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If you have sold or transferred all your shares in **Skyfame Realty (Holdings) Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the licensed securities dealer or registered institution in securities or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or transferee(s).

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天譽置業 (控股) 有限公司
SKYFAME REALTY (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)
(Stock Code: 00059)

**PROPOSED SHARE SUBDIVISION
AND
NOTICE OF SPECIAL GENERAL MEETING**

Financial Adviser
BALLAS
C A P I T A L

A notice convening the special general meeting to be held at Empire Room 1, 1st Floor, Empire Hotel Hong Kong • Wanchai, 33 Hennessy Road, Wanchai, Hong Kong, at 3:00 p.m. on Friday, 19 October 2018 is set out on pages 10 to 11 of this circular. A form of proxy for use at the special general meeting is enclosed with this circular.

Whether or not you intend to attend the special general meeting, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Abacus 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 the special general meeting. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting if you so wish.

3 October 2018

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DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Skyfame Realty (Holdings) Limited (天譽置業(控股)有限公司), a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Existing Share Certificate(s)”	the form of certificate(s) of the Shares
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	27 September 2018, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Share Certificate(s)”	the form of certificate(s) of the Subdivided Shares
“SGM”	the special general meeting of the Company to be held at Empire Room 1, 1st Floor, Empire Hotel Hong Kong • Wanchai, 33 Hennessy Road, Wanchai, Hong Kong, at 3:00 p.m. on Friday, 19 October 2018 to consider and, if thought fit, approve the Share Subdivision

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company prior to the Share Subdivision
“Shareholder(s)”	holder(s) of the Share(s) or Subdivided Shares, as the case may be
“Share Option(s)”	option(s) to subscribe for Share(s) granted by the Company in accordance with the Share Option Schemes
“Share Option Schemes”	(i) the old share option scheme of the Company adopted since 4 August 2005 and expired on 3 August 2015 with 11,767,981 share options outstanding as at the Latest Practicable Date; and (ii) the new share option scheme of the Company adopted on 9 June 2015 with 51,258,000 share options outstanding as at the Latest Practicable Date
“Share Subdivision”	the proposed subdivision of every one (1) issued and unissued Share of par value of HK\$0.01 into three (3) Subdivided Shares of par value of one third Hong Kong cent each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	ordinary share(s) of par value of one third Hong Kong cent each in the share capital of the Company upon completion of the Share Subdivision
“%”	Percentage or per centum

EXPECTED TIMETABLE

The expected timetable relating to the Share Subdivision and the associated trading arrangement are as follows:

2018

Latest time for lodging form of proxy for the SGM
(48 hours before the SGM) 3:00 p.m. on
Wednesday, 17 October

Date and time of the SGM 3:00 p.m. on
Friday, 19 October

Publication of the announcement of the results of the SGM Before 5:00 p.m. on
Friday, 19 October

The following events are conditional upon the fulfilment of the conditions for the implementation of the Share Subdivision as set out in the section headed “Conditions of the Share Subdivision” below:

Effective date of the Share Subdivision Monday, 22 October

First day of free exchange of the Existing Share Certificates
for the New Share Certificates for the Subdivided Shares Monday, 22 October

Dealing in Subdivided Shares commences 9:00 a.m. on
Monday, 22 October

Original counter for trading in Shares in board
lots of 2,000 Shares temporarily closes 9:00 a.m. on
Monday, 22 October

Temporary counter for trading in Subdivided
Shares in board lot size of 6,000 Subdivided Shares
(in the form of Existing Share Certificates) opens 9:00 a.m. on
Monday, 22 October

Original counter for trading in Subdivided Shares in board
lots of 2,000 Subdivided Shares
(in the form of New Share Certificate) reopens 9:00 a.m. on
Monday, 5 November

EXPECTED TIMETABLE

Parallel trading in the Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) commences	9:00 a.m. on Monday, 5 November
Temporary counter for trading in Subdivided Shares in board lot size of 6,000 Subdivided Shares (in the form of Existing Share Certificates) closes	4:10 p.m. on Friday, 23 November
Parallel trading in the Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) ends	4:10 p.m. on Friday, 23 November
Free exchange of the Existing Share Certificates for the New Share Certificates for the Subdivided Shares ends	Tuesday, 27 November

All dates and times specified in this circular refer to Hong Kong local dates and times.

LETTER FROM THE BOARD



天譽置業 (控股) 有限公司 SKYFAME REALTY (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)
(Stock Code: 00059)

Executive Directors:

Mr. YU Pan (*Chairman and Chief Executive Officer*)
Mr. WEN Xiaobing (*Deputy Chief Executive Officer*)
Mr. WONG Lok

Non-executive Director:

Mr. LI Weijing

Independent non-executive Directors:

Mr. CHOY Shu Kwan
Mr. CHENG Wing Keung, Raymond
Ms. CHUNG Lai Fong

Registered Office:

Clarendon House, 2 Church Street
Hamilton, HM 11, Bermuda

*Principal Place of Business
in Hong Kong:*

Unit 1401, 14th Floor, Capital Centre
151 Gloucester Road
Wanchai, Hong Kong

3 October 2018

To the Shareholders

Dear Sir or Madam,

PROPOSED SHARE SUBDIVISION AND NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

Reference is made to the announcement of the Company dated 12 September 2018 in relation to the Share Subdivision. On 12 September 2018, the Board announced the proposal to implement the proposed Share Subdivision whereby every one (1) existing issued and unissued Share of par value of HK\$0.01 each in the share capital of the Company will be subdivided into three (3) Subdivided Shares of par value of one third Hong Kong cent each.

The purpose of this circular is to provide you (i) details of the Share Subdivision; and (ii) a notice convening the SGM.

PROPOSED SHARE SUBDIVISION

The Board proposes to implement the proposed Share Subdivision whereby every one (1) existing issued and unissued Share of par value of HK\$0.01 each in the share capital of the Company will be subdivided into three (3) Subdivided Shares of par value of one third Hong Kong cent each.

LETTER FROM THE BOARD

Conditions of the Share Subdivision

The Share Subdivision is conditional upon:

- (i) the passing of an ordinary resolution to approve the Share Subdivision by the Shareholders at the SGM;
- (ii) the Stock Exchange granting approval for the listing of, and permission to deal in, the Subdivided Shares; and
- (iii) the compliance with the relevant legal procedures and requirements under the laws of Bermuda to implement the Share Subdivision.

The Share Subdivision will become effective after the conditions of the Share Subdivision above are fulfilled.

Listing application

An application has been made by the Company to the Stock Exchange for the listing of, and the permission to deal in the Subdivided Shares.

Subject to the granting of the listing of, and permission to deal in, the Subdivided Shares on the Stock Exchange, the Subdivided Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Save for the US\$30,000,000 10.0 per cent bonds due 2019 trading on the Singapore Exchange Securities Trading Limited announced on 31 August 2018, no part of the share capital or any other securities of the Company is listed or dealt in on any other stock exchange other than the Stock Exchange or on which listing or permission to deal in is being or is proposed to be sought.

Effect of the Share Subdivision

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$300,000,000 divided into 30,000,000,000 Shares of par value of HK\$0.01 each, of which 2,637,133,985 Shares have been issued and are fully paid or credited as fully paid. Assuming that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the SGM, immediately after the Share Subdivision becoming effective, the authorised share capital of the Company will become HK\$300,000,000 divided into 90,000,000,000 Shares of par value of one third Hong Kong cent each, of which 7,911,401,955 Subdivided Shares of par value of one third Hong Kong cent each will be in issue which are fully paid or credited as fully paid following the Share Subdivision becoming effective.

LETTER FROM THE BOARD

Upon the Share Subdivision becoming effective, all Subdivided Shares will rank pari passu with each other in all respects with the Shares in issue prior to the Share Subdivision and the rights attaching to the Subdivided Shares will not be affected by the Share Subdivision.

Board lot size

As at the Latest Practicable Date, the Shares are traded in board lots of 2,000 Shares. Upon the Share Subdivision becoming effective, the board lot size of the Subdivided Shares for trading on the Stock Exchange will remain unchanged with 2,000 Subdivided Shares for each board lot. The Share Subdivision is not expected to result in any odd lots other than those that already exist.

Free exchange of share certificates and trading arrangement

Subject to the Share Subdivision becoming effective, which is expected to be on Monday, 22 October 2018, Shareholders may, during the period from Monday, 22 October 2018 to Tuesday, 27 November 2018 (both days inclusive) between 9:00 a.m. and 4:30 p.m. on any Business Day, submit Existing Share Certificates in light blue to the Company's branch share registrar and transfer office in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, to exchange, at the expense of the Company, for New Share Certificates of the Subdivided Shares in light green. After the expiry of such period, each Existing Share Certificate will be accepted for exchange only on a payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each New Share Certificate issued for the Subdivided Shares or each Existing Share Certificate submitted for cancellation, whichever the number of share certificates issued or cancelled is higher.

The Existing Share Certificates will only be valid for delivery, trading, settlement and registration purposes for the period up to 4:10 p.m. on Friday, 23 November 2018, and thereafter will not be accepted for delivery, trading, settlement and registration purposes. However, the Existing Share Certificates will continue to be good evidence of title to the Subdivided Shares on the basis of one (1) Share for three (3) Subdivided Shares.

It is expected that the new share certificates will be available for collection within a period of ten (10) Business Days after the submission of the Existing Share Certificates to the Company's branch share registrar and transfer office in Hong Kong for exchange.

Securities convertible or exchangeable into Shares

As at the Latest Practicable Date, the Company has 63,025,981 outstanding Share Options granted under the Share Option Schemes. Under the relevant terms and conditions of the Share Option Schemes, the Share Subdivision may lead to adjustments to the exercise price and/or the number of Shares falling to be issued upon the exercise of the Share Options. The Company will make further announcement(s) on such adjustments as and when appropriate.

Save as disclosed above, as at the Latest Practicable Date, the Company does not have any options outstanding under any share option scheme of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

LETTER FROM THE BOARD

REASONS FOR THE SHARE SUBDIVISION

Upon the Share Subdivision becoming effective, the par value of each Share of the Company will decrease and the total number of shares of the Company in issue will increase. As a result, the Share Subdivision is expected to reduce the trading price of each Share in the Company correspondingly which would appeal to more investors. Based on the closing price of HK\$4.96 per Share as at the Latest Practicable Date, (i) the market value per board lot of 2,000 Shares is HK\$9,920; and (ii) the value of each board lot of 2,000 Subdivided Shares, with a theoretical adjusted price of approximately HK\$1.6533 per Subdivided Share assuming the Share Subdivision had already become effective, would be approximately HK\$3,306. As the Share Subdivision will reduce the minimum purchase price of each board lot of Shares, the Board believes that the Share Subdivision will improve the liquidity in trading of the Shares in the Company and thereby widen its Shareholder base.

As at the Latest Practicable Date, the Directors confirm that the Company (i) has no any agreement, arrangement, understanding, intention, negotiation (concluded or otherwise) on any potential equity fund raising activities; and (ii) has no intention to carry out other corporate action which may have an effect of undermining or negating the intended purpose of the Share Subdivision in the coming twelve (12) months. Nevertheless, the Company does not obviate the possibility of conducting equity fund raising activities in the future to finance its business development and expansion as and when necessary.

Save for the expenses incurred by the Company in implementing the Share Subdivision, the Share Subdivision will have no material effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders. The Directors believe that the Share Subdivision will not have any material adverse effect on the financial position of the Group.

In view of the above, the Board considers that the Share Subdivision is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

SGM

A notice convening the SGM to be held at Empire Room 1, 1st Floor, Empire Hotel Hong Kong • Wanchai, 33 Hennessy Road, Wanchai, Hong Kong, at 3:00 p.m. on Friday, 19 October 2018 is set out on pages 10 to 11 of this circular.

A form of proxy for use by the Shareholders at the SGM is enclosed with this circular. Whether or not you intend to attend and vote at the SGM in person, please complete and return the enclosed form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar of the Company in Hong Kong, Tricor Abacus 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 the SGM. Completion and return of the form of proxy will not preclude you from attending and voting at the meeting or any adjourned meeting if you so wish.

In compliance with the Listing Rules, the ordinary resolution will be voted on by way of a poll at the SGM. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting on the ordinary resolution to approve the Share Subdivision at the SGM.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors are of the opinion that the proposed resolution referred in this circular and the notice of SGM is in the best interests of the Company and the Shareholders as a whole. The Directors recommend the Shareholders to vote in favour of the resolution as set out in the notice of SGM.

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 enquires, 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.

By Order of the Board
Skyfame Realty (Holdings) Limited
YU Pan
Chairman

NOTICE OF SGM



天譽置業 (控股) 有限公司
SKYFAME REALTY (HOLDINGS) LIMITED

(incorporated in Bermuda with limited liability)
(Stock Code: 00059)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of the shareholders of Skyfame Realty (Holdings) Limited (the “**Company**”) will be held at Empire Room 1, 1st Floor, Empire Hotel Hong Kong • Wanchai, 33 Hennessy Road, Wanchai, Hong Kong, at 3:00 p.m. on Friday, 19 October 2018 for the purpose of considering and, if thought fit, passing (with or without modifications), the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

1. “**THAT** subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited granting approval for the listing of, and permission to deal in, the Subdivided Shares (as defined below), each of the issued and unissued ordinary shares of par value HK\$0.01 each of the Company be and is hereby subdivided into three (3) ordinary shares of one third Hong Kong cent each of the Company (the “**Subdivided Shares**”), with effect from the business day immediately following the date on which this resolution is passed; such Subdivided Shares shall rank pari passu in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of ordinary shares of the Company contained in the memorandum of association and the bye-laws of the Company; and any director of the Company, acting singly, be and is hereby authorised to sign and execute such documents and do all such acts and things and to effect all necessary actions as he considers necessary, desirable or expedient in order to effect, implement and complete any and all of the aforesaid matters.”

By Order of the Board
Skyfame Realty (Holdings) Limited
YU Pan
Chairman

Hong Kong, 3 October 2018

NOTICE OF SGM

Notes:

- (1) Any shareholder of the Company (the “**Shareholder(s)**”) entitled to attend and vote at the SGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not to be a Shareholder.
- (2) Please insert the number of Shares registered in your name(s). If no number is inserted, the form of proxy will be deemed to relate to all the Shares registered in your name(s).
- (3) Delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the SGM and in such event, the form of proxy shall be deemed to be revoked.
- (4) Where there are joint Shareholders, any one of such joint Shareholder may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint Shareholders be present at the above meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (5) The form of proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company’s branch share registrar in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than forty-eight (48) hours before the time for holding the SGM or any adjournment thereof.
- (6) The register of members of the Company will be closed from Monday, 15 October 2018 to Friday, 19 October 2018 (both days inclusive), for the purpose of determining Shareholders’ entitlement to attend and vote at the SGM, during which day no transfers of shares of the Company will be registered. In order to eligible to attend and vote at the SGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 4:30 p.m. on Friday, 12 October 2018.
- (7) A form of proxy for use at the SGM is enclosed.