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MTR CORPORATION LIMITED
香港鐵路有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 66)

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the annual general meeting of MTR Corporation Limited (the '**Company**') will be held at Rotunda 3 (6/F), Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong on Wednesday, 22 May 2019 at 11:30 a.m. ('**2019 AGM**') for the purpose of transacting the following business:

ORDINARY BUSINESS

- (1) To receive the audited Statement of Accounts and the Reports of the Directors and the Auditors of the Company for the year ended 31 December 2018.
- (2) To declare a final dividend for the year ended 31 December 2018.
- (3) To re-elect/elect retiring members of the Board of Directors:
 - (a) Dr Anthony Chow Wing-kin;
 - (b) Dr Allan Wong Chi-yun;
 - (c) Mr Rex Auyeung Pak-kuen; and
 - (d) Dr Jacob Kam Chak-pui.
- (4) To elect Mr Chan Kar-lok (also known as Mr Walter Chan Kar-lok) as a new member of the Board of Directors.
- (5) To elect Mr Cheng Yan-kee as a new member of the Board of Directors.
- (6) To elect Mr Ng Wing-ka (also known as Mr Jimmy Ng Wing-ka) as a new member of the Board of Directors.
- (7) To re-appoint KPMG as Auditors of the Company and authorise the Board of Directors to determine their remuneration.

SPECIAL BUSINESS

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

(8) **THAT:**

- (A) subject to paragraph (B) below, the exercise by the Board of Directors of the Company (the '**Board**') during the Relevant Period of all the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional Shares, to grant rights to subscribe for, or convert any security into, Shares (including the issue of any securities convertible into Shares,

or options, warrants or similar rights to subscribe for any Shares) and to make or grant offers, agreements and options which will or might require such powers to be exercised during or after the end of the Relevant Period, be and is hereby generally and unconditionally APPROVED;

- (B) the aggregate number of Shares allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option, conversion or otherwise) by the Board pursuant to the approval in paragraph (A) above, otherwise than pursuant to:
- (i) a Rights Issue; or
 - (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the members of the Executive Directorate and/or officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares, including without limitation pursuant to the Rules of the Company's 2007 Share Option Scheme; or
 - (iii) the exercise of rights of subscription or conversion under the terms of any warrant issued by the Company or any securities which are convertible into Shares; or
 - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the Articles of Association of the Company from time to time,

shall not exceed ten per cent. of the aggregate number of Shares in issue as at the date of passing this Resolution 8 (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares in accordance with section 170(2)(e) of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) after the passing of this Resolution 8), and the said approval shall be limited accordingly;

- (C) any Shares to be allotted and issued (whether wholly or partly for cash or otherwise) pursuant to the approval in paragraph (A) above shall not be issued at a discount of more than ten per cent. to the Benchmarked Price of such Shares; and
- (D) for the purpose of this Resolution 8:
- (i) 'Relevant Period' means the period from (and including) the date of passing this Resolution 8 until the earlier of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or by law to be held; and
 - (c) the revocation or variation of the authority given under this Resolution 8 by an ordinary resolution of the shareholders of the Company in general meeting;
 - (ii) 'Rights Issue' means an offer of Shares open for a period fixed by the Board to holders of Shares on the register of members (and, if appropriate, to the holders of warrants and other securities which carry a right to subscribe or purchase shares in the Company on the relevant register) on a fixed record date in proportion to their then holdings of such Shares (and, if appropriate, such warrants and other securities) (subject to such

exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any jurisdiction or territory applicable to the Company);

(iii) 'Shares' means shares of all classes in the capital of the Company and warrants and other securities which carry a right to subscribe or purchase shares in the Company; and

(iv) 'Benchmarked Price' means the higher of:

(a) the closing price of the Shares as quoted on The Stock Exchange of Hong Kong Limited (the '**Stock Exchange**') on the date of the agreement involving the proposed issue of the Shares under this Resolution 8; and

(b) the average closing price of the Shares as quoted on the Stock Exchange for the 5 trading days immediately prior to the earlier of the date: (1) of announcement of the proposed transaction or arrangement involving the proposed issue of the Shares; (2) of the agreement involving the proposed issue of Shares; and (3) on which the price of the Shares that are proposed to be issued is fixed.'

(9) **THAT:**

(A) subject to paragraph (B) below, the exercise by the Board during the Relevant Period of all the powers of the Company to buy back Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and which is recognised for this purpose by the Securities and Futures Commission and the Stock Exchange, in accordance with all applicable laws, including the Hong Kong Code on Share Buy-backs and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time), be and is hereby generally and unconditionally APPROVED;

(B) the aggregate number of Shares which may be bought back or agreed conditionally or unconditionally to be bought back pursuant to the approval in paragraph (A) above shall not exceed ten per cent. of the aggregate number of the Shares in issue as at the date of passing of this Resolution 9 (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares in accordance with section 170(2)(e) of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) after the passing of this Resolution 9), and the said approval shall be limited accordingly; and

(C) for the purpose of this Resolution 9:

(i) 'Relevant Period' means the period from (and including) the passing of this Resolution 9 until the earlier of:

(a) the conclusion of the next annual general meeting of the Company;

(b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or by law to be held; and

(c) the revocation or variation of the authority given under this Resolution 9 by an ordinary resolution of the shareholders of the Company in general meeting; and

- (ii) 'Shares' means shares of all classes in the capital of the Company and warrants and other securities which carry a right to subscribe or purchase shares in the Company.'

(10) **THAT:**

- (A) subject to paragraph (B) below, the exercise by the Board of the power contained in Article 135 of the Company's Articles of Association to offer ordinary shareholders the right to choose to receive new ordinary shares in the capital of the Company, which are credited as fully paid up, instead of the whole or part of their cash dividend, in respect of some or all of the dividends (including, without limitation, any final and/or interim dividends) which may be declared or paid in the period commencing from the passing of this resolution up to and including the annual general meeting of the Company which is held in the fifth year after the date on which this Resolution 10 is passed (including, for any avoidance of doubt, any dividends which may be declared or paid in respect of the financial year ended 31 December 2023), and to take all actions in connection therewith contemplated in such Article, be and is hereby generally and unconditionally AUTHORISED AND APPROVED; and
- (B) such power shall be exercised by the Board in accordance with Article 135 of the Company's Articles of Association such that, amongst other things, a shareholder who elects to receive new ordinary shares will be entitled to receive ordinary shares the total relevant value of which is as near as possible to the value of the cash dividend he would otherwise have received, but not more than the value of such cash dividend, such relevant value being calculated in accordance with that Article.'

By Order of the Board
Gillian Elizabeth Meller
Company Secretary

Hong Kong, 12 April 2019

Members of the Board: Professor Frederick Ma Si-hang (*Chairman*)**, Dr Jacob Kam Chak-pui (*Chief Executive Officer*), Rex Auyeung Pak-kuen**, Andrew Clifford Winawer Brandler*, Dr Pamela Chan Wong Shui*, Dr Dorothy Chan Yuen Tak-fai*, Vincent Cheng Hoi-chuen*, Dr Anthony Chow Wing-kin*, Dr Eddy Fong Ching*, James Kwan Yuk-choi*, Lau Ping-cheung, Kaizer*, Rose Lee Wai-mun*, Lucia Li Li Ka-lai*, Abraham Shek Lai-him*, Benjamin Tang Kwok-bun*, Dr Allan Wong Chi-yun*, Johannes Zhou Yuan*, James Henry Lau Jr (Secretary for Financial Services and the Treasury)**, Secretary for Transport and Housing (Frank Chan Fan)**, Permanent Secretary for Development (Works) (Lam Sai-hung)** and Commissioner for Transport (Mable Chan)**

Members of the Executive Directorate: Dr Jacob Kam Chak-pui, Roger Francis Bayliss, Margaret Cheng Wai-ching, Dr Peter Ronald Ewen, Herbert Hui Leung-wah, Adi Lau Tin-shing, Gillian Elizabeth Meller, Linda So Ka-pik, David Tang Chi-fai and Jeny Yeung Mei-chun

* *independent non-executive Director*

** *non-executive Director*

Registered Office: MTR Headquarters Building, Telford Plaza, Kowloon Bay, Kowloon, Hong Kong.

Notes:

1. A shareholder entitled to attend and vote at the meeting convened by the above notice is entitled to appoint a proxy (or proxies) to attend and, on a poll, vote instead of him. A proxy need not be a shareholder of the Company (the **'Shareholder'**).
2. To be valid, a proxy form must be completed and delivered to Computershare Hong Kong Investor Services Limited (**'Share Registrar'**), 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event by 11:30 a.m. on 20 May 2019, being at least 48 hours before the time for holding the meeting (or 24 hours before a poll is taken, if the poll is taken more than 48 hours after it is demanded). If a proxy form is signed by an attorney, the power of attorney or other authority relied on to sign it (or a copy which has been certified by a notary or an office copy) must be delivered to the Share Registrar with the proxy form, except that a power of attorney which has already been registered with the Company need not be so delivered. Proxy forms sent electronically or by any other data transmission process will not be accepted. **Completion of a proxy form and its delivery will not preclude a Shareholder from attending in person and voting at the meeting or any adjournment thereof if a Shareholder so wishes, but a proxy's authority to vote on a resolution is to be regarded as revoked if the Shareholder attends the meeting in person and votes on that particular resolution.**
3. **Entitlement to attend, speak and vote at the 2019 AGM:** The register of members of the Company (**'Register of Members'**) will be closed from Thursday, 16 May 2019 to Wednesday, 22 May 2019 (both days inclusive), during which time no transfer of Shares will be effected. To be eligible to attend, speak and vote at the 2019 AGM, all completed transfer documents, accompanied by the relevant share certificates, have to be lodged for registration with the Share Registrar no later than 4:30 p.m. on Wednesday, 15 May 2019.
The address for lodging share transfer documents with the Share Registrar: Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
4. The Board has recommended a final dividend for the year ended 31 December 2018 (the **'Final Dividend'**) of HK\$0.95 per share and, if such dividend is declared by the Shareholders by passing Resolution 2, it is currently expected to be distributed on 16 July 2019, to those Shareholders whose names appeared on the Register of Members as at the close of business on 31 May 2019. In addition, the Company plans to send a circular on or about 10 June 2019 to the Shareholders whose names appeared on the Register of Members as at the close of business on 31 May 2019, setting out the terms of the scrip dividend scheme in respect of the Final Dividend pursuant to which the Board proposes to offer the Shareholders whose names appeared on the Register of Members as at the close of business on 31 May 2019 (except for the Shareholders with registered addresses in New Zealand or the United States of America or any of its territories or possessions), subject to the Final Dividend being declared by the Shareholders by passing Resolution 2, the right to choose to receive new shares in the Company (**'Shares'**) instead of cash in respect of some or all of their Final Dividend.
5. **Entitlement to Final Dividend:** The Register of Members will be closed from Tuesday, 28 May 2019 to Friday, 31 May 2019 (both days inclusive), during which time no transfer of Shares will be effected. To qualify for the proposed Final Dividend, all completed transfer documents, accompanied by the relevant share certificates, have to be lodged for registration with the Share Registrar at the address stated in Note 3 above no later than 4:30 p.m. on Monday, 27 May 2019.
6. In relation to Resolution 3, four retiring directors will offer themselves for re-election/election. Dr Anthony Chow Wing-kin and Dr Allan Wong Chi-yun will retire from office by rotation at the 2019 AGM pursuant to Articles 91 and 92(a) of the Articles of Association of the Company (**'Articles'**), and will offer themselves for re-election. Mr Rex Auyeung Pak-kuen and Dr Jacob Kam Chak-pui, who were appointed after the annual general meeting on 16 May 2018, will retire from office at the 2019 AGM pursuant to Article 89 of the Articles, and will offer themselves for election. The details of the retiring directors who will offer themselves for re-election/election are set out in Appendix 1 to the circular containing this notice. The Shareholders should note that Dr Allan Wong Chi-yun is offering himself for re-election at the 2019 AGM for a term until the conclusion of the Company's annual general meeting in 2020.
7. In relation to Resolutions 4 to 6, approvals are being sought from Shareholders to elect Mr Chan Kar-lok (also known as Mr Walter Chan Kar-lok), Mr Cheng Yan-kee and Mr Ng Wing-ka (also known as Mr Jimmy Ng Wing-ka) as new members of the Board. Details of Mr Chan, Mr Cheng and Mr Ng are set out in Appendix 1 to the circular containing this notice. The Company has received a confirmation from each of them concerning his independence as an independent non-executive director (**'INED'**) in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **'Listing Rules'**) and, accordingly, if Mr Chan, Mr Cheng and Mr Ng are elected as new members of the Board, they will become INEDs.

8. By Resolution 8, approval is being sought from the Shareholders, as a general mandate in compliance with section 141 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) (the ‘**Companies Ordinance**’) and the Listing Rules, so that in the event it becomes desirable for the Company to issue any new Shares, the Board is given a mandate to allot and issue new Shares up to ten per cent. of the aggregate number of Shares in issue at a discount of not more than ten per cent. to the “Benchmarked Price” as described under the Listing Rules and defined in Resolution 8 (rather than twenty per cent. as allowed by the Listing Rules). The members of the Board wish to state, however, that they have no immediate plans to issue any new Shares, other than pursuant to the Rules of the Company’s 2007 Share Option Scheme and the Scrip Dividend Scheme.
9. In relation to Resolution 9, an explanatory statement (as required by the Listing Rules and the Companies Ordinance) is set out in Appendix 2 to the circular containing this notice.
10. In relation to Resolution 10, approval is being sought from the Shareholders to authorise the Board to offer a scrip dividend alternative in respect of some or all of the dividends declared or paid in the period commencing from the passing of Resolution 10 up to and including the annual general meeting which is held in the fifth year after the date on which the resolution is passed (i.e. the 2024 AGM).
11. The Shareholders should note that the Auditors are entitled under the Companies Ordinance, to attend the annual general meeting and to be heard (including answering questions) on any part of the business of the meeting which concerns them as Auditors. The Auditors are not responsible for the preparation of the Company’s consolidated accounts. The objective of an audit of consolidated accounts is to enable the auditors to express an opinion as to whether the consolidated accounts give a true and fair view in accordance with the applicable financial reporting framework, such as Hong Kong Financial Reporting Standards. The Auditors provide reasonable, not absolute, assurance that the Company’s consolidated accounts, taken as a whole, are free from material misstatement.
12. The registration for attending the 2019 AGM will start at 10:30 a.m. on 22 May 2019.
13. As a token of appreciation, each eligible attendee (irrespective of whether he/she attends in person as a Shareholder and/or proxy/proxy for multiple Shareholders) will be given **one** refreshment pack.
14. If a Typhoon Signal No. 8 or above is hoisted or a Black Rainstorm Warning Signal is in force at or any time between 9:30 a.m. and 11:30 a.m. on the date of the 2019 AGM, the 2019 AGM may be adjourned to a later date and/or time as determined by the Company.
If the 2019 AGM is adjourned, the Company will post an announcement on the Company’s website (www.mtr.com.hk) and on the Stock Exchange’s website to notify the Shareholders that the 2019 AGM has been adjourned (however, a failure to post such a notice shall not affect the adjournment of the 2019 AGM). The Shareholders may also telephone the Share Registrar’s hotline on (852) 2862 8648 to enquire about the holding of the 2019 AGM.
When the date, time and location of the adjourned 2019 AGM has been fixed, the Company will post a further announcement on its website and the website of the Stock Exchange to notify the Shareholders of the date, time and location of the adjourned 2019 AGM. The 2019 AGM will still be held as scheduled when an Amber or Red Rainstorm Warning signal is in force.
15. The Company is committed to making available meeting facilities to enable all eligible attendees to be able to participate in the AGM. As such, simultaneous sign language interpretation will be provided for the first time at the 2019 AGM. If any eligible attendees need any other special arrangements to assist them in participating in the 2019 AGM, please contact the Share Registrar’s hotline on (852) 2862 8628 on or before 23 April 2019.
16. This notice is in English and Chinese. In case of any inconsistency, the English version shall prevail.
17. References to time and dates in this document are to Hong Kong time and dates.