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If you have sold or transferred all your shares in CTEH INC., you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



CTEH INC.

加達控股有限公司

(Incorporated in Ontario, Canada and continued in the Cayman Islands with limited liability)

(Stock Code: 1620)

**PROPOSALS FOR
GRANT OF GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES, EXTENSION OF ISSUE MANDATE
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

Capitalised terms used in the lower portion of this cover page and the inside cover page of this circular shall have the same respective meanings as those defined in the section headed "DEFINITIONS" of this circular.

A notice convening the 2019 AGM to be held at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, May 28, 2019 at 10:00 a.m. is set out on pages 15 to 19 of this circular.

A form of proxy for use in connection with the 2019 AGM is enclosed with this circular. Such form of proxy is also published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.toureast.com). If you are not able or do not intend to attend the 2019 AGM in person and wish to exercise your right as a Shareholder, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's Hong Kong branch share registrar and transfer office, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong as soon as possible but in any event, not later than 48 hours before the time appointed for holding the 2019 AGM or its adjournment (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2019 AGM or its adjournment if you so wish. If you attend and vote at the 2019 AGM, the instrument appointing your proxy will be deemed to have been revoked.

April 25, 2019

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DEFINITIONS

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

“2019 AGM”	the AGM to be held at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, May 28, 2019 at 10:00 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting, which is set out on pages 15 to 19 of this circular, or its adjournment
“AGM”	the annual general meeting of the Company
“Articles of Association”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“AT Holdings”	AT Horizons Holdings Inc., a limited liability company incorporated under the laws of the province of Ontario, Canada on August 31, 2011
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“BVATH”	BVATH Inc., a limited liability company incorporated under the laws of the province of Ontario, Canada on August 1, 2017 and continued in the BVI on October 23, 2017. It is wholly-owned by AT Holdings
“BVDCH”	BVDCH Inc., a limited liability company incorporated under the laws of the province of Ontario, Canada on August 1, 2017 and continued in the BVI on October 23, 2017. It is wholly-owned by DC Holdings
“BVI”	the British Virgin Islands
“BVRTH”	BVRTH Inc., a limited liability company incorporated under the laws of the province of Ontario, Canada on August 1, 2017 and continued in the BVI on October 23, 2017. It is wholly-owned by RT Group and is one of the Controlling Shareholders
“Chairperson	the chairperson of the Board
“Chief Executive Officer”	the chief executive officer of company
“close associate(s)”	has the meaning ascribed thereto under the Listing Rules

DEFINITIONS

“Company”	CTEH INC., an exempted company incorporated in the province of Ontario, Canada on August 8, 2017 and registered by way of continuation in the Cayman Islands as an exempted company with limited liability on October 20, 2017, whose Shares in issue are listed and traded on the Stock Exchange (Stock code: 1620)
“Companies Law”	the Companies Law (as revised) of the Cayman Islands, as amended, supplemented and/or otherwise modified from time to time
“Controlling Shareholder(s)”	has the meaning ascribed there under the Listing Rules and in the context of our Company, refers to Mrs. Tsang, RT Group, BVRTH
“core connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“DC Holdings”	Dennis Chu Holdings Inc., a limited liability company incorporated under the laws of the province of Ontario, Canada on August 31, 2011
“Director(s)”	the director(s) of the Company
“Dr. Chu”	Dr. Kwok Chun Dennis Chu, a Non-executive Director and a brother of Mrs. Tsang and Ms. Tsu
“Executive Director(s)”	the executive Director(s)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“INED(s)”	the independent non-executive Director(s)
“Issue Mandate”	the general and unconditional mandate proposed to be granted at the 2019 AGM to the Directors to allot, issue and deal with additional Shares during the relevant period not exceeding 20% of the total number of Shares in issue as at the date of passing the resolution granting such mandate
“Latest Practicable Date”	April 16, 2019, being the latest practicable date for ascertaining certain information contained herein prior to the printing of this circular
“Listing”	the listing of the Shares on the Stock Exchange

DEFINITIONS

“Listing Date”	June 28, 2018, the date on which the Shares in issue were initially listed on the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“Nomination Committee”	the nomination committee of the Board
“Non-executive Director”	the non-executive Director
“PRC”	the People’s Republic of China and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted at the 2019 AGM to the Directors to repurchase Shares during the relevant period not exceeding 10% of the total number of Shares in issue as at the date of passing the resolution granting such mandate
“RT Group”	Rita Tsang Group Holdings Inc., a limited liability company incorporated under the laws of the province of Ontario, Canada on August 31, 2011, and is one of the Controlling Shareholders
“SFC”	the Securities and Futures Commission in Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of nominal value of HK\$0.0001 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Substantial Shareholder(s)”	has the meaning ascribed there under the Listing Rules and in the context of our Company, refers to Mrs. Tsang, RT Group, BVRTH, Ms. Tsu, AT Holdings, BVATH, Dr. Chu, DC Holdings and BVDCH

DEFINITIONS

“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the SFC as amended, supplemented or otherwise modified from time to time
“Tour East Canada”	Tour East Holidays (Canada) Inc., a limited liability company incorporated under the laws of the province of Ontario, Canada and was amalgamated on January 1, 1999. It is an indirect wholly-owned subsidiary of the Company.
“Tour East New York”	Tour East Holidays (New York) Inc., a limited liability company incorporated under the law of the state of New York on November 14, 1980. It is an indirect wholly-owned subsidiary of the Company
“Year”	the year ended December 31, 2018
“%”	per cent

LETTER FROM THE BOARD



CTEH INC.
加達控股有限公司

(Incorporated in Ontario, Canada and continued in the Cayman Islands with limited liability)
(Stock Code: 1620)

Executive Directors:

Mrs. Rita Pik Fong Tsang (*Chairperson*)
Ms. Annie Shuk Fong Tsu
(*Chief Executive Officer*)

Non-executive Director:

Dr. Kwok Chun Dennis Chu

Independent Non-executive Directors:

Dr. Michael Edward Ricco
Mrs. Kitty Yuk-Yee Yeung
Mr. Sik Yuen Lau

Registered Office:

4th Floor, Harbour Place
103 South Church Street
PO Box 10240
Grand Cayman, KY1-1002
Cayman Islands

*Headquarters and Principal Place
of Business in Canada:*

15 Kern Road
Toronto, Ontario
Canada M3B 1S9

*Principal Place of Business in
Hong Kong:*

31st Floor, 148 Electric Road
North Point
Hong Kong

April 25, 2019

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GRANT OF GENERAL MANDATES TO ISSUE SHARES AND
REPURCHASE SHARES, EXTENSION OF ISSUE MANDATE
AND
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The Directors will propose at the 2019 AGM the resolutions for, among other matters, (i) the grant of each of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate and (iii) the proposed re-election of the retiring Directors.

LETTER FROM THE BOARD

The purpose of this circular is to give you notice of the 2019 AGM and provide you with the information regarding the above resolutions to be proposed at the 2019 AGM to enable you to make an informed decision on whether to vote for or against those resolutions.

ISSUE MANDATE

Given that the general and unconditional mandate granted to the Directors to allot, issue and deal with Shares pursuant to the written resolutions of the Shareholders dated May 7, 2018 will lapse at the conclusion of the 2019 AGM, an ordinary resolution will be proposed at the 2019 AGM to grant the Issue Mandate to the Directors. Based on 1,200,000,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the 2019 AGM, if the Issue Mandate is exercised in full, the Directors will be authorised to allot, issue and deal with up to a total of 240,000,000 Shares, being 20% of the total number of Shares in issue as at the date of the resolution in relation thereto. The Issue Mandate, if granted at the 2019 AGM, will continue to be in force until (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Articles of Association or the Companies Law or any applicable laws of the Cayman Islands; or (iii) the date on which such authority is revoked or varied or renewed by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

REPURCHASE MANDATE

Given that the general and unconditional mandate granted to the Directors to repurchase Shares pursuant to the written resolutions of the Shareholders dated May 7, 2018 will lapse at the conclusion of the 2019 AGM, an ordinary resolution will be proposed at the 2019 AGM to grant the Repurchase Mandate to the Directors. Subject to the passing of the proposed ordinary resolution approving the grant of the Repurchase Mandate, based on 1,200,000,000 Shares in issue as at the Latest Practicable Date, and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the 2019 AGM, the Company would be allowed to repurchase a maximum of 120,000,000 Shares, being 10% of the total number of Shares in issue as at the date of the resolution in relation thereto. The Repurchase Mandate, if granted at the 2019 AGM, will continue to be in force until (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Articles of Association or the Companies Law or any applicable laws of the Cayman Islands; or (iii) the date on which such authority is revoked or varied or renewed by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make informed decisions on whether to vote for or against the resolution approving the Repurchase Mandate.

EXTENSION OF ISSUE MANDATE TO ISSUE SHARES

Subject to the passing of the ordinary resolutions to grant each of the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the 2019 AGM to extend the Issue Mandate by including the number of Shares repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, there were two Executive Directors, namely Mrs. Rita Pik Fong Tsang (“**Mrs. Tsang**”) and Ms. Annie Shuk Fong Tsu (“**Ms. Tsu**”); one Non-executive Director, namely Dr. Kwok Chun Dennis Chu (“**Dr. Chu**”); and three INEDs, namely Dr. Michael Edward Ricco, Mrs. Kitty Yuk-Yee Yeung and Mr. Sik Yuen Lau.

Article 109(a) of the Articles of Association provides that one-third of the Directors for the time being or, if their number is a not multiple of three, the number nearest to but not less than one-third, shall retire from office by rotation at each AGM, provided that every Director shall be subject to retirement by rotation at least once every three years. Accordingly, Mrs. Tsang and Ms. Tsu will retire at the 2019 AGM and being eligible, will offer themselves for re-election at the 2019 AGM.

The Nomination Committee had evaluated the performance of each of Mrs. Tsang and Ms. Tsu (collectively, the “**Retiring Directors**”) during the period from their respective dates of appointment to December 31, 2018 and found their performance satisfactory. Therefore, with the recommendation of the Nomination Committee, the Board has proposed that all of the Retiring Directors stand for re-election as Directors at the 2019 AGM. As a good corporate governance practice, each of the Retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the 2019 AGM.

The biographical details of each of the Retiring Directors to be re-elected at the 2019 AGM are set out in Appendix I to this circular in accordance with the relevant requirements under the Listing Rules.

2019 AGM

The Company will convene the 2019 AGM at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, May 28, 2019 at 10:00 a.m., at which the resolutions will be proposed for the purpose of considering and, if thought fit, approving, among others, (i) the grant of each of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include the number of Shares repurchased under the Repurchase Mandate and (iii) the re-election of the Retiring Directors. The notice convening the 2019 AGM is set out on pages 15 to 19 of this circular.

A form of proxy for use in connection with the 2019 AGM is enclosed with this circular and can also be downloaded from the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.toureast.com). If you are not able or do not intend to attend the 2019 AGM in person and wish to exercise your right as a Shareholder, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company’s Hong Kong branch share registrar and transfer office, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong as soon as possible but in any event, not later than 48 hours before the time appointed for holding the 2019 AGM or its adjournment (as the case may be). Completion and return of the form of proxy will not preclude any Shareholder from attending and voting in person at the 2019 AGM or its adjournment should he/she/it so wishes. If the Shareholder attends and votes at the 2019 AGM, the instrument appointing the proxy will be deemed to have been revoked.

LETTER FROM THE BOARD

VOTING BY POLL AT THE 2019 AGM

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairperson of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions to be proposed at the 2019 AGM and contained in the notice of the 2019 AGM will be voted by way of a poll by the Shareholders.

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 (i) the grant of each of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include the number of Shares repurchased under the Repurchase Mandate and (iii) the re-election of the Retiring Directors as set out in the notice of the 2019 AGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the relevant resolutions as set out in the notice of the 2019 AGM on pages 15 to 19 of this circular.

GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
For and on behalf of the Board
CTEH INC.
Mrs. Rita Pik Fong Tsang
Chairperson and Executive Director

The following are the biographical details of the Directors who will retire as required by the Articles of Association and the Listing Rules and are proposed to be re-elected at the 2019 AGM.

Save as disclosed below, there is no other matter concerning the re-election of each of the following Directors that needs to be brought to the attention of the Shareholders, nor is there other information that is required to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

MRS. RITA PIK FONG TSANG

Mrs. Rita Pik Fong Tsang (朱碧芳) (“Mrs. Tsang”), aged 65, is one of the founders of the Group, an Executive Director and Chairperson. Mrs. Tsang successively served as vice president, president and chief executive officer, and chairperson of Tour East Canada and Tour East New York, respectively, since their establishments, and has been primarily responsible for their overall management and was appointed as a Director on August 18, 2017 and was re-designated as an executive Director on September 15, 2017. Mrs. Tsang is responsible for overall strategic planning and business development of the Group.

Mrs. Tsang obtained her Bachelor of Arts degree in general studies from University of Toronto in Canada in June 1978.

Mrs. Tsang has over 40 years of experience in the travel and tourism industry through managing the operations of the Group since inception in 1976.

Mrs. Tsang is one of the Controlling Shareholders. She is the sister of Ms. Tsu, an Executive Director and Dr. Chu, a Non-executive Director. Ms. Tsu and Dr. Chu are Substantial Shareholders.

Mrs. Tsang entered into a service contract with the Company on June 12, 2018 for an initial term of one year commencing on the Listing Date, which may be terminated by not less than three months’ notice served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of the Directors as set out in the Articles of Association. Mrs. Tsang is entitled to a basic annual salary of HK\$2,500,000. Her emolument was determined by the Board by reference to her responsibilities, workload and time devoted to the Group and the performance of the Group and may be adjusted by the Board subject to the recommendations of the Remuneration Committee and the resolutions of the Shareholders at a general meeting. The aggregate emolument of Mrs. Tsang received from the Group for the Year amounted to HK\$2,603,000. Mrs. Tsang is subject to retirement and re-election at the 2019 AGM in accordance with the Articles of Association.

Mrs. Tsang was interested in 540,000,000 Shares, representing 45% of the Shares in issue, through her controlled corporations, RT Group and BVRTH within the meaning of Part XV of the SFO.

MS. ANNIE SHUK FONG TSU

Ms. Annie Shuk Fong Tsu (also known as Shuk Fong Anne Tsu) (朱淑芳) (“Ms. Tsu”), aged 57, is an Executive Director and Chief Executive Officer. Ms. Tsu joined the Group in January 1983 as a travel consultant of Tour East Canada and was responsible for sales and marketing. She successively served various positions in Tour East Canada, including vice president overseeing marketing from September 1992 to December 2000, executive vice president overseeing marketing and information technology from September 2001 to December 2009, president in charge of sales and overall operations from December 2010 to April 2017, and president and chief executive officer overseeing the operations and management since May 2017. Since January 1992, Ms. Tsu also successively served as vice president and executive vice president in Tour East New York, and has been serving as its president and chief executive officer overseeing its operations and management since December 2015. Ms. Tsu was appointed as a Director on August 18, 2017 and was re-designated as an Executive Director on September 15, 2017.

Ms. Tsu attended University of Toronto in Canada from September 1980 to 1982.

Ms. Tsu was awarded Ernst & Young Entrepreneur of the Year Award in tourism and hospitality in Ontario, Canada in 2010.

Ms. Tsu is a Substantial Shareholder and is the sister of Mrs. Tsang, an Executive Director, the Chairperson and a Controlling Shareholder and Dr. Chu, a Non-executive Director and a Substantial Shareholder.

Ms. Tsu entered into a service contract with the Company on June 12, 2018 for an initial term of one year commencing on the Listing Date, which may be terminated by not less than three months’ notice served by either party on the other and is subject to termination provisions therein and provisions on retirement by rotation of the Directors as set out in the Articles of Association. Ms. Tsu is entitled to a basic annual salary of HK\$2,500,000. Her emolument was determined by the Board by reference to her responsibilities, workload and time devoted to the Group and the performance of the Group and may be adjusted by the Board subject to the recommendations of the Remuneration Committee and the resolutions of the Shareholders at a general meeting. The aggregate emolument of Ms. Tsu received from the Group for the Year amounted to HK\$4,022,000. Ms. Tsu is subject to retirement and re-election at the 2019 AGM in accordance with the Articles of Association.

Mrs. Tsang was interested in 270,000,000 Shares, representing 22.5% of the Shares in issue, through her controlled corporations, AT Holdings and BVATH within the meaning of Part XV of the SFO.

Save as disclosed above, each of the above Directors (i) had not held any directorship in the last three years in any public company, the securities of which are listed on any securities market in Hong Kong or overseas; and (ii) confirms with respect to her that as at the Latest Practicable Date: (a) she did not hold other positions in the Company or other members of the Group; (b) she did not have any relationship with any other Directors, senior management, substantial shareholder or controlling shareholder of the Company; and (c) she did not have any interests in the Shares, underlying Shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.

This appendix serves as an explanatory statement as required by Rule 10.06 of the Listing Rules to be given to all Shareholders relating to the resolution to be proposed at the 2019 AGM granting the Repurchase Mandate.

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

1. SHAREHOLDERS' APPROVAL

All proposed repurchase of shares on the Stock Exchange by the Company must be approved in advance by the Shareholders by an ordinary resolution of the Company, either by way of a general mandate or by a specific approval to the Directors.

2. REPURCHASE OF SECURITIES FROM CORE CONNECTED PERSONS

Under the Listing Rules, the Company is prohibited from knowingly purchasing Shares on the Stock Exchange from a core connected person. As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, 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 or has undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

3. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,200,000,000 Shares. Subject to the passing of the proposed ordinary resolution approving the grant of the Repurchase Mandate and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of passing such resolution at the 2019 AGM, the Directors would be authorized to repurchase up to a maximum of 120,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of passing the relevant resolution. The Repurchase Mandate will continue to be in force until (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Articles of Association or the Companies Law or any applicable laws of the Cayman Islands; or (iii) the date on which such authority is revoked or varied or renewed by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

4. REASONS FOR REPURCHASES

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value per share and/or earnings per share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

5. FUNDING OF REPURCHASES

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company's funds legally available in accordance with the laws of the Cayman Islands and the Articles of Association for such purpose.

6. IMPACT ON WORKING CAPITAL OR GEARING POSITION

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital or gearing position of the Company when compared with that as at December 31, 2018, being the date of its latest published audited consolidated financial statements. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing position of the Company, which in the opinion of the Directors is from time to time appropriate for the Company.

7. SHARE PRICES

The highest and lowest market prices at which the Shares had been traded on the Stock Exchange since the Listing Date and up to the Latest Practicable Date were as follows:

Month	Traded Price Per Share (HK\$)	
	Highest	Lowest
2018		
June (since the Listing Date)	0.365	0.355
July	0.360	0.235
August	0.275	0.242
September	0.249	0.205
October	0.246	0.210
November	0.295	0.246
December	0.285	0.255
2019		
January	0.275	0.240
February	0.249	0.228
March	0.250	0.230
April (up to and including Latest Practicable Date)	0.265	0.240

8. DIRECTORS AND THEIR CLOSE ASSOCIATES

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their respective close associates, has any present intention to sell to the Company or any member of the Group any of the Shares if the Repurchase Mandate is approved at the 2019 AGM.

9. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

10. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such an increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge and belief of the Directors, as at the Latest Practicable Date, BVRTH, BVATH and BVDCH were beneficially interested in 540,000,000, 270,000,000 and 90,000,000 Shares, representing 45%, 22.5% and 7.5%, respectively, of the total number of Shares in issue. BVRTH is beneficially and wholly-owned by RT Group in which Mrs. Tsang, the Chairperson and an Executive Director, is entitled to 90.9% of the voting rights in her own capacity. By virtue of the SFO, Mrs. Tsang is deemed to be interested in 540,000,000 Shares held by BVRTH, representing 45% of the total number of Shares in issue. BVATH is beneficially and wholly-owned by AT Holdings, which in turn is wholly-owned by Ms. Tsu, the Chief Executive Officer and an Executive Director. By virtue of the SFO, Ms. Tsu is deemed to be interested in 270,000,000 Shares held by BVATH, representing 22.5% of the total number of Shares in issue. BVDCH is beneficially and wholly-owned by DC Holdings which in turn is wholly-owned by Dr. Chu, the Non-executive Director. By virtue of the SFO, Dr. Chu is deemed to be interested in 90,000,000 Shares held by BVDCH, representing 7.5% of the total number of Shares in issue. In the event that the Directors exercise in full the Repurchase Mandate, the proportionate deemed shareholding interests in the Company of each of Mrs. Tsang, RT Group, BVRTH, Ms. Tsu, AT Holdings, BVATH, Dr. Chu, DC Holdings and BVDCH would be increased to 50%, 25% and approximately 8.3%, respectively of the total number of the Shares in issue and such increase may give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any repurchase of Shares under the Repurchase Mandate.

The Takeovers Code provides that subject to exceptions, where any person who, together with persons acting in concert, holds not less than 30% but not more than 50% of the voting rights, acquires in any period of 12 months additional shares carrying more than 2% of the voting rights (creeper), such a person should make a general/mandatory offer to the other shareholders to acquire as soon as possible the remaining shares not owned by that person. As such, Mrs. Tsang, RT Group and BVRTH are subject to this requirement.

Assuming that there is no further issue of Shares between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase Mandate in whole or in part may result in the total amount of Shares in issue in the public hands falling below the prescribed minimum percentage of 25%. As required by the Listing Rules, a listed issuer must maintain the said minimum public float. The Directors confirm that the Repurchase Mandate will not be exercised to the extent as may result in the amount of the Shares held by the public being reduced to less than 25% of the total number of Shares in issue.

11. SHARES REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) since the Listing Date up to the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



CTEH INC.

加達控股有限公司

(Incorporated in Ontario, Canada and continued in the Cayman Islands with limited liability)

(Stock Code: 1620)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of CTEH INC. (the “**Company**” and the “**AGM**”, respectively) will be held at 24/F., Admiralty Centre I, 18 Harcourt Road, Hong Kong on Tuesday, May 28, 2019 at 10:00 a.m. (or the adjournment thereof) for the following purposes:

AS ORDINARY BUSINESSES

1. To consider and receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditor of the Company for the year ended December 31, 2018;
2. To approve the payment of a final dividend of 0.46 HK Cents per ordinary share of the Company for the year ended December 31, 2018.
3. (a) To re-elect Mrs. Rita Pik Fong Tsang as an executive director of the Company; and
(b) To re-elect Ms. Annie Shuk Fong Tsu as an executive director of the Company;
4. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company for the year ending December 31, 2019;
5. To re-appoint PricewaterhouseCoopers LLP as the independent auditor of the Company and authorise the board of directors of the Company to fix its remuneration;
6. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) of this Resolution below and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (the “**Shares**”) or securities

NOTICE OF ANNUAL GENERAL MEETING

convertible into or exchangeable for Shares, or options, for similar rights to subscribe for any Shares and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this Resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of the Shares allotted or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “**Articles of Association**”) in force from time to time, shall not exceed 20% of the aggregate number of the issued Shares as at the date of the passing of this Resolution and such approval shall be limited accordingly; and
- (d) for the purposes 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 to be held by the Articles of Association, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised from time to time) of the Cayman Islands or any other applicable laws; and
- (iii) the date on which the authority set out in this Resolution is revoked and varied by way of an ordinary resolution by the shareholders of the Company in a general meeting;

“**Rights Issue**” means an offer of Shares, or offer or issue of options or other similar instruments giving the rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company or any recognised regulatory body or any stock exchange applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

7. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“THAT:

- (a) subject to paragraph (b) of this Resolution below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase the shares of the Company (the “**Shares**”) in issue on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Commission**”) and the Stock Exchange for this purpose, subject to and in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised from time to time) of the Cayman Islands or any other applicable laws, the Code on Share Buy-backs approved by the Commission and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution above during the Relevant Period (as defined below) shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution above shall be limited accordingly; and
- (c) for the purposes 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 to be held by the Articles of Association, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised from time to time) of the Cayman Islands or any other applicable laws; and
- (iii) the date on which the authority set out in this Resolution is revoked and varied by way of an ordinary resolution by the shareholders of the Company in a general meeting.”

8. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“THAT conditional upon Resolutions numbered 6 and 7 set out in the notice convening this meeting (the “**Notice**”) being passed, the general and unconditional mandate granted to the directors of the Company pursuant to Resolution numbered 6 set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate number

NOTICE OF ANNUAL GENERAL MEETING

of the shares in the capital of the Company (the “**Shares**”) repurchased under the authority granted pursuant to Resolution numbered 7 set out in the Notice, provided that such amount shall not exceed 10% of the total number of Shares in issue as at the date of passing this Resolution.”

By Order of the Board
CTEH INC.
Mrs. Rita Pik Fong Tsang
Chairperson and executive Director

April 25, 2019

Registered Office:

4th Floor, Harbour Place
103 South Church Street
PO Box 10240
Grand Cayman, KY1-1002
Cayman Islands

Headquarters and Principal Place of Business in Canada:

15 Kern Road
Toronto, Ontario
Canada M3B 1S9

Principal Place of Business in Hong Kong:

31st Floor, 148 Electric Road
North Point
Hong Kong

Notes:

1. Any member of the Company (the “**Member**”) entitled to attend and vote at the AGM or its adjourned meeting (as the case may be) is entitled to appoint one (or, if he/she/it holds two or more Shares, more than one) proxy to attend and vote instead of him/her/it. A proxy needs not be a Member but must be present in person at the AGM to represent the Member. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which such proxy is so appointed.
2. Completion and return of the form of proxy will not preclude a Member from attending and voting in person at the AGM if he/she/it so wishes. In the event of a Member who has lodged a form of proxy attending the AGM in person, the form of proxy will be deemed to have been revoked.
3. In order to be valid, the duly completed and signed form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority, at the office of the Company’s branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong as soon as possible but in any event, not later than 48 hours before the time appointed for holding the AGM or its adjournment (as the case may be).

NOTICE OF ANNUAL GENERAL MEETING

4. For determining the entitlement of the Members to attend and vote at the AGM, the register of members of the Company (“**Register of Members**”) will be closed from Thursday, May 23, 2019 to Tuesday, May 28, 2019 (both days inclusive), during which period no transfer of Shares will be effected. To qualify for attending and voting at the AGM, non-registered Members must lodge all transfer documents, accompanied by the relevant share certificates with the Company’s branch share registrar and transfer office in Hong Kong, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Wednesday, May 22, 2019.
5. Conditional on the passing of the proposed Resolution numbered 2 above and for determining the entitlement of the Members to receive the final dividend, the Register of Members will be closed from Wednesday, June 5, 2019 to Tuesday, June 11, 2019 (both days inclusive), during which period no transfer of Shares will be effected. To qualify for the said dividend, non-registered Members must lodge all transfer documents, accompanied by the relevant share certificates with the Company’s Hong Kong Share Registrar, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration no later than 4.30 p.m. on Tuesday, June 4, 2019.
6. In relation to the proposed resolutions numbered 3(a) to (b) above, Mrs. Rita Pik Fong Tsang and Ms. Annie Shuk Fong Tsu will retire as Directors at the AGM and, being eligible, offer themselves for re-election. Details of the above Directors are set out in Appendix I to the Company’s circular dated April 25, 2019 (the “**Circular**”).
7. In relation to the proposed resolution numbered 5 above, the board of Directors (the “**Board**”) concurs with the views of the audit committee of the Board and has recommended that PricewaterhouseCoopers LLP be re-appointed as the independent auditor of the Company.
8. In relation to the proposed resolution numbered 6 above, approval is being sought from the Members for the grant to the Directors of a general and unconditional mandate to authorise the allotment and issue of Shares under the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). The Directors have no immediate plans to issue any new Shares.
9. In relation to the proposed resolution numbered 7 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares only in the circumstances which they consider appropriate for the benefit of the Company and the Members as a whole. An explanatory statement containing the information necessary to enable the Members to make an informed decision to vote on the proposed resolution as required by the Listing Rules is set out in Appendix II to the Circular.
10. In compliance with Rule 13.39(4) of the Listing Rules, voting on all proposed resolutions set out in this Notice will be decided by way of a poll. The Company will announce the poll results of the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.
11. Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the AGM personally or by proxy, that one of the said persons so present whose name stands first on the Register of Members in respect of such Share shall alone be entitled to vote in respect thereof.
12. The translation into Chinese language of this Notice is for reference only. In case of any inconsistency, the English version shall prevail.