

**THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, fund manager, solicitor, accountant or other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you have sold or do sell or have otherwise transferred or do transfer all your Ordinary Shares, please forward this document together with the accompanying Form of Proxy as soon as possible to the purchaser or transferee, or the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred part of your holding of Ordinary Shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.



## **Jardine Strategic Holdings Limited**

*(Incorporated and registered in Bermuda under number EC12455)*

# **Proposed transfer of listing segment from Premium to Standard on the London Stock Exchange and Notice of Special General Meeting**

---

This document is a circular relating to the proposed transfer of the Company's listing segment on the Main Market of the London Stock Exchange from Premium to Standard which has been prepared in accordance with the UK Listing Rules made under section 73A of the Financial Services and Markets Act 2000.

**The whole of the text of this document should be read. Your attention is drawn to the letter from your Chairman which is set out in Part II of this document. The letter contains the recommendation of your Board to vote in favour of the Resolution to be proposed at the Special General Meeting referred to below.**

Subject to the Resolution being passed, an application will be made to the UKLA for the segment of the Company's listing of Ordinary Shares to be transferred from Premium listing to Standard listing. Following the transfer to Standard listing, the Ordinary Shares will remain eligible for trading on the Main Market of the London Stock Exchange for listed securities, and the secondary listings in Singapore and Bermuda will continue unchanged.

A notice convening a Special General Meeting of the Company to be held at 9.30 a.m. (Bermuda time) on 8th April 2014 at Rosewood Tucker's Point, 60 Tucker's Point Drive, Hamilton Parish, Bermuda is set out at the end of this document. You will find enclosed a Form of Proxy for use at the Special General Meeting. Whether or not you attend the Special General Meeting in person, please complete, sign and return the accompanying Form of Proxy in accordance with the instructions printed on it as soon as possible but, in any event, so as to be received by the Company's appropriate registrar or transfer agent no later than 9.30 a.m. (Bermuda time) on 6th April 2014.

## CONTENTS

	<b>Page</b>
PART I EXPECTED TIMETABLE OF PRINCIPAL EVENTS .....	3
PART II LETTER FROM THE CHAIRMAN OF JARDINE STRATEGIC HOLDINGS LIMITED .....	4
PART III A SUMMARY OF THE DIFFERENCES BETWEEN STANDARD AND PREMIUM CATEGORIES OF LISTING .....	8
PART IV DEFINITIONS .....	10
PART V NOTICE OF SPECIAL GENERAL MEETING .....	11

**PART I**  
**EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

Latest time and date for receipt of Forms of Proxy for use at the Special General Meeting	9.30 a.m. Bermuda time on 6th April 2014
Special General Meeting	9.30 a.m. Bermuda time on 8th April 2014
Expected date on which the transfer of listing segment will become effective	The Company will give at least 20 business days' notice by RIS announcement of the date that the transfer will become effective and the earliest date the transfer can become effective is 12th May 2014

**PART II**  
**LETTER FROM THE CHAIRMAN OF JARDINE STRATEGIC HOLDINGS LIMITED**

*(Incorporated and registered in Bermuda under number EC12455)*



**Directors**

Sir Henry Keswick (Chairman)  
Ben Keswick (Managing Director)  
Charles Allen-Jones  
David Hsu  
Jenkin Hui  
Adam Keswick  
Simon Keswick  
Dr George C.G. Koo  
Lord Leach of Fairford  
Anthony Nightingale  
Percy Weatherall

**Registered Office:**

Jardine House  
33-35 Reid Street  
Hamilton  
Bermuda

To: Jardine Strategic Holdings Limited Shareholders

6th March 2014

Dear Shareholder

**Proposed transfer of listing segment from Premium to Standard on the  
London Stock Exchange and Notice of Special General Meeting**

**1. Introduction**

I am writing to you with details of a Special General Meeting to be held on 8th April 2014. At the meeting, authority is being sought from shareholders to transfer the listing segment of the Company's shares on the London Stock Exchange to a Standard listing from the current Premium listing. The purpose of the transfer is to allow the Group, of which Jardine Matheson Holdings Limited is the ultimate parent and the Company is an integral part, to maintain its existing structure and governance model. These, in the judgement of your Board, are well-suited to Asian conditions and have enabled the Group to take a long-term view in the development of its businesses and to produce sustained growth in shareholder value.

**2. Background to, and reasons for, the proposed transfer**

Under the UK Listing Rules, there are two principal forms of listing available for the equity shares of commercial companies traded on the Main Market of the London Stock Exchange, where the Company has had its primary listing for over 20 years. They are the Standard segment that complies fully with the relevant European directives, as adopted by all member states in the European Union, and the Premium segment to which the FCA has applied some additional 'super-equivalent' provisions.

The FCA recently announced its intention to introduce further regulations in the UK for Premium listed companies with a controlling shareholder. This announcement followed a small number of specific high profile cases of poor corporate governance in the UK relating to recently listed companies. Investors raised particular concerns about Premium listed companies included within the UK series of the FTSE indices, where index-tracking investors felt compelled to buy the securities.

The proposed new rules seek to regulate the degree of influence of controlling shareholders over the operations and management of Premium listed companies, requiring such companies to operate on a standalone basis and emphasising the role of independent directors (as defined in the UK Code) in relation to their governance. Although the Company is not included in the UK series of the FTSE indices, these rules would apply to it, since they cover all companies with a Premium listing.

### **3. Implications for the Group's governance arrangements of the proposed new rules**

Your Board believes that the structural relationships between the Group Companies are key to the Group's success. By coordinating objectives, establishing common values and standards and sharing experience, contacts and business relationships, the Group aims to optimise opportunities across the Asian countries in which it operates.

The Group's system of governance is based on a well-tried approach to oversight and management, in which the individual subsidiaries and affiliates benefit from the Group's strategic guidance and professional expertise, while at the same time the independence of their boards is respected and clear operational accountability rests with their executive management teams.

The board composition and operation within each of the Group Companies provides consistency over time, allowing each Group Company to take a long-term view as it seeks to grow its business and pursue investment opportunities. This also enables the Group Companies to work together effectively in their commercial activities, while retaining their integrity as separate listed companies.

The Group's structure and its commitment to high standards of corporate governance, coupled with its long-standing approach to management and transparency, have supported sustained growth in shareholder value. This is demonstrated by a ten year total shareholder return ended 31st December 2013 for the Company of 24 per cent. per annum and similarly strong figures for Jardine Matheson Holdings Limited of 22 per cent., Dairy Farm International Holdings Limited of 23 per cent., Hongkong Land Holdings Limited of 17 per cent. and Mandarin Oriental International Limited of 17 per cent.

The Group's approach is, however, not compatible with the FCA's proposals and many of the provisions of the UK Code. Since 2005, as overseas companies, the Group Companies have in their annual reports set out the differences of their governance practices from those contained in the UK Code, and since 2010 have been required to explain non-compliance with the UK Code. Features of the UK Code that have not been adopted by the Group Companies include board balance and refreshment, board evaluation procedures, nomination and remuneration committees and the appointment of a senior independent director. For example, the Group Companies have explained consistently that they regard Asian business experience and relationships as more valuable attributes of their non-executive directors than compliance with formal independence criteria. As such, the Board does not consider the UK Code to be an appropriate governance model for the Group.

The Board also notes that the FCA's proposals are the latest in a series of changes to the Premium listing regime. The rules governing overseas companies with a Premium listing are being increasingly aligned with the governance model that was designed and developed for UK incorporated companies. These developments suggest that the Premium listing regime may continue to evolve further in a direction which is incompatible with the Group's approach to governance.

As the benefits of the Group's structure and system of governance will not be accommodated by the new rules, your Board believes that the interests of the Group as a whole, and each of the Group Companies and its shareholders, would be best served by transferring the listing of its shares to a Standard listing, while continuing its secondary listings on the SGX and Bermuda Stock Exchange.

### **4. Applicable governance arrangements after the proposed transfer**

Under a Standard listing, each Group Company will remain subject to the UK Listing Rules (other than those which apply only to companies with a Premium listing), the UK Disclosure and Transparency Rules and the UK Prospectus Rules.

The Company will therefore continue to be bound by the rules on continuous disclosure, periodic financial reporting, disclosure of interests in shares and the maintenance of an orderly market, including the rules governing insider dealing, market manipulation and the disclosure of price sensitive information. The Company will remain subject to regulatory oversight from the FCA, as the Company's principal securities regulator, and will continue to be subject to the Admission and Disclosure Standards of the Main Market of the London Stock Exchange.

A detailed summary of the differences between the UK Listing Rules that are currently applicable to companies with a Standard listing and those with a Premium listing is contained at Part III of this document. The principal differences are that the UK Listing Rules in respect of significant transactions and related party transactions (including the requirement for shareholder approval in certain instances), pre-emption and the need to comply or explain non-compliance with the UK Code will no longer apply to the Company.

Notwithstanding the differences between the UK Listing Rules applicable to Premium and Standard listed companies, the Company intends to maintain certain governance principles in the following areas:

- (i) When assessing a Significant Transaction, the Company will engage an independent financial adviser to provide a fairness opinion on the terms of the transaction.
- (ii) In the event of a Related Party Transaction, the Company will engage an independent financial adviser to confirm that the terms of the transaction are fair and reasonable as far as the shareholders of the Company are concerned.
- (iii) Further, as soon as the terms of a Significant Transaction or a Related Party Transaction are agreed, an announcement will be issued by the Company providing such details of the transaction as are necessary for investors to evaluate the effect of the transaction on the Company.
- (iv) At each annual general meeting, the Company will continue to seek shareholder approval to issue new shares on a non-pre-emptive basis, in line with the authority currently sought at each annual general meeting.
- (v) The UK Disclosure and Transparency Rules will require the Company to include in the corporate governance statement in its annual report information regarding the corporate governance arrangements applied beyond the requirements under local law. The Company will therefore continue to disclose its corporate governance arrangements in its annual report in a manner consistent with past practice.
- (vi) The Company will continue to adhere to its Securities Dealing Rules, which follow the UK Model Code.
- (vii) The Company will continue its current policies and practices in respect of risk management and internal controls.

These principles are further underpinned by provisions of the Company's Bye-laws and Bermuda company law. These require that the Directors act in good faith with a view to the best interests of the Company. The Company will also continue to be subject to a statutory Bermuda Takeover Code that is applicable to the Company, and its financial statements will continue to be prepared and audited in accordance with International Financial Reporting Standards, including International Accounting Standards.

The Company is currently discussing with the SGX in respect of its secondary listing the need for written guidelines to support the administration of the corporate governance principles referred to above. If required, such guidelines would be drawn from the relevant UK Listing Rules that the Company is currently subject to and would set out parameters and procedures that would apply in the implementation of the principles. If such written guidelines are not required, the Company will in any event have regard to the relevant UK Listing Rules that it is currently subject to in implementing the principles.

## **5. Trading arrangements**

The trading arrangements for the Company's shares will remain unchanged following the transfer to Standard listing. The shares will, on completion of the transfer, continue to be admitted to trading on the Main Market of the London Stock Exchange. The Company's existing secondary listing on the SGX, where the Asian time-zone trading in the shares takes place, will also continue, as will the secondary listing on the Bermuda Stock Exchange. The Company is not included in the UK series of the FTSE indices and there is not expected to be any impact on the indexation of the Company's shares.

## **6. Special General Meeting**

Completion of the transfer of listing segment of the Ordinary Shares on the Main Market of the London Stock Exchange from Premium to Standard is conditional upon shareholders' approval by way of special resolution being obtained at the Special General Meeting. Accordingly, a notice convening a Special General Meeting to be held at Rosewood Tucker's Point, 60 Tucker's Point Drive, Hamilton Parish, Bermuda at 9.30 a.m. on 8th April 2014 at which the Resolution approving the transfer of listing segment from Premium to Standard will be proposed is set out on page 11 of this document.

## **7. Action to be taken**

You will find enclosed a Form of Proxy for use at the Special General Meeting. Whether or not you intend to be present at the Special General Meeting, you are requested to complete the Form of Proxy (in accordance with the instructions printed thereon) and return it as soon as possible and in any case so as to be received by the Company's appropriate registrar or transfer agent as detailed below:

- Jardine Matheson International Services Limited, P.O. Box HM 1068, Hamilton HM EX, Bermuda;
- Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England; or
- M & C Services Private Limited, 112 Robinson Road #05-01, Singapore 068902,

no later than 9.30 a.m. (Bermuda time) on 6th April 2014. Completion and return of a Form of Proxy will not preclude you from attending the meeting and voting in person if you so wish.

Investors holding their Ordinary Shares through a nominee within The Central Depository (Pte) Limited system in Singapore or other agent should contact their nominee, depository agent or professional adviser with regard to the procedures required to enable them to be represented and to vote at the Special General Meeting.

## **8. Recommendation**

Your Board considers that the proposed transfer of listing segment on the Main Market of the London Stock Exchange to Standard from Premium is in the best interests of the Company and its shareholders as a whole.

If the Resolution is not passed and the FCA's new rules are introduced in their current form, then your Board would have to consider whether there are alternative arrangements which would enable the Company to maintain its proven structure and system of governance. This could lead to an extended period of uncertainty. By voting in favour of the Resolution, shareholders will remove any such uncertainty and allow the Company and its shareholders to continue to benefit from the arrangements that have served them well over many years.

Accordingly, your Board unanimously recommends that shareholders vote in favour of the Resolution, as the Directors intend to do in respect of their own beneficial shareholdings in the Company.

Jardine Matheson Holdings Limited has also indicated its intention to vote in favour of the Resolution in respect of its beneficial holding of 924,388,939 Ordinary Shares, representing (as at 25th February 2014, being the latest practicable date prior to the publication of this document) approximately 82.5 per cent. of the total issued share capital of the Company.

Yours sincerely

**Sir Henry Keswick**  
*Chairman*

### **PART III**

## **A SUMMARY OF THE DIFFERENCES BETWEEN STANDARD AND PREMIUM CATEGORIES OF LISTING**

The following paragraphs set out the differences in the regulations applying to Standard listings and Premium listings. In a number of areas, as noted below and more fully described in the Chairman's letter, the Company intends to continue to maintain certain governance arrangements following the transfer to a Standard listing in place of those that would no longer apply under the regulations.

1. Companies with a Standard listing are not required to retain a sponsor for certain transactions.
2. Companies with a Standard listing are not required to comply with the six UK Listing Principles as contained in Chapter 7 of the UK Listing Rules. However, following proposed changes to the UK Listing Rules, companies with a Standard listing will be required to comply with two of the UK Listing Principles, which require companies to maintain adequate systems and controls and to deal with the FCA in an open and cooperative manner.
3. Companies applying for a Standard listing are not required to: (i) control the majority of their assets and to have done so for the last three years; and (ii) carry on an independent business as their main activity.
4. The UK Code does not apply directly to companies with a Standard listing. Pursuant to paragraph 7.2 of the UK Disclosure and Transparency Rules, however, companies with a Standard listing are still required to make a statement in the directors' report covering the corporate governance practices applied beyond the requirements under local law and certain details of its share capital. Companies with a Standard listing are also required to include a description of the internal control and risk management systems and the composition of committees. The Company will, therefore, continue to disclose its corporate governance arrangements in its annual report in a manner consistent with past practice.
5. The UK Model Code on share dealing does not apply to a company with a Standard listing. The Company will, however, continue to apply an equivalent share dealing code once the transfer to Standard listing has become effective.
6. A Standard listing does not require a company to offer pre-emption rights pursuant to the UK Listing Rules. Pre-emption rights under the UK Listing Rules require companies, which are proposing to issue equity securities for cash or proposing to sell from treasury equity shares for cash, first to offer those equity securities to existing shareholders, unless shareholders have authorised the dis-application of such pre-emption rights in accordance with UK Listing Rule 9.3.12.R. The Company will, however, continue to seek shareholder approval to issue new shares on a non-pre-emptive basis, in line with the authority currently sought at each annual general meeting.
7. A Standard listing does not require a company to comply with the provisions of Chapter 10 of the UK Listing Rules, which sets out requirements for shareholders to be notified of certain transactions and to have the opportunity to vote on larger proposed transactions. The Company would, following the transfer to a Standard listing, be able to undertake Significant Transactions without shareholder approval. However, when assessing a Significant Transaction once the transfer to a Standard listing has become effective, the Company will engage an independent financial adviser to provide a fairness opinion on the terms of the transaction.
8. A Standard listing does not require a company to comply with Chapter 11 of the UK Listing Rules which sets out the requirements for certain transactions with related parties to be subject to review by a sponsor, and for shareholders to be notified of larger Related Party Transactions and for non-interested shareholders to have the opportunity to vote on them. The Company would, following the transfer to a Standard listing, be able to undertake Related Party Transactions without confirmation from a sponsor that the transaction is fair and reasonable as far as the shareholders are concerned or shareholder approval. In the event of a Related Party Transaction once the transfer to a Standard listing has become effective, the Company will engage an independent financial adviser to confirm that the terms of the transaction are fair and reasonable as far as the shareholders of the Company are concerned.
9. Companies with a Standard listing are not required to comply with Chapter 12 of the UK Listing Rules, which applies to companies dealing in their own securities, but any dealings in the Company's securities will continue to be subject to the UK market abuse regime.



10. A company with a Standard listing is not required to comply with the more extensive requirements relating to the content of circulars issued to shareholders of companies with a Premium listing as detailed in Chapter 13 of the UK Listing Rules.
11. Companies with a Standard listing are not required to limit the number of shares pursuant to warrants/options (excluding employee share schemes) to 20 per cent. of existing issued shares.
12. Companies with a Standard listing are not required to obtain the approval of shareholders by way of a special resolution for the cancellation of the listing of any of their shares.

## **PART IV DEFINITIONS**

In this document, the following terms have the following meanings:

<b>Board</b>	the board of directors of the Company
<b>Company</b>	Jardine Strategic Holdings Limited
<b>Directors</b>	the directors of the Company whose names are set out on page 4 of this document
<b>Form of Proxy</b>	the form of proxy accompanying this document for use at the Special General Meeting
<b>FCA</b>	the UK Financial Conduct Authority
<b>FSMA</b>	the UK Financial Services and Markets Act 2000
<b>FTSE</b>	The Financial Times Stock Exchange
<b>Group</b>	Jardine Matheson Holdings Limited and each of its subsidiary companies (within the meaning of section 86 of the Companies Act 1981 of Bermuda)
<b>Group Companies</b>	the Company, Jardine Matheson Holdings Limited, Dairy Farm International Holdings Limited, Hongkong Land Holdings Limited and Mandarin Oriental International Limited
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Ordinary Shares</b>	the ordinary shares in the capital of the Company
<b>Premium listing</b>	the “Premium listing (commercial company)” segment of the Official List of the UKLA
<b>Related Party Transaction</b>	a transaction with a related party which would require a sponsor to provide a fair and reasonable opinion under the existing provisions of the UK Listing Rules, having regard to the basis on which such provisions are currently applied to the Company
<b>Resolution</b>	the resolution set out in the notice of Special General Meeting
<b>SGX</b>	Singapore Exchange Limited
<b>Significant Transaction</b>	a larger transaction which would be classified as a class 1 transaction under the existing provisions of the UK Listing Rules, having regard to the basis on which such provisions are currently applied to the Company
<b>Special General Meeting</b>	the special general meeting of the Company convened for 9.30 a.m. on 8th April 2014, the notice of which is set out on page 11 of this document
<b>Standard listing</b>	the “Standard listing (shares)” segment of the Official List of the UKLA
<b>UK</b>	United Kingdom
<b>UK Code</b>	the UK Corporate Governance Code published by the Financial Reporting Council
<b>UK Disclosure and Transparency Rules</b>	the disclosure and transparency rules made by the FCA under Part VI of FSMA
<b>UK Listing Rules</b>	the listing rules made by the FCA under Part VI of FSMA
<b>UK Model Code</b>	the model code on directors’ dealings in securities, as set out in the Appendix to Chapter 9 of the UK Listing Rules
<b>UK Prospectus Rules</b>	the prospectus rules made by the FCA under Part VI of FSMA
<b>UKLA</b>	the United Kingdom Listing Authority, acting in its capacity as the competent authority for the purposes of Part VI of FSMA

**PART V**  
**NOTICE OF SPECIAL GENERAL MEETING**

**Jardine Strategic Holdings Limited**

*(Incorporated and registered in Bermuda under number EC12455)*

**NOTICE OF SPECIAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that a Special General Meeting of Jardine Strategic Holdings Limited (the "Company") will be held at 9.30 a.m. on 8th April 2014 at Rosewood Tucker's Point, 60 Tucker's Point Drive, Hamilton Parish, Bermuda, to consider, and if thought fit to pass, the following resolution which will be proposed as a special resolution.

**SPECIAL RESOLUTION**

THAT the proposed transfer of the Company's equity share listing on the Official List of the United Kingdom Listing Authority and on the Main Market of the London Stock Exchange plc from the Premium listing (commercial company) segment to the Standard listing (shares) segment (the "Transfer of Listing") be and is hereby approved and the Directors of the Company be and are hereby authorised to cause such Transfer of Listing to be effected and to do and/or procure to be done all such acts or things as they may consider necessary or desirable in connection therewith.

*By order of the Board*  
**John C. Lang**  
*Company Secretary*

6th March 2014

*Registered Office:*  
Jardine House  
33-35 Reid Street  
Hamilton, Bermuda

---

**Notes:**

A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him; a proxy need not also be a member of the Company. A form of proxy is enclosed for use by registered shareholders. Completion and return of the proxy will not preclude a member from attending and voting in person.

Investors holding their shares through a nominee within The Central Depository (Pte) Limited system in Singapore or other agent should contact their nominee, depository agent or professional adviser with regard to the procedures required to enable them to be represented and to vote at the Special General Meeting.