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ALTUS HOLDINGS LIMITED
浩德控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8149)

Executive Directors:
Mr. Arnold Ip Tin Chee *(Chairman)*
Mr. Chang Sean Pey
Ms. Leung Churk Yin Jeanny

Independent Non-executive Directors:
Mr. Chao Tien Yo
Mr. Chan Sun Kwong
Mr. Lee Shu Yin

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head office and principal place of business in Hong Kong:
21 Wing Wo Street
Central
Hong Kong

24 July 2025

To the Shareholders

Dear Sir/Madam,

SUPPLEMENTAL INFORMATION IN RELATION TO THE PROPOSED GRANT OF SHARE AWARDS TO EXECUTIVE DIRECTOR GRANTEES PURSUANT TO THE 2023 SHARE SCHEME

INTRODUCTION

Reference is made to the circular of the Company dated 10 July 2025 in relation to, among other things, the proposed grant of Share Awards to Executive Director Grantees pursuant to the 2023 Share Scheme (the "**AGM Circular**"). Unless the context otherwise requires, terms used herein shall bear the same meanings as those defined in the AGM Circular.

The purpose of this letter is to provide the Shareholders with supplemental information reasonably necessary to enable them to make an informed decision on whether to vote for or against the proposed grant of Share Awards to the Executive Director Grantees pursuant to the 2023 Share Scheme at the AGM. Please take into account the information set out herein in conjunction with the information set out in the AGM Circular when considering whether to vote for or against ordinary resolutions 8 or 9 at the upcoming AGM.

THE 2023 SHARE SCHEME AND THE PROPOSED GRANT

The 2023 Share Scheme was approved and adopted by the Company at the extraordinary general meeting of the Company held on 8 August 2023 in accordance with the requirements of Chapter 23 of the GEM Listing Rules. Details of the 2023 Share Scheme are set out in the circular of the Company dated 21 July 2023 ("**2023 Circular**").

The proposed grants to the Executive Director Grantees

The proposed grants to the Executive Director Grantees are summarised below:

Name of grantee	Position in the Company	Total Awarded Shares	Vesting date		Grant as percentage of maximum number of Shares which may be issued under 2023 Share Scheme (i.e. 81,250,000 Shares)	Grant as percentage of issued Shares (i.e. 828,420,000 Shares) as at Latest Practicable Date
			31 August 2025	31 January 2026		
Mr. Chang	Executive Director	1,500,000	500,000	1,000,000	1.85%	0.181%
Ms. Leung	Executive Director	1,500,000	500,000	1,000,000	1.85%	0.181%
	Total	**3,000,000**	**1,000,000**	**2,000,000**	**3.70%**	**0.362%**

Basis and consideration of the proposed grants to the Executive Director Grantees

The Board (excluding the Executive Director Grantees) and the Remuneration Committee (comprising all three independent non-executive Directors and Mr. Arnold Ip, an executive Director) have taken into account the following factors in determining whether to recommend/grant and how to grant Share Awards to reward and incentivise Mr. Chang and Ms. Leung pursuant to the 2023 Share Scheme:

- Mr. Chang has been with our Group for over 20 years. He contributes to the Group where he assists our chairman in managing the Company's relationship with investors, and is also responsible for origination of new projects and supervises the execution of fee generating projects. His performance has been consistently satisfactory. Mr. Chang is also a member of the Group's investment committee.

- Ms. Leung was appointed as a Director on 3 March 2016 and was re-designated as an executive Director on 8 April 2016. She contributes to the Group by overseeing our compliance matters and is responsible for revenue generation through project origination and supervising fee generating project execution and her performance has been consistently satisfactory. Ms. Leung is also a member of the Group's investment committee.

- The underlying value of the proposed grant to each of the Executive Director Grantees is comparable to the value of grants made to other members of the senior management team of the Group (being Employee Participants under the 2023 Share Scheme) as disclosed in the announcement of the Company dated 21 January 2025. The proposed grants represent part of their total remuneration package (being a combination of cash and Share Awards), in line with the Group's remuneration policy. In addition, the total value of such remuneration package is also comparable to the remuneration package among the other senior management team of the Group for the year ended 31 March 2025 ("**FY2025**") as shown in Note 15 to the consolidated financial statements of the Group for FY2025 set out in the annual report of the Group for FY2025.

  The remuneration packages, including the proposed grants of the Executive Director Grantees were determined in January 2025 in view of their performance as members of the Group's senior management team as mentioned above and, in particular, (i) their dedication of time to staff, client and transaction management (including involvement in the first successful De-SPAC transaction in Hong Kong and in one of the largest merger transaction in Asia in 2024 under the regulatory-driven advisory services); and (ii) contributions in terms of formulating new revenue streams (including in expanding into other non-regulatory-driven financial services such as special situation consulting work and fund management) in a competitive market environment in 2024, and in anticipation that the revenue of the advisory, asset management and consulting business segments would remain volatile in 2025.

  The Directors expect such market environment to continue and are working towards strengthening the Group's capabilities in (i) regulatory-driven advisory services; (ii) asset management services which provide more stable and recurring fee income; and (iii) special situation consulting work which can typically command higher profit margin due to its specific and complex nature. These are areas where Mr. Chang and Ms. Leung had provided valuable services in the past and are expected to continue doing so with aligned incentives in the form of the proposed grants. These are efforts which have being continuing and have brought broad-based long-term benefits to the Group, hence imposing short-term performance targets and clawbacks would not be appropriate.

- The Company's status as a listed company provides the flexibility to grant Share Options or Share Awards which is common among listed companies. The Board and the Remuneration Committee consider the grant of Share Options or Share Awards as part of its overall employee remuneration package, in particular, in recognition of past contributions, serving the purpose of retention and providing a mechanism to manage the total remuneration package among employees of similar functions and seniority, aligns with the Company's remuneration policies and market practice. In view of the above considerations and the Group's remuneration policy, they do not consider it helpful or relevant to compare the proposed grants to those of other listed companies.

- As described in the 2023 Share Scheme, the grants are to reward the past contribution and to incentivise the selected grantees to continually contribute to the longer-term growth of the Group. Accordingly, the Board (including the Remuneration Committee) is of the view that not imposing performance target or clawback mechanism on the Share Awards granted to the Executive Director Grantees aligns with the purpose of the 2023 Share Scheme.

- As explained in the 2023 Circular, to reward past contributions, Share Awards would have been granted immediately after the financial year ended on 31 March each year. Due to administrative and compliance considerations such as completion of audits for the financial year, finalisation of coming year budgets and cash flow forecasts, grants are made in batches during a year. In the Company's case, it may grant Share Awards a number of months after the intended grant dates. In such cases, the vesting periods of such Share Awards may be shorter to reflect the time from which such award is intended and would have been granted.

  For the reason above, the proposed grant of Share Awards to the Executive Director Grantees for their past contributions in 2024 and their expected continuing contributions in 2025 would, if practicable, had been granted in January 2025. Due to administrative and compliance matters, the proposed grant of Share Awards to the Executive Director Grantees will only become effective upon obtaining shareholders' approval at the upcoming AGM to be held on 8 August 2025. This timing difference warrants a shorter vesting period of 12 months.

Implications under Chapter 23 of the GEM Listing Rules in relation to the proposed grants to Executive Director Grantees

Pursuant to Rule 23.04(4) of the GEM Listing Rules, each of the Executive Director Grantees, his/her associates and all other core connected persons of the Company will abstain from voting in favour of the relevant resolutions at the AGM. As at the Latest Practicable Date, none of the Executive Director Grantees, his/her associates and all other core connected persons of the Company has indicated his/her intention to vote against the relevant resolutions at the AGM.

As at the Latest Practicable Date, Mr. Chang held 22,400,000 Shares (representing approximately 2.7% of the total issued Shares). None of his associates as defined under Rule 20.10 of the GEM Listing Rules held any Shares. Accordingly, Mr. Chang is required to abstain from voting under the GEM Listing Rules in favour of the resolution relating to the proposed grant of Share Awards to himself at the AGM in respect of all 22,400,000 Shares.

As at the Latest Practicable Date, Ms. Leung held 9,400,000 Shares (representing approximately 1.1% of the total issued Shares). None of her associates as defined under Rule 20.10 of the GEM Listing Rules held any Shares. Accordingly, Ms. Leung is required to abstain from voting under the GEM Listing Rules in favour of the resolution relating to the proposed grant of Share Awards to herself at the AGM in respect of all 9,400,000 Shares.

RESPONSIBILITY STATEMENT

This letter, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this letter 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.

Yours faithfully,
By order of the Board
Altus Holdings Limited
Arnold Ip Tin Chee
Chairman and Executive Director