
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your securities in Frontier Services Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the 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 the transferee.

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**FRONTIER SERVICES GROUP LIMITED****(先豐服務集團有限公司*)***(incorporated in Bermuda with limited liability)***(Stock Code: 00500)****GRANTING OF GENERAL MANDATE TO ISSUE NEW SHARES
AND TO REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
PROPOSED AMENDMENT TO THE BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice of the Annual General Meeting to be held at Suite 3902, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Wednesday, 3 June 2020 at 10:00 a.m. is set out on pages 16 to 22 of this circular. A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. If you intend to attend the Annual General Meeting in person, please complete the form of proxy in accordance with the instructions printed thereon and return it to the branch share registrars of the Company, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

Please see pages 21 and 22 of this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the Annual General Meeting, including:

- compulsory body temperature checks and health declarations
- compulsory wearing of a surgical face mask for each attendee
- no refreshment will be served

Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the meeting venue. The Company reminds shareholders that they may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting as an alternative to attending the meeting in person.

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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 Group. 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.

DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at Suite 3902, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Wednesday, 3 June 2020 at 10:00 a.m., or any adjournment thereof (or as the case may be)
“close associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Company”	Frontier Services Group 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 same meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“General Mandate”	a general mandate to allot, issue and deal with new Shares not exceeding 20% of the total number of the share capital of the Company in issue as at the date of passing of the ordinary resolution in relation thereof
“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 People’s Republic of China
“Latest Practicable Date”	21 April 2020, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors to exercise all the powers of the Company to repurchase the Shares
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	the ordinary share(s) of HK\$0.10 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
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent.



FRONTIER SERVICES GROUP LIMITED

(先豐服務集團有限公司*)

(incorporated in Bermuda with limited liability)

(Stock Code: 00500)

Non-executive Directors:

Mr. Chang Zhenming (*Chairman*)

Mr. Zhang Yichen

Mr. Fei Yiping

Registered office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Executive Directors:

Mr. Erik D. Prince (*Deputy Chairman*)

Mr. Ko Chun Shun, Johnson (*Deputy Chairman*)

Mr. Luo Ning (*Deputy Chairman*)

Dr. Hua Dongyi (*Chief Executive Officer*)

Principal place of business

in Hong Kong:

Suite 3902, 39/F,

Far East Finance Centre

16 Harbour Road

Admiralty

Hong Kong

Independent Non-executive Directors:

Mr. Yap Fat Suan, Henry

Professor Lee Hau Leung

Dr. Harold O. Demuren

28 April 2020

To the Shareholders

Dear Sir/Madam,

**GRANTING OF GENERAL MANDATE TO ISSUE NEW SHARES
AND TO REPURCHASE SHARES
RE-ELECTION OF DIRECTORS
PROPOSED AMENDMENT TO THE BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding certain resolutions to be proposed at the Annual General Meeting to enable you to make decisions on whether to vote for or against those resolutions.

* For identification purposes only

LETTER FROM THE BOARD

At the Annual General Meeting, resolutions, amongst others, will be proposed for the Shareholders to approve (a) the grant of the General Mandate; (b) the Repurchase Mandate; (c) the re-election of the Directors; and (d) the proposed amendment to the Bye-Laws.

GENERAL MANDATE TO ISSUE NEW SHARES

At the Annual General Meeting, an ordinary resolution will be proposed to approve the General Mandate for the Directors to allot, issue and otherwise deal with new Shares not exceeding 20% of the total number of the share capital of the Company in issue at the date of passing such resolution. As at the Latest Practicable Date, the number of Shares in issue was 2,344,818,660. Assuming no further Shares will be issued before the date of the Annual General Meeting, the Directors would be granted a General Mandate to issue up to 468,963,732 Shares.

The General Mandate, if granted, will continue in force until the earlier of (a) the conclusion of the next annual general meeting of the Company after the Annual General Meeting; or (b) it is revoked or varied by an ordinary resolution passed in a general meeting of the Company.

REPURCHASE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed to the Shareholders to grant to the Directors to exercise all powers of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the Annual General Meeting. Assuming no further shares will be issued before the date of the Annual General Meeting, the Directors would be granted a Repurchase Mandate to repurchase up to 234,481,866 Shares.

If the resolution for the Repurchase Mandate is passed at the Annual General Meeting, the Repurchase Mandate would continue in force until the earlier of (a) the conclusion of the next annual general meeting of the Company after the Annual General Meeting; or (b) it is revoked or varied by an ordinary resolution passed in a general meeting of the Company.

An explanatory statement to provide the Shareholders with all the information reasonably necessary for them to make an informed decision in relation to the proposed resolution as required by the Listing Rules is set out in the Appendix I to this circular.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to bye-laws 83(2) and/or 84(1) of the Bye-Laws, Mr. Luo Ning (“**Mr. Luo**”), Mr. Yap Fat Suan, Henry (“**Mr. Yap**”), Dr. Harold Olusegun Demuren (“**Dr. Demuren**”), Mr. Zhang Yichen (“**Mr. Zhang**”) and Mr. Fei Yiping (“**Mr. Fei**”) shall retire and being eligible, offer themselves for re-election at the Annual General Meeting.

The nomination committee of the Company (the “**Nomination Committee**”) had reviewed the annual confirmation of independence provided by Dr. Demuren and was satisfied that Dr. Demuren meets the independence criteria as set out in Rule 3.13 of the Listing Rules and that there were no relationships or circumstances which are likely to affect his independent judgement.

Particular attention was given to Mr. Yap’s independence stance to serve as an independent non-executive Director. Pursuant to the code provision set out in paragraph A.4.3 of Appendix 14 of the Listing Rules, if an independent non-executive director serves more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders. Notwithstanding that Mr. Yap has served as an independent non-executive Director for more than nine years, (i) the Company has received from Mr. Yap an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and he does not have any management roles in the Group nor any relationship with any Director, senior management, or substantial or controlling shareholder of the Company; (ii) Mr. Yap has provided valuable contributions to the Company and demonstrated his ability to exercise independent judgment and provide a balanced and objective view in relation to the Company’s affairs; (iii) his extensive experience in his own fields is relevant to the Company’s business; and (iv) his educational background and diversity of experience have enabled him to provide valuable and diverse views, as well as relevant insights to the Board and contribute to the diversity of the Board. In view of the above reasons and factors, the Board therefore recommends the re-election of Mr. Yap as an independent nonexecutive Director.

Having reviewed the structure, size and composition (including but not limited to the skills, knowledge, experience and diversity) of the Board and taken into account the respective vast experience and contributions of Mr. Luo, Mr. Yap, Dr. Demuren, Mr. Zhang and Mr. Fei to the Board, the Nomination Committee is of the view that the nomination of Mr. Luo, Mr. Yap, Dr. Demuren, Mr. Zhang and Mr. Fei will continue to bring valuable perspectives, skills and experiences to the Board.

LETTER FROM THE BOARD

Accordingly, with the recommendation of the Nomination Committee, the Board has proposed all the above retiring Directors to stand for re-election as Directors at the Annual General Meeting. As a good corporate governance practice, each of the retiring Directors abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Nomination Committee and Board meetings

Brief biographical details of the retiring directors who are proposed to be re-elected at the Annual General Meeting are set out below.

Mr. Luo Ning, aged 61, has been an executive Director since October 2006 and was appointed as a deputy chairman of the Company on 10 January 2014. Mr. Luo is currently the chairman of CITIC Guoan Information Industry Company Limited (stock code: sz000839), the shares of which are listed on the Shenzhen Stock Exchange in the People's Republic of China ("PRC").

On 27 May 2019, Mr. Luo resigned as executive director of CITIC Telecom International Holdings Limited (stock code: 1883), the shares of which are listed on the Main Board of the Stock Exchange. Subsequently on 21 June 2019, Mr. Luo also resigned as non-executive director of Lajin Entertainment Network Group Limited (stock code: 8172), the shares of which are listed on the GEM of the Stock Exchange. He is also a non-executive director of Asia Satellite Telecommunications Holdings Limited, the shares of which were privatised and delisted from the Main Board of the Stock Exchange in September 2019. Mr. Luo has extensive experience in telecommunication business and holds a bachelor degree in Communication Speciality from The Wuhan People's Liberation Army Institute of Communication Command in the PRC.

As at the Latest Practicable Date, Mr. Luo did not have any interests in Shares within the meaning of the Part XV of the SFO.

Mr. Luo has not entered into any service contract with the Company and is not appointed for a specific term for acting as an executive Director, but will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. Mr. Luo's remuneration is determined by reference to his duties and responsibilities with the Company and the prevailing market condition and is subject to review by the Remuneration Committee of the Company and the Board from time to time.

Mr. Luo currently does not receive any fixed fee for acting as the Director.

Save as disclosed above, (i) Mr. Luo does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company; and (ii) there are no other matters relating to the re-election of Mr. Luo that needs to be brought to the attention of the Shareholders nor is there other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

LETTER FROM THE BOARD

Mr. Yap Fat Suan, Henry, aged 74, has been an independent non-executive Director since September 2004. He is the chairman of the Audit Committee and a committee member of the Risk Committee, the Nomination Committee and the Remuneration Committee of the Company. Mr. Yap holds a master's degree in Business Administration from the University of Strathclyde, Glasgow, in the United Kingdom and is a fellow member of the Institute of Chartered Accountants in England and Wales and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Yap is also an independent non-executive director of Concord New Energy Group Limited (stock code: 182), the shares of which are listed on the Main Board of the Stock Exchange, and Brockman Mining Limited (stock code: 159), the shares of which are listed on the main board of the Stock Exchange and the Australian Securities Exchange.

As at the Latest Practicable Date, Mr. Yap did not have any interests in Shares within the meaning of Part XV of the SFO.

Mr. Yap has entered into a letter of appointment with the Company and is appointed for a term of 3 years and will be subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-Laws. Mr. Yap's remuneration is determined by reference to his duties and responsibilities with the Company and the prevailing market condition. Mr. Yap currently receives an annual director fee of US\$70,000 for serving as an independent non-executive Director.

Save as disclosed above, (i) Mr. Yap does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company; and (ii) there are no other matters relating to the re-election of Mr. Yap that needs to be brought to the attention of the Shareholders nor is there other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Dr. Harold O. Demuren, aged 74, has served as an independent non-executive Director since 2014. He is also a committee member of the Risk Committee, the Audit Committee, the Nomination Committee and the Remuneration Committee of the Company. Dr. Demuren is an aeronautical engineer and the chief executive officer of Harold Demuren Consulting. With over 45 years of experience in both the public and private sectors of the aviation industry, Dr. Demuren has been a strong proponent of aviation safety and security, especially advocating and spreading safety regulatory oversight on the African continent. He was the chief executive officer of Afrijet Airlines, a successful cargo airline, which had strategic alliances with foreign partners servicing Africa, Europe and the Americas from 1998 to 2005. He is the founder of Evergreen Apple Nigeria, the first fully integrated fixed based operations and maintenance facility hangar in Nigeria. He was appointed as the Director General of the Nigerian Civil Aviation Authority from 2005 to 2013 and was the first to provide vital information to the public on the failed attempt of the "Christmas

LETTER FROM THE BOARD

Day Bomber” in 2009. He successfully attained US Federal Aviation Administration (FAA) Category One Certification for Nigeria and was the first African to be elected as the President of the International Civil Aviation Organisation (ICAO) General Assembly in Montreal in 2010. For his contribution to aviation safety globally, Dr. Demuren has received numerous awards including the 2010 Laura Taber Barbour Air Safety Award and the 2014 FSF-Boeing Aviation Safety Lifetime Achievement Award from Flight Safety Foundation. Dr. Demuren holds a Master of Science degree in Aeronautical Engineering from the Kiev Institute of Aeronautical Engineers in the former Soviet Union and a Doctor of Science degree in the field of gas turbines, specialising in aircraft jet engines, from the Massachusetts Institute of Technology (MIT).

As at the Latest Practicable Date, Dr. Demuren has interests in 1,400,000 Shares within the meaning of Part XV of the SFO.

Dr. Demuren has entered into a letter of appointment with the Company for a term of 3 years and will be subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-Laws. Dr. Demuren’s remuneration is determined by reference to his duties and responsibilities with the Company and the prevailing market condition and is subject to review by the Remuneration Committee of the Company and the Board from time to time. Dr. Demuren receives an annual director fee of US\$70,000 for serving as an independent non-executive Director.

Save as disclosed above, (i) Dr. Demuren does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company; and (ii) there are no other matters relating to the re-election of Dr. Demuren that need to be brought to the attention of the Shareholders nor is there other information that needs to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Zhang Yichen, aged 56, was appointed as a non-executive Director on 24 March 2020. Mr. Zhang began his career in 1987 and has previously worked for Greenwich Capital Markets, Bank of Tokyo New York Branch as head of proprietary trading, and Merrill Lynch, where he was the managing director of debt capital market for Greater China. He returned to China in the mid-1990s and advised the Ministry of Finance of the People’s Republic of China and other Chinese agencies on the development of the domestic government bond market.

Mr. Zhang is the chairman and the chief executive officer of CITIC Capital Holdings Limited, a global alternative investment management and advisory company. Prior to his participation in founding CITIC Capital Holdings Limited, from March 2000 to May 2002, he was an executive director of CITIC Limited (stock code: 267), a substantial shareholder of the Company and the shares of which are listed on the Main Board of the

LETTER FROM THE BOARD

Stock Exchange, and was also the president of CITIC Pacific Communications Limited. He served as an independent director of Weibo Corporation (stock ticker: WB), the shares of which are listed on NASDAQ, from January 2014 to December 2015. Since May 2002, he has been serving as an independent director of Sina Corporation (stock ticker: SINA), the shares of which are listed on NASDAQ. Since June 2012, he has been serving as the chairman of the board and a non-executive director of Genertec Universal Medical Group Company Limited (stock code: 2666), the shares of which are listed on the Main Board of the Stock Exchange. Since December 2016, he has been serving as a director of S.F. Holding Co., Ltd. (stock code: 002352.SZ), the shares of which are listed on the Shenzhen Stock Exchange. Since June 2018, he has been serving as a non-executive director of AsiaInfo Technologies Limited (stock code: 1675), the shares of which are listed on the Main Board of the Stock Exchange. He also serves as the chairman of the board of McDonald's China and the chairman of Harbin Pharmaceutical Group Holding Co. Ltd.. He is a member of the 11th, 12th and 13th National Committee of the Chinese People's Political Consultative Conference.

Mr. Zhang obtained a Bachelor of Science degree in computer science and engineering from Massachusetts Institute of Technology in the United States of America in June 1986.

As at the Latest Practicable Date, Mr. Zhang did not have any interests in Shares within the meaning of Part XV of the SFO.

Mr. Zhang entered into a letter of appointment with the Company for a term of 3 years and does not receive any compensation for his position as a non-executive Director. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws.

Save as disclosed above, (i) Mr. Zhang does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company; and (ii) there are no other matter that need to be brought to the attention of the Shareholders nor is there any information to be disclosed to the Company pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

Mr. Fei Yiping, aged 56, was appointed as a non-executive Director on 24 March 2020. Mr. Fei is a director and the chief financial officer of CITIC Pacific Limited (“**CITIC Pacific**”, a wholly-owned subsidiary of CITIC Limited). He is also the deputy general manager of financial control department of CITIC Limited, a director and the chief financial officer of CITIC Hong Kong (Holdings) Limited, a vice chairman and president of CITIC Pacific China Holdings Limited, a director and general manager of Rainbow Wisdom Investments Limited (a subsidiary of CITIC Group Corporation (“**CITIC Group**”)), a non-executive director of CITIC Telecom International Holdings

LETTER FROM THE BOARD

Limited (stock code: 1883), the shares of which are listed on the Main Board of the Stock Exchange, a non-executive director of Dah Chong Hong Holdings Limited, the shares of which were withdrawn from listing on the Main Board of the Stock Exchange on 10 January 2020, and a director of Companhia de Telecomunicações de Macau, S.A.R.L.. He is also a director of certain member companies of CITIC Pacific involved in special steel, property and energy and a director of certain member companies of CITIC Limited involved in iron ore mining, property and its interests in McDonald's mainland China and Hong Kong businesses (including, inter alia, Grand Foods Holdings Limited), and also the chairman of the audit, compliance and risk management committees of Grand Foods Holdings Limited.

Mr. Fei is a graduate from Beijing Science and Technology University and received a Master in Business Administration from the University of Edinburgh in the United Kingdom. He is a Fellow of CPA Australia (FCPA) with over 23 years of experience in accounting and financial management. He has been with CITIC Group since 1991. Between 2001 and 2008, he first acted as treasurer and director of CitiSteel USA, Inc. and then acted as a vice president of CITIC USA Holdings, Inc. and chief representative of CITIC Group in New York. When he returned to China in 2008, he became a deputy director-general of the finance department of CITIC Group.

As at the Latest Practicable Date, Mr. Fei did not have any interests in Shares within the meaning of Part XV of the SFO.

Mr. Fei entered into a letter of appointment with the Company for a term of 3 years and does not receive any compensation for his position as a non-executive Director. He is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws.

Save as disclosed above, (i) Mr. Fei does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company; and (ii) there are no other matters that need to be brought to the attention of the Shareholders nor is there any information to be disclosed to the Company pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

PROPOSED AMENDMENT TO THE BYE-LAWS

As set out in the announcement of the Company dated 24 March 2020, the Board proposes to amend the Bye-Laws to facilitate the appointment of an additional independent non-executive Director.

Details of the proposed amendment to the Bye-Laws are set out below:

LETTER FROM THE BOARD

Bye-Law 83(6)

By deleting the existing bye-law 83(6) of the Bye-Laws in its entirety and replacing it with the following:

“83. (6) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting.”

The proposed amendment to the Bye-Laws is subject to the approval of the Shareholders by way of a special resolution at the Annual General Meeting. The Board confirms that there is nothing unusual about the proposed amendment to the Bye-Laws for a company listed in Hong Kong.

RECOMMENDATIONS

At the Annual General Meeting, resolutions, amongst others, will be proposed for the Shareholders to approve (a) the grant of the General Mandate; (b) the Repurchase Mandate; (c) the re-election of Directors; and (d) the proposed amendment to the Bye-Laws.

Pursuant to the Listing Rules the voting on all proposed resolutions at the Annual General Meeting will be taken by way of a poll.

The Directors consider that all the proposed resolutions at the Annual General Meeting are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of all the resolutions at the Annual General Meeting.

A form of proxy for use by the Shareholders at the Annual General Meeting is enclosed. Whether or not you intend to attend and vote at the Annual General Meeting in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the branch share registrars of the Company, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as practicable but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the Annual General Meeting or any adjourned meeting thereof should you so wish.

Yours faithfully,
For and on behalf of the Board
Frontier Services Group Limited
Chan Kam Kwan, Jason
Company Secretary

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide information to the Shareholders regarding the Repurchase Mandate as referred to in the section headed “Repurchase Mandate” on page 4 of this circular.

SHARE CAPITAL

The shares proposed to be repurchased by a company must be fully paid-up. A maximum of 10% of the existing issued share capital as at the date of passing the relevant resolution may be repurchased on the Stock Exchange.

It is proposed that up to 10% of the shares of the Company in issue at the date of passing the resolution to approve the Repurchase Mandate may be repurchased. As at the Latest Practicable Date, the number of shares in issue was 2,344,818,660. On the basis of such figure (assuming no further shares are issued or repurchased after the Latest Practicable Date and up to the date of passing such resolution), the Directors would be authorised to repurchase shares up to a maximum limit of 234,481,866 Shares.

REASONS FOR REPURCHASES

The Directors believe that giving the Company the ability to repurchase shares is in the best interests of the Company and the Shareholders. Repurchases of shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per share. The Directors are seeking the grant of the Repurchase Mandate to repurchase shares to give the Company the flexibility to do so if and when appropriate. The number(s) of Shares to be repurchased, the price and other terms upon which the same are repurchased, and whether Shares are to be repurchased on any occasion will be decided by the Directors at the relevant time having regard to the factors and circumstances then pertaining.

FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with the memorandum of association of the Company, the Bye-laws, the Listing Rules and the applicable laws of Bermuda.

The laws of Bermuda provide that such repurchases may only be effected out of the capital paid up on the repurchased shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purposes.

Any premium payable on a repurchase over the par value of the Shares to be repurchased is to be provided for out of funds of the Company otherwise available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts of the Company for the year ended 31 December 2019 contained in the Company's 2019 annual report) if the Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such 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.

PRICES OF THE SHARES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the twelve months preceding the Latest Practicable Date were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2019		
April	1.23	1.01
May	1.14	0.95
June	1.28	0.92
July	1.05	0.85
August	1.25	0.73
September	0.90	0.68
October	0.86	0.65
November	0.80	0.65
December	0.77	0.66
2020		
January	0.90	0.70
February	0.97	0.72
March	0.79	0.50
April (up to the Latest Practicable Date)	0.67	0.52

UNDERTAKING

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their close associates, presently intend to sell any Shares to the Company under the Repurchase Mandate in the event that the Repurchase Mandate is approved by the Shareholders and exercised.

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 proposed resolution in accordance with the Listing Rules, the applicable laws of Bermuda and the Bye-laws.

No other core connected persons have notified the Company that they have a present intention to sell any Shares to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders and exercised.

TAKEOVERS CODE

If during the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company will increase, such increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, depending on the level of increase of the Shareholder's interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

The Directors are not aware of any consequences which will arise under the Takeovers Code even if the Repurchase Mandate is utilized in full. As at the Latest Practicable Date, if the Repurchase Mandate were to be utilized in full and if there is no other change in the issued share capital of the Company, the Shares (with voting rights) held by Easy Flow Investments Limited would increase from approximately 25.91% to approximately 28.79%. Such increase would not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

The Directors have no present intention to exercise the Repurchase Mandate to such an extent that would result in the number of Shares held by the public falling below 25% of the total number of Shares in issue.

Save as disclosed above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert, who may become obliged to make a mandatory offer under Rule 26 of the Takeovers Code as a consequence of any purchases pursuant to the Repurchase Mandate.

REPURCHASE OF SHARES

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

NOTICE OF ANNUAL GENERAL MEETING



FRONTIER SERVICES GROUP LIMITED

(先豐服務集團有限公司*)

(incorporated in Bermuda with limited liability)

(Stock Code: 00500)

NOTICE IS HEREBY GIVEN that an annual general meeting of Frontier Services Group Limited (the “**Company**”) will be held at Suite 3902, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong on Wednesday, 3 June 2020 at 10:00 a.m. (the “**Annual General Meeting**”) for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the audited financial statements and the reports of the directors and the independent auditor of the Company for the year ended 31 December 2019.
2.
 - (a) To re-elect Mr. Luo Ning as an executive director of the Company (the “**Director**”);
 - (b) To re-elect Mr. Yap Fat Suan, Henry as an independent non-executive Director;
 - (c) To re-elect Dr. Harold O. Demuren as an independent non-executive Director;
 - (d) To re-elect Mr. Zhang Yichen as a non-executive Director;
 - (e) To re-elect Mr. Fei Yiping as a non-executive Director; and
 - (f) To authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration.
3. To re-appoint PricewaterhouseCoopers as independent auditor and to authorise the Board to fix their remuneration.

* For identification purposes only

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AS SPECIAL BUSINESS

To consider and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions:

4. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by 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 and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) 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, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as defined below), or (ii) the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**), or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company (the **“Bye-Laws”**), shall not exceed 20 per cent. of the total number of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Bye-Laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in a general meeting.

“**Rights Issue**” means an offer of 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 such shares (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 outside Hong Kong).”

5. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to repurchase shares in the capital of the Company on the Stock Exchange or on any other stock exchange on which securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws, be and the same is hereby generally and unconditionally approved;
- (b) the total number of shares to be purchased or agreed conditionally or unconditionally to be purchased by the Directors pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 per cent. of the issued share capital of the Company at the date of passing 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 passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the Bye-Laws to be held; or
 - (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”
6. “**THAT** the total number of shares in the capital of the Company which shall have been repurchased by the Company subsequent and pursuant to the passing of Ordinary Resolution 5 (up to a maximum of 10 per cent. of the issued shares at the date of passing Ordinary Resolution 5) shall be added to the total number of shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Company pursuant to Ordinary Resolution 4 above.”

To consider and, if thought fit, pass with or without modifications, the following resolution as a special resolution:

7. “**THAT** the Bye-Laws be amended by deleting the existing bye-law 83(6) of the Bye-Laws in its entirety and replacing it with the following:
- “83. (6) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than two (2). There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting.”

By order of the Board
Chan Kam Kwan, Jason
Company Secretary

Hong Kong, 28 April 2020

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Notes:

1. All resolutions (except for procedural and administrative matters) at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). The results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
2. Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the above meeting. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Accordingly, the form of proxy must be delivered to the Company’s branch share registrar in Hong Kong not later than 10:00 a.m. (Hong Kong time) on Monday, 1 June 2020. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. The above meeting will be held as scheduled when an amber or red rainstorm warning signal is in force.
5. Shareholders should make their own decision as to whether they would attend the above meeting under bad weather conditions bearing in mind their own situation and if they should choose to do so, they are advised to exercise care and caution

As at the date of this notice, the non-executive Directors are Mr. Chang Zhenming (Chairman), Mr. Zhang Yichen and Mr. Fei Yiping; the executive Directors are Mr. Erik D. Prince (Deputy Chairman), Mr. Ko Chun Shun, Johnson (Deputy Chairman), Mr. Luo Ning (Deputy Chairman) and Dr. Hua Dongyi (Chief Executive Officer); and the independent non-executive Directors are Mr. Yap Fat Suan, Henry, Professor Lee Hau Leung and Dr. Harold O. Demuren.

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PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the Annual General Meeting to protect attending shareholders, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every shareholder, proxy or other attendee at each entrance of the meeting venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the meeting venue or be required to leave the meeting venue.
- (ii) The Company requires each attendee to wear a surgical face mask inside the meeting venue at all time, and to maintain a safe distance between seats.
- (iii) No refreshment will be served.
- (iv) Each attendee may be asked whether (a) he/she travels outside of Hong Kong within the 14-day period immediately before the Annual General Meeting; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions will be denied entry into the meeting venue or be required to leave the meeting venue. The Company may report any attendee who violates the quarantine orders to the relevant government authority.

In addition, the Company reminds all shareholders that physical attendance in person at the meeting is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the meeting as their proxy to vote on the relevant resolution(s) at the meeting instead of attending the meeting in person, by completing and return the proxy form attached to this document.

If any shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the board of directors of the Company, he/she is welcome to send such question or matter in writing to our head office and principal place of business in Hong Kong or to our email at ir@fsgroup.com.

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If any shareholder has any question relating to the meeting, please contact Tricor Tengis Limited, the Company's share registrar as follows:

Tricor Tengis Limited

Level 54, Hopewell Centre

183 Queen's Road East, Hong Kong.

Email: is-enquiries@hk.tricorglobal.com

Tel: (852) 2980-1333

Fax: (852) 2810-8185