 Procedures for putting forward proposals at general meetings by shareholders

Shareholders are required to follow the Act for including a resolution at an annual general meeting of the Company. The requirements and procedures are set out below:

- i. Pursuant to section 79 of the Act, Shareholder(s) holding (i) not less than one-twentieth of the total voting rights of all Shareholders having the right to vote at the general meeting; or (ii) not less than 100 Shareholders, can submit a written request stating the resolution intended to be moved at the annual general meeting or a statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at a particular general meeting.
- ii. The written request/statements must be signed by the Shareholder(s) concerned and deposited at the Company's registered office and/or principal office in Hong Kong, for the attention of the Company Secretary, not less than six weeks before the annual general meeting in the case of a requisition requiring notice of a resolution and not less than one week before the general meeting in the case of any other requisition.

- iii. Pursuant to section 80 of the Act, if the written request is in order, the Company Secretary will ask the Board (i) to include the resolution in the agenda for the annual general meeting; or (ii) to circulate the statement for the general meeting, provided that the Shareholder(s) concerned have deposited a sum of money reasonably determined by the Board sufficient to meet the Company's expenses in serving the notice of the resolution and/or circulating the statement submitted by the Shareholder(s) concerned in accordance with the statutory requirements to all the registered Shareholders. On the contrary, if the requisition is invalid or the Shareholder(s) concerned have failed to deposit sufficient money to meet the Company's expenses for the said purposes, the Shareholder(s) concerned will be advised of this outcome and accordingly, the proposed resolution will not be included in the agenda for the annual general meeting or the statement will not be circulated for the general meeting.
- iv. If a shareholder, who is duly qualified to attend and vote at the general meeting convened to deal with appointment/election of director(s), wishes to propose a person (other than the Shareholder himself/herself) for election as a director at that meeting, he/she can deposit a written notice at the Company's registered office and/or its principal office in Hong Kong, for the attention of the Company Secretary, not less than seven (7) clear days but not more than fourteen (14) clear days before the date of the general meeting. In order for the Company to inform all Shareholders of that proposal, the written notice must state the full name of the person proposed for election as a director, his/her biographical details as required by rule 13.51(2) of the Hong Kong Listing Rules, and be signed by the Shareholder concerned and that person indicating his/her willingness to be elected.

6.3 Appoint and remove auditor prior to expiration of his term of office

The Shareholders may, at any general meeting convened and held in accordance with the Bye-laws of the Company, by special resolution remove the auditor of the Company at any time before its expiration of term of office and shall by ordinary resolution at that meeting appoint another auditor in its instead for the remaining term of office.

6.4 Procedures for directing shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

The Company Secretary
China Fortune Holdings Limited
Room 1505-06, Tower A, Regent Centre, 63 Wo Yi Hop Road,
Kwai Chung, Hong Kong
Email: info@chinafortune.com
Tel No.: +852 2422 0811
Fax No.: +852 2428 0988

The Company Secretary shall forward the shareholders' enquiries and concerns to the Board and/or relevant board committees of the Company, where appropriate, to answer the shareholders' questions.

7. Shareholder Privacy

7.1 The Company recognizes the importance of Shareholders' privacy and will not disclose Shareholders' information without their consent, unless required by law to do so.

January 2022