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

If you have sold or transferred all your shares in The Wharf (Holdings) Limited, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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WHARF

Established 1886

THE WHARF (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 4)

RE-ELECTION OF DIRECTORS, GENERAL MANDATES FOR BUY-BACK AND ISSUE OF SHARES, ADOPTION OF NEW SHARE OPTION SCHEME AND NOTICE OF ANNUAL GENERAL MEETING

PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING

As a courtesy to other Shareholders, we recommend that you do not attend the AGM in person if you test COVID-19 positive or display symptoms of COVID-19. As a precautionary measure, we recommend you first submit a proxy to appoint the Chairman of the AGM to vote on your behalf. In the event you can attend in person on the day, your proxy will be cancelled and you may vote in person. **Please note that no refreshment or corporate souvenir will be provided at the AGM.**

A notice convening the AGM of The Wharf (Holdings) Limited to be held in Centenary Room, Ground Floor, The Marco Polo Hongkong Hotel, 3 Canton Road, Kowloon, Hong Kong on Thursday, 11 May 2023 at 11:15 a.m. is set out on pages 28 to 32 of this circular. A proxy form for use at the AGM is enclosed. This circular together with the proxy form are published on the respective websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.wharfholdings.com). Whether or not you intend to attend the AGM or any adjournment thereof, you are requested to complete the proxy form and return it to the Share Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not later than 11:15 a.m. on Tuesday, 9 May 2023, or in case of any adjournment thereof, not less than 48 hours (exclusive of any part of a day that is a public holiday) before the time appointed for the holding of such adjourned meeting. Return of the completed proxy form will not preclude Shareholders from attending and voting at the AGM or any adjournment thereof if they so wish.

6 April 2023

DEFINITIONS

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

“Adoption Date”	11 May 2023, the date on which the New Share Option Scheme is conditionally adopted by resolution of the Shareholders
“AGM”	the annual general meeting of the Company to be held at 11:15 a.m. on 11 May 2023 (Thursday) at Centenary Room, Ground Floor, The Marco Polo Hongkong Hotel, 3 Canton Road, Kowloon, Hong Kong, or any adjournment thereof
“Allotment Date”	the date on which Shares are allotted to a Grantee pursuant to the exercise of an Option under the New Share Option Scheme
“Applicable Laws”	any applicable laws and regulations of Hong Kong or other relevant jurisdictions (including but not limited to the Listing Rules and the Takeovers Code)
“Articles”	the articles of association of the Company for the time being
“associate”	shall have the meaning ascribed to it in the Listing Rules
“Auditors”	the auditors of the Company for the time being
“Board”	the board of Directors
“business day”	shall have the meaning ascribed to it in the Listing Rules
“Category A Participant”	any director or any Employee of the Company or of any of its subsidiaries from time to time
“Category B Participant”	any director or employee (whether full time or part time) of any of the Related Entities from time to time
“chief executive”	shall have the meaning ascribed to it in the Listing Rules
“close associate”	shall have the meaning ascribed to it in the Listing Rules
“Companies Ordinance”	Companies Ordinance (Chapter 622 of the laws of Hong Kong)
“Company”	The Wharf (Holdings) Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“connected person”	shall have the meaning ascribed to it in the Listing Rules
“controlling shareholder”	shall have the meaning ascribed to it in the Listing Rules

“core connected person”	shall have the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company from time to time
“Effective Date”	the date on which the conditions referred to in paragraph 2 in Appendix III to this circular are fulfilled
“Eligible Participant(s)”	a person who is a Category A Participant and/or Category B Participant and is determined to be qualified for the Options by the Board in its absolute discretion
“Employee”	any employee employed by any member(s) of the Group from time to time (whether full time or part time), including persons who are granted Options under the New Share Option Scheme as an inducement to enter into employment contracts with any of such companies
“Exercise Period”	in respect of any particular Option, the period (which shall not be more than 10 years from the Grant Date) to be notified by the Board to each Grantee which the Board may in its absolute discretion determine
“Exercise Price”	the price per Share payable by a Grantee on the exercise of an Option as determined in accordance with the provisions of the New Share Option Scheme
“Grant Date”	in respect of any particular Option, the business day on which that Option is deemed to have been granted in accordance with the New Share Option Scheme
“Grantee”	any Eligible Participant who accepts an Offer pursuant to the terms and conditions of the New Share Option Scheme or (where the context permits) the Personal Representative of that Eligible Participant (being an individual) or the Permitted Transferee
“Grounds for Termination”	means, in relation to a Grantee, that (i) the Grantee’s conduct has been such as to entitle the Company, its subsidiary or the Related Entity (as the case may be) to terminate his/her employment (or, in the case of a director, remove him/her from office), whether or not such right to terminate has been exercised, or (ii) the Grantee is bankrupt, or (iii) the Grantee has been convicted of any criminal offence involving his/her integrity or honesty
“Group”	the Company together with its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“INED(s)”	Independent Non-executive Director(s) of the Company, unless where the context otherwise specified
“Latest Practicable Date”	30 March 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time
“New Share Option Scheme” or “New Scheme”	the New Share Option Scheme which is proposed to be adopted by the Company at the AGM, the principal terms of which are set out in Appendix III to this circular
“Offer”	an offer of the grant of an Option by the Company to an Eligible Participant pursuant to the terms and conditions of the New Share Option Scheme
“Offer Letter”	a document containing an Offer to an Eligible Participant pursuant to the terms and conditions of the New Share Option Scheme
“Option(s)”	a right to subscribe for Shares granted pursuant to the terms and conditions of the New Share Option Scheme
“Other Schemes”	schemes involving the grant of awards or options over Shares of the Company, other than the New Share Option Scheme
“Permitted Grounds of Termination”	means the termination of employment of a Grantee (being an Employee or an employee of any of the Related Entities) by the relevant company (or companies) or the removal of a Grantee (being a director of any member of the Group or any of the Related Entities) from the office of director on any of the following grounds: (i) retirement at or after attaining normal retirement age; (ii) retirement before that age with the consent of the Board; (iii) disability, ill-health or accident occurring in the course of employment or while in office as a director; (iv) redundancy; or (v) any other circumstance with the consent of the Board
“Permitted Transferee”	shall have the meaning ascribed to it in paragraph 7 in Appendix III to this circular
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee (being an individual), is or are entitled to exercise any Option granted to such Grantee (to the extent not already exercised)

“Related Entity(ies)”	the Company’s holding companies, fellow subsidiaries and associated companies
“Renewal Mandate”	shall have the meaning ascribed to it in clause 17.2 in Appendix III to this circular
“Retiring Directors”	Mr. Paul Y. C. Tsui, Mr. Kevin K. P. Chan, Ms. Elizabeth Law and Ms. Nancy S. L. Tse
“Scheme Mandate Limit”	the maximum number of Shares issuable pursuant to the New Share Option Scheme and any Other Schemes (if any) in aggregate, being 10% of the Shares in issue as at the Adoption Date
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share Registrar”	the Company’s Share Registrar, Tricor Tengis Limited
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	shall have the meaning ascribed to it in the Listing Rules
“substantial shareholder”	shall have the meaning ascribed to it in the Listing Rules
“Takeovers Code”	Codes on Takeovers and Mergers and Share Buy-backs



WHARF

Established 1886

THE WHARF (HOLDINGS) LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 4)

Directors:

Mr. Stephen T. H. Ng (*Chairman and Managing Director*)

Mr. Paul Y. C. Tsui (*Vice Chairman, Executive Director
and Group Chief Financial Officer*)

Ms. Y. T. Leng (*Executive Director*)

Mr. Kevin K. P. Chan

Mr. Kevin C. Y. Hui

Registered Office:

16th Floor, Ocean Centre,
Harbour City, Canton Road,
Kowloon,
Hong Kong

Independent Non-executive Directors:

Professor Edward K. Y. Chen, *GBS, CBE, JP*

Mr. Vincent K. Fang, *GBS, JP*

Mr. Hans Michael Jebsen, *BBS*

Ms. Elizabeth Law, *MH, JP*

Mr. Richard Y. S. Tang, *SBS, JP*

Ms. Nancy S. L. Tse, *JP*

Mr. David Muir Turnbull

6 April 2023

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATES FOR BUY-BACK AND ISSUE OF SHARES,
ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

(1) INTRODUCTION

The purpose of this circular is to provide you with the information in connection with the ordinary resolutions to be proposed at the forthcoming AGM to be held on 11 May 2023 to, *inter alia*, (i) re-elect the Retiring Directors of the Company; (ii) grant general mandates to buy back Shares and to issue new Shares of the Company; and (iii) adopt the New Share Option Scheme.

(2) RE-ELECTION OF DIRECTORS

Four Directors, namely, Mr. Paul Y. C. Tsui, Mr. Kevin K. P. Chan, Ms. Elizabeth Law and Ms. Nancy S. L. Tse, are due to retire by rotation at the AGM and, being eligible, offer themselves for re-election at the AGM. The proposed re-election of the Retiring Directors will be voted on by the Shareholders under separate resolutions.

The Retiring Directors, if re-elected at the AGM, will not have any fixed term of service with the Company but will be subject to retirement by rotation at annual general meetings of the Company at least once every three years in accordance with the Articles. So far as the Directors are aware, save as disclosed below, as at the Latest Practicable Date, (i) none of the Retiring Directors had any interest (within the meaning of Part XV of the SFO) in the securities of the Company; (ii) none of the Retiring Directors held, or in the past three years held, any directorship in any listed public company or held any other major appointments or professional qualifications; (iii) none of the Retiring Directors had any relationship with any other Directors, senior management or any substantial or controlling shareholders of the Company; and (iv) in relation to the proposed re-election of the Retiring Directors, there is no information which is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there is no other matter which needs to be brought to the attention of the Shareholders.

Relevant information relating to the Retiring Directors is set out in Appendix I to this circular.

Recommendations to the Board for the proposed re-election of Ms. Elizabeth Law and Ms. Nancy S. L. Tse as INEDs were made by the Nomination Committee of the Company, after having reviewed their suitability according to the assessment criteria as set out in the Nomination Policy adopted by the Company which includes, *inter alia*, the independence guidelines as set out in Rule 3.13 of the Listing Rules. The Board, taking into account their past contributions to the Company and their individual attributes enhancing the Board's diversity and optimal composition (details as set out in their respective biographies in Appendix I hereto), accepted the recommendations from the Nomination Committee of the Company and recommends to the Shareholders the proposed re-election of Ms. Elizabeth Law and Ms. Nancy S. L. Tse as INEDs at the AGM.

(3) GENERAL MANDATES FOR BUY-BACK AND ISSUE OF SHARES

At the annual general meeting of the Company held on 12 May 2022, ordinary resolutions were passed giving general mandates to the Directors (i) to buy back Shares on the Stock Exchange representing up to 10% of the number of Shares in issue as at 12 May 2022; and (ii) to allot, issue and deal with Shares subject to a restriction that the aggregate number of Shares allotted or agreed to be allotted must not exceed the aggregate of (a) 20% of the number of Shares in issue as at 12 May 2022, plus (b) (authorised by a separate ordinary resolution as required by the Listing Rules) the number of any Shares bought back by the Company since the granting of the general mandate for issue of Shares.

Pursuant to the Companies Ordinance and the Listing Rules, these general mandates will lapse at the conclusion of the AGM, unless renewed at that meeting. As such, resolutions will be proposed at the AGM to renew the mandates mentioned above. An explanatory statement as required under the Listing Rules to provide the requisite information in connection with the proposed buy-back mandate is set out in Appendix II to this circular.

(4) ADOPTION OF NEW SHARE OPTION SCHEME

The Company previously adopted a share option scheme in 2011 and such scheme expired in accordance with its terms on 8 June 2021. The Board is pleased to propose the adoption of the New Share Option Scheme by the Company. Pursuant to Rule 17.02(1)(a) of the Listing Rules, the adoption of the New Share Option Scheme is subject to, *inter alia*, the approval of the Shareholders at the AGM.

The purpose of the New Scheme is to enable the Group to recognise the contribution and potential future contribution of Grantees by providing them the opportunity to acquire equity interests in the Company, motivate Grantees and give them additional incentive to optimise their valuable contributions towards the Group's continued growth and success, attract and retain high-calibre personnel to strive for long term development of the Group, and foster a sense of corporate identity and align interests of Grantees to Shareholders for promoting long term financial success of the Group.

As at the Latest Practicable Date, there were 3,056,027,327 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date to the Adoption Date, the Scheme Mandate Limit will be 305,602,732 Shares, which represents 10% of the total number of Shares in issue on the Adoption Date.

Eligible Participants of the New Scheme include Category A Participants and Category B Participants which are determined to be qualified for the Options by the Board at its absolute discretion. In determining whether an Eligible Participant is selected as a Grantee, careful consideration on various criteria will be made in assessing his/her contribution to the long term growth of the Group so as to serve the purpose of the New Scheme, including, among others, the seniority, position, responsibilities and length of service of the person with the Group, as well as the amount of support, assistance, guidance, advice, efforts and contributions the person has exerted or likely to be able to give or make towards the success of the Group.

The Directors (including the INEDs) consider that it is beneficial to include the Category B Participants as Eligible Participants, since a sustainable and stable relationship with them is essential to the business development of the Group, and that the grant of Options to these non-Employee participants will align their interests with the Group's, incentivising them to provide better services to, create more opportunities for and/or contribute to the success of the Group in the long run. Despite that Category B Participants may not be directly employed by the members of the Group, the Category B Participants are nonetheless valuable human resources to the Group given their involvement in work projects of the Group from time to time. In particular, for those Related Entities in which the Group has significant interest, their growth and development would contribute to the financial performance of the Group. It is therefore in the long term interests of

the Company and the Shareholders, and is in line with the purpose of the New Scheme to include the Category B Participants, who the Company can incentivise with the grant of Options in order to strengthen their loyalty with the Group, and to in turn facilitate a higher degree of collaboration and closer business relationships and ties between the Related Entities and the Group.

Subject to the provisions of the New Scheme and the Applicable Laws, the Board may, on a case-by-case basis when offering the grant of an Option, impose any conditions, restrictions or limitations in relation thereto in addition to those expressly set forth in the New Scheme as it may think fit, including, *inter alia*, the vesting period of the Options (which shall not be less than 12 months), the performance targets which must be achieved before an Option can be exercised under the terms of the New Scheme, and clawback mechanism for the Company to recover or withhold any Options granted to any Grantee, whether in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances. Save as may be determined by the Board and provided in the Offer Letter, there is no performance target nor clawback mechanism attached to the Options.

The Board believes that the authority and flexibility given to the Board under the New Scheme, including, *inter alia*, selection of Grantees and determination of vesting period, performance targets and clawback mechanism on a case-by-case basis, will serve to protect the value of the Company as well as to achieve the purpose of the New Scheme.

Grantees are entitled to subscribe for the number of Shares at the Exercise Price, which shall be at least the higher of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the Offer; and (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the Offer. The Directors consider that such basis for determining the Exercise Price will serve to preserve the value of the Company, while encouraging the Grantees to acquire proprietary interests in the Company and serving the purpose of the New Scheme.

Based on the above, the Board considers that the adoption of the New Scheme is in the interests of the Company and the Shareholders as a whole, and would enable the purpose of the New Scheme as set out above to be achieved.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on the resolution approving the adoption of the New Scheme at the AGM. The Company will, where applicable, comply with the applicable requirements under Chapter 17 of the Listing Rules in respect of the operation of the New Scheme.

The New Scheme does not have a trustee and hence none of the Directors is and will be a trustee of the New Scheme.

A summary of the principal terms of the New Scheme is set out in Appendix III to this circular. This serves as a summary of the terms of the New Scheme but does not constitute the full terms of the same.

An ordinary resolution will be proposed at the AGM for the adoption of the New Scheme.

Conditions

The New Scheme shall take effect upon (a) the passing of the necessary resolution(s) by the Shareholders in general meeting for approving the adoption of the New Scheme, and (b) the Stock Exchange granting approval for the listing of and permission to deal in the Shares to be allotted and issued by the Company pursuant to the exercise of the Options in accordance with the terms of the New Scheme.

Value of the Options

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Scheme as if they had been granted at the Latest Practicable Date, given that various factors (such as the Exercise Price and other terms and conditions to which an Option may be subject) crucial for valuation cannot be predicted or ascertained and may vary from case to case. The Directors believe that any calculation of the value of the Options as at the Latest Practicable Date based on assumptions would be speculative and not meaningful, and indeed might be misleading to the Shareholders.

Document on Display

A copy of the rules of the New Scheme will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.wharfholdings.com) for display for a period of not less than fourteen (14) days before the date of the AGM and the rules of the New Scheme will be made available for inspection at the AGM.

Application for Listing

Application will be made to the Listing Committee for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued and allotted pursuant to the exercise of any Option that may be granted under the New Scheme.

Recommendation

The Directors (including the INEDs) consider that the adoption of the New Scheme are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Responsibility Statement

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

(5) ANNUAL GENERAL MEETING

A notice convening the AGM is set out on pages 28 to 32 of this circular. A proxy form for use at the AGM is enclosed with this circular. Whether or not you intend to attend the AGM or any adjournment thereof, you are requested to complete the proxy form and return it to the Share Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not later than 11:15 a.m. on Tuesday, 9 May 2023, or in case of any adjournment thereof, not less than 48 hours (exclusive of any part of a day that is a public holiday) before the time appointed for the holding of such adjourned meeting. Return of the completed proxy form will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish.

(6) RECOMMENDATION

The Directors believe that the proposed resolutions in relation to the re-election of the Retiring Directors, the general mandates in respect of the buy-back and issue of Shares, and the adoption of the New Share Option Scheme to be put forward at the AGM are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of all the relevant resolutions to be proposed at the AGM.

Yours faithfully,
For and on behalf of the Board
Stephen T. H. Ng
Chairman and Managing Director

APPENDIX I

DETAILS OF DIRECTORS PROPOSED TO BE RE-ELECTED

Set out below is the relevant information relating to the Retiring Directors proposed to be re-elected at the AGM:

1. **Mr. Paul Yiu Cheung TSUI**, *FCCA, FCPA, FCMA, CGMA, CPA, CGA*, aged 76, has been Executive Director and Group Chief Financial Officer of the Company since 2008 and became Vice Chairman in 2015.

Mr. Tsui is vice chairman and an executive director of Wharf Real Estate Investment Company Limited, and is also an executive director and group chief financial officer of Wheelock and Company Limited (“**WAC**”), which is the holding company of the Company and listed in Hong Kong until July 2020. He joined WAC/Wharf group in 1996 and became a director of WAC in 1998. Furthermore, Mr. Tsui is a director of Joyce Boutique Group Limited (delisted in Hong Kong in April 2020), vice chairman of Wheelock Properties Limited, a wholly-owned subsidiary of WAC, and a director of Wharf Estates Singapore Pte. Ltd. He formerly served as a director of Harbour Centre Development Limited (“**HCDL**”) until his resignation in August 2015.

Mr. Tsui is currently a general committee member of the Employers’ Federation of Hong Kong (“**EFHK**”) and chairman of EFHK’s “Property & Construction” functional group.

As at the Latest Practicable Date, Mr. Tsui had interests (within the meaning of Part XV of the SFO) in 300,000 Shares of the Company. Mr. Tsui receives from the Company a Director’s fee at such rate as approved by Shareholders from time to time, currently being HK\$250,000 per annum. Under the existing service contract between the Group and Mr. Tsui, the amount of Mr. Tsui’s emolument, inclusive of basic salary and various allowances etc., is approximately HK\$2.45 million per annum. In addition, an annual discretionary bonus is normally payable to Mr. Tsui with the amount of such bonus to be fixed unilaterally by the Group each year. The amount of emolument payable to Mr. Tsui is determined by reference to the range of remuneration package normally granted by employers in Hong Kong to a senior executive of comparable calibre and job responsibilities.

2. **Mr. Kevin Kwok Pong CHAN**, aged 62, joined the Group in 1993 and has been a Director of the Company since 2015. He has been involved in various property development projects of the Group in both Mainland China and Hong Kong. Among various other subsidiaries of the Company of which he serves as a director, he is an executive director of Wharf China Development Limited and Wharf China Estates Limited with responsibility to work on the Group's Mainland development property strategy as well as to oversee the Group's massive Mainland investment property construction projects. He was formerly a non-executive director of HCDL from 2013 to 2015.

Mr. Chan graduated from The Hong Kong Polytechnic University with Associateship in Civil & Structural Engineering. He is a member of the Hong Kong Institution of Engineers as well as the Institution of Civil Engineers, UK and also a chartered engineer of the Engineering Council UK.

As at the Latest Practicable Date, Mr. Chan had interests (within the meaning of Part XV of the SFO) in 350,000 Shares of the Company. Mr. Chan receives from the Company a Director's fee at such rate as approved by Shareholders from time to time, currently being HK\$250,000 per annum. Under the existing service contract between the Group and Mr. Chan, the amount of Mr. Chan's emolument, inclusive of basic salary and various allowances etc., is approximately HK\$4.16 million per annum. In addition, an annual discretionary bonus is normally payable to Mr. Chan with the amount of such bonus to be fixed unilaterally by the Group each year. The amount of emolument payable to Mr. Chan is determined by reference to the range of remuneration package normally granted by employers in Hong Kong to a senior executive of comparable calibre and job responsibilities.

3. **Ms. Elizabeth LAW, MH, JP**, aged 68, has been an INED of the Company since 2017. She also serves as a member of the Audit Committee.

Ms. Law graduated from McGill University, Canada in 1976. She is currently a managing director of Law & Partners CPA Limited, and the proprietor of Stephen Law & Company. Ms. Law is a fellow Certified Public Accountant (Practising) in Hong Kong, a member of the Chartered Professional Accountants, Canada, a fellow member of The Institute of Chartered Accountants in England & Wales, a fellow member of Certified Public Accountants Australia, and a certified tax adviser in Hong Kong.

Ms. Law is also a member of the Protection of Wages on Insolvency Fund Board and the Advisory Committee of the Accounting and Financial Reporting Council (“**AFRC**”). She is the honorary founding president of Association of Women Accountants (Hong Kong) Limited. She was appointed a Justice of the Peace in 2009.

Ms. Law is currently an INED of Clifford Modern Living Holdings Limited, Sunwah Kingsway Capital Holdings Limited and Onewo Inc. (all being publicly listed in Hong Kong). Ms. Law has also been appointed as an INED of Starlite Holdings Limited (publicly listed in Hong Kong) with effect from 1 April 2023.

Ms. Law served as president of The Society of Chinese Accountants and Auditors and a council member of Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). She had been an INED of China Vanke Company Limited (being publicly listed in Hong Kong) since 2012 until her retirement in June 2017 and Sunwah International Limited (until its delisting from the Toronto Stock Exchange in June 2021).

Ms. Law receives from the Company a Director’s fee and an Audit Committee member’s fee at such rates as approved by Shareholders from time to time, currently being HK\$250,000 and HK\$150,000 per annum respectively. The relevant fees payable to her are determined by reference to the level of fee normally payable by a listed company in Hong Kong to a director, including an INED. She receives no emolument from the Group other than the abovementioned Director’s fee and Audit Committee member’s fee.

Ms. Law has made a confirmation concerning her independence in accordance with Rule 3.13 of the Listing Rules. Based on the said confirmation made by her, the Board is of the view that Ms. Law is independent in accordance with the independence guidelines under the Listing Rules and should be re-elected as an INED.

4. **Ms. Nancy Sau Ling TSE, JP**, aged 70, has been an INED of the Company since January 2021.

Ms. Tse obtained her Bachelor of Arts (Honours) degree in Mathematics and Master of Business Administration degree in Finance/Accounting from the University of California, Los Angeles, USA; and qualified as Chartered Accountant in Canada. She is also a fellow of HKICPA and a fellow member of the Hong Kong Institute of Directors.

Ms. Tse is currently an INED of Link Asset Management Limited (as manager of Link Real Estate Investment Trust, publicly listed in Hong Kong) and DBS Bank (Hong Kong) Limited. She is also an INED and the chairman of HSBC Provident Fund Trustee (Hong Kong) Limited.

Ms. Tse is a member of the Board of Governors of the Prince Philip Dental Hospital, an adjunct professor of The Jockey Club School of Public Health and Primary Care of The Chinese University of Hong Kong, and an honorary adviser and a member of the Policy, Registration and Oversight Committee and the Sustainability and Climate Action Task Force of AFRC. Ms. Tse is also the deputy chair and member of the Professional Accountants in Business Advisory Group and a member of Public Policy and Regulation Advisory Group of the International Federation of Accountants. She serves on the boards and committees of a number of other charitable organisations and non-government organisations. Ms. Tse was the Chief Financial Officer and Director (Finance and Information Technology Services) of the Hong Kong Hospital Authority (“HA”) until her retirement at the end of August 2013. She joined the HA in 1991 when it was established. Ms. Tse was formerly an INED of WAC from October 2013 until its delisting in July 2020.

Ms. Tse receives from the Company a Director’s fee at such rate as approved by Shareholders from time to time, currently being HK\$250,000 per annum. The relevant fee payable to her is determined by reference to the level of fee normally payable by a listed company in Hong Kong to a director, including an INED. She receives no emolument from the Group other than the abovementioned Director’s fee.

Ms. Tse has made a confirmation concerning her independence in accordance with Rule 3.13 of the Listing Rules. Based on the said confirmation made by her, the Board is of the view that Ms. Tse is independent in accordance with the independence guidelines under the Listing Rules and should be re-elected as an INED.

APPENDIX II

EXPLANATORY STATEMENT

The following is the Explanatory Statement required to be sent to Shareholders under the Listing Rules which provides requisite information in connection with the proposed general mandate for share buy-back and also constitutes the Memorandum required under Section 239 of the Companies Ordinance:

- (i) It is proposed that the general buy-back mandate will authorise the buy-back by the Company of up to 10% of the number of Shares in issue at the date of passing the resolution to approve the general buy-back mandate (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares after passing of the resolution). As at 30 March 2023, being the Latest Practicable Date, the number of Shares in issue was 3,056,027,327 Shares. On the basis of such figure (and assuming no new Shares will be issued and no Shares will be bought back after the Latest Practicable Date and up to the date of passing such resolution), exercise in full of the general buy-back mandate would result in the buy-back by the Company of up to 305,602,732 Shares.
- (ii) The Directors believe that the general authority from Shareholders to enable buy-back of Shares is in the best interests of the Company and Shareholders. Share buy-backs may, depending on the circumstances and funding arrangements at the time, lead to an enhancement of the net assets and/or earnings per Share. The Directors are seeking the grant of a general mandate to buy back Shares to give the Company the flexibility to do so if and when appropriate. The number(s) of Shares to be bought back on any occasion and the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regard to the circumstances then pertaining.
- (iii) The funds required for any buy-back would be derived from the distributable profits of the Company or such other fundings legally available for such purpose in accordance with the Articles and the applicable laws of Hong Kong.
- (iv) There could be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in its most recent audited financial statements for the year ended 31 December 2022 being forwarded to Shareholders together with this circular) in the event that the general buy-back mandate is exercised in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the general buy-back mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing level of the Company which in the opinion of the Directors is from time to time appropriate for the Company.
- (v) There are no Directors or (to the best of the knowledge of the Directors, having made all reasonable enquiries) any close associates of the Directors who have a present intention, in the event that the general buy-back mandate is granted by Shareholders, to sell Shares to the Company.
- (vi) The Directors have undertaken to the Stock Exchange to exercise the power of the Company to buy back Shares pursuant to the general buy-back mandate in accordance with the Listing Rules and the applicable laws of Hong Kong.

- (vii) As at the Latest Practicable Date, as recorded in the register required to be kept by the Company under Part XV of the SFO, WAC, being the controlling shareholder of the Company, was interested in more than 50% of the number of Shares in issue. The Directors are not aware of any consequences which would arise under the Takeovers Code as a consequence of any purchases pursuant to the general buy-back mandate.
- (viii) No purchase of Shares has been made by the Company in the six months prior to the Latest Practicable Date.
- (ix) No core connected persons (as defined in the Listing Rules) of the Company have notified the Company of a present intention to sell Shares to the Company and no such persons have undertaken not to sell Shares to the Company in the event that the general buy-back mandate is granted by Shareholders.
- (x) The highest and lowest prices at which Shares were traded on the Stock Exchange during each of the previous twelve months up to the Latest Practicable Date are as follows:

	Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>
March 2022	29.35	21.75
April 2022	25.75	21.20
May 2022	26.25	20.40
June 2022	28.85	24.30
July 2022	29.85	27.70
August 2022	30.15	27.35
September 2022	29.60	24.90
October 2022	27.00	21.55
November 2022	27.45	19.54
December 2022	24.10	20.20
January 2023	23.55	20.20
February 2023	20.50	17.30
1 March 2023 up to the Latest Practicable Date	19.02	16.82

APPENDIX III

SUMMARY OF THE PRINCIPAL TERMS OF THE NEW SHARE OPTION SCHEME

The following is a summary of the principal terms of the New Share Option Scheme. It does not form part of, nor is it intended to be part of the rules of the New Share Option Scheme and it should not be taken as affecting the interpretation of the rules of the New Share Option Scheme.

1. PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Scheme is to enable the Group to recognise the contribution and potential future contribution of Grantees by providing them the opportunity to acquire equity interests in the Company, motivate Grantees and give them additional incentive to optimise their valuable contributions towards the Group's continued growth and success, attract and retain high-calibre personnel to strive for long term development of the Group, and foster a sense of corporate identity and align interests of Grantees to Shareholders for promoting long term financial success of the Group.

2. CONDITIONS OF THE NEW SHARE OPTION SCHEME

The New Scheme shall take effect upon the fulfillment of the following conditions: (a) the passing of the necessary resolution(s) by the Shareholders in general meeting for approving the adoption of the New Scheme; and (b) the Stock Exchange granting approval for the listing of and permission to deal in the Shares to be allotted and issued by the Company pursuant to the exercise of the Options in accordance with the terms and conditions of the New Scheme.

3. DURATION

The New Scheme shall be valid and effective for a period of 10 years commencing on the Effective Date and shall expire on the 10th anniversary thereof (unless otherwise terminated in accordance with the terms thereof), after which no further Options may be offered or granted under the New Scheme but the provisions of the New Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the terms and conditions of the New Scheme.

4. ELIGIBLE PARTICIPANTS

Eligible participants of the New Scheme include Category A Participants and Category B Participants determined to be qualified (or, where applicable, continues to be qualified) for the Options by the Board in its absolute discretion.

5. GRANT OF OPTIONS

- 5.1 Subject to the terms and conditions of the New Scheme, the Board shall be entitled at any time on a business day within a period of 10 years commencing on the Effective Date to make an Offer or Offers to any Eligible Participant(s) as the Board may in its absolute discretion select.
- 5.2 An Offer shall be made to an Eligible Participant in writing on a business day in such form as the Board may from time to time determine.
- 5.3 An Offer cannot be accepted by an Eligible Participant who ceases to be qualified as an Eligible Participant after the Offer has been made.
- 5.4 An Offer shall be deemed to have been accepted when the Company receives a duplicate Offer Letter duly signed from the Grantee together with a remittance of HK\$10.00 (or such other nominal sum in any currency as the Board may determine) in favour of the Company as consideration for the grant thereof. Such remittance shall in no circumstances be refundable. Once accepted, the Option shall be deemed to have been granted as from the date on which it was offered to the relevant Eligible Participant. No Offer shall be capable of or open for acceptance after the expiry of 10 years from the Effective Date.
- 5.5 Unless otherwise stated in the Offer Letter, any Offer may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof. To the extent that the Offer is not accepted in the manner set out in the Offer Letter or the Eligible Participant ceases to be qualified after the Offer has been made, the Offer shall be deemed to have been irrevocably declined and lapsed automatically without notice.
- 5.6 Subject to the provisions of the New Scheme and the Applicable Laws, the Board may, on a case-by-case basis and at its absolute discretion when offering the grant of an Option, impose any conditions, restrictions or limitations in relation thereto in addition to those expressly set forth in the New Scheme as it may think fit (which shall be stated in the Offer Letter), including, *inter alia*, vesting period of the Option, performance targets which must be achieved before an Option can be exercised, and clawback mechanism for the Company to recover or withhold any Options granted to any Grantee. Save as may be determined by the Board and provided in the Offer Letter, there is no performance target nor clawback mechanism attached to the Options.
- 5.7 The vesting period of any particular Option shall not be less than 12 months.
- 5.8 The Board may grant Options in respect of which the Exercise Price is fixed at different prices for different periods during the Exercise Period.

6. EXERCISE PRICE

The Exercise Price in respect of any particular Option (subject to adjustment in accordance with the terms of the New Scheme) shall be a price determined by the Board and stated in the Offer Letter, and shall be at least the higher of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the Offer; and (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the Offer.

7. TRANSFERABILITY OF OPTIONS

An Option shall be personal to the Grantee. No Option shall be transferred or assigned, and no Grantee shall in any way sell, transfer, assign, charge, mortgage, encumber or create any interest over or in relation to any Option in favour of any third party, provided that the Board may at its absolute discretion allow a Grantee to transfer or assign an Option to a vehicle (such as a trust or a private company) for the benefit of the Grantee and/or any of the family members of such Grantee for estate planning or tax planning purposes (the "**Permitted Transferee**") if:

- (a) the Grantee provides all such information in relation to the proposed transferee or assignee as the Board may request for the purpose of establishing to the Board's satisfaction that the proposed transferee or assignee is a Permitted Transferee;
- (b) each of the Grantee and the proposed transferee or assignee undertakes and warrants that the proposed transferee or assignee (i) will not in any way sell, transfer, assign, charge, mortgage, encumber or create any interest over or in relation to any Option so transferred or assigned to it in favour of any third party (unless such third party is also a Permitted Transferee and all the conditions in this paragraph which shall apply *mutatis mutandis* to such further transfer or assignment are satisfied); and (ii) will at all times be a Permitted Transferee; and
- (c) a waiver is granted by the Stock Exchange to permit such a transfer or assignment.

8. EXERCISE OF OPTIONS

- 8.1 Subject to the relevant Exercise Period and the other terms and conditions of the grant, an Option shall be exercised in whole or in part by the Grantee by giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is exercised.
- 8.2 Each such notice shall be accompanied by a remittance for the full amount of the Exercise Price for the Shares in respect of which the notice is given. Any notice given without such relevant remittance in full shall be invalid. Within 21 business days (excluding any period(s) of closure of the Company's share register) after receipt of the notice together with remittance of the relevant Exercise Price in full and, where appropriate, receipt of the certificate given by the Auditor or an independent financial adviser, the Company shall allot and issue the relevant number of Shares to the Grantee credited as fully paid and issue to the Grantee a share certificate in respect of the Shares so allotted and issued.

9. RIGHTS ON DEATH

In the event of death of the Grantee (being an individual) before exercising the Option in full, his or her Personal Representative(s) may exercise the Option (to the extent exercisable and not already exercised as at the date of his/her death) either in full or in part within 12 months following his or her death or such longer period as the Board may determine.

10. RIGHTS ON TERMINATION DUE TO DISABILITY

In the event of the Grantee being a Category A Participant and/or a Category B Participant at the time of the grant of the relevant Option ceasing to be a Category A Participant or a Category B Participant by reason of disability, the Grantee may exercise the Option (to the extent exercisable and not already exercised as at the date of such cessation) either in full or in part within 6 months following the date of such cessation (which date shall be his/her last actual working day with or last day in office as a director or employee of the Company, its subsidiary or the Related Entity, as the case may be) or such longer period as the Board may determine.

11. RIGHTS ON TERMINATION DUE TO PERMITTED GROUNDS OF TERMINATION

In the event of the Grantee being a Category A Participant and/or a Category B Participant at the time of the grant of the relevant Option ceasing to be a Category A Participant or a Category B Participant by reason of any Permitted Grounds of Termination (other than disability), the Grantee may exercise the Option (to the extent exercisable and not already exercised as at the date of such cessation) either in full or in part within 30 days following the date of such cessation (which date shall be his/her last actual working day with or last day in office as a director or employee of the Company, its subsidiary or the Related Entity, as the case may be) or such longer period as the Board may determine.

12. RIGHTS ON A GENERAL OFFER

In the event of a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) being made to all the holders of Shares (or all such holders other than the offeror and/or any person acting in concert with the offeror) and such offer becomes or is declared unconditional (in the case of a takeover offer) or is approved by the requisite resolutions of Shareholders in general meeting (in the case of a scheme of arrangement), the Company shall forthwith give notice thereof to all Grantees, and thereupon the Grantees may exercise the Options (to the extent exercisable and not already exercised as at the date on which the offer becomes or is declared unconditional (in the case of a takeover offer) or is approved by the requisite resolutions of Shareholders in general meeting (in the case of a scheme of arrangement)) either in full or in part at any time up to the close of such offer (or any revised offer) unless the Board shall determine to the contrary (in the case of a takeover offer) or within such period as shall be notified by the Company to the Grantees (in the case of a scheme of arrangement).

13. RIGHTS ON WINDING UP

In the event of a notice being given by the Company to its Shareholders to convene a shareholders' meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind up the Company, the Company shall forthwith give notice thereof to all Grantees, and thereupon the Grantees may exercise the Options (to the extent exercisable and not already exercised as at the date of the notice to the Grantee) either in full or in part not later than three business days (excluding any period(s) of closure of the Company's share register) immediately preceding the date of the proposed shareholders' meeting, and the Company shall, as soon as possible and in any event no later than the business day (excluding any period(s) of closure of the Company's share register) immediately preceding the date of the proposed shareholders' meeting, allot and issue such number of Shares to the Grantees which falls to be issued upon such exercise.

14. RIGHTS ON COMPROMISE OR ARRANGEMENT

In the event of a compromise or arrangement between the Company and its members or creditors being proposed in connection with a scheme for the reconstruction or amalgamation of the Company (other than any scheme of arrangement referred to in paragraph 12 above or any relocation schemes as contemplated in Rule 7.14(3) of the Listing Rules), the Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to its members or creditors to consider such a scheme, and thereupon the Grantees may exercise the Options (to the extent exercisable and not already exercised as at the date of the notice to the Grantee) either in full or in part not later than three business days (excluding any period(s) of closure of the Company's share register) immediately preceding the date of the proposed meeting, and the Company shall, as soon as possible and in any event no later than the business day (excluding any period(s) of closure of the Company's share register) immediately preceding the date of the proposed meeting, allot and issue such number of Shares to the Grantees which falls to be issued upon such exercise.

15. RANKING OF SHARES

The Shares to be allotted and issued upon the exercise of an Option shall be subject to all the provisions of the Articles and the Applicable Laws in force as at the Allotment Date and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the Allotment Date and accordingly shall entitle the holder to participate in all dividends or other distributions paid or made on or after the Allotment Date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor is before the Allotment Date.

16. LAPSE OF OPTIONS

An Option (to the extent not already exercised) shall automatically lapse on the earliest of:

- (a) the expiry of the Exercise Period;
- (b) the expiry of any of the periods referred to in paragraphs 9 to 14 above;
- (c) subject to paragraph 13, the date of the commencement of the winding-up of the Company;
- (d) the date when the proposed compromise or arrangement becomes effective in respect of the situation contemplated in paragraph 14;
- (e) the date on which the Grantee ceases to be a Category A Participant or a Category B Participant by reason other than the Permitted Grounds of Termination;
- (f) the date on which the Grantee commits a breach of any terms or conditions attached to the grant of the Option, unless otherwise resolved to the contrary by the Board; and
- (g) the date on which the Board resolves that the Grantee has failed or otherwise is or has been unable to meet the continuing eligibility criteria as may be prescribed pursuant to the terms of the New Scheme.

17. SCHEME MANDATE LIMIT

17.1 Subject to paragraphs 17.2 and 17.3 below, the total number of Shares which may be issued in respect of all options and awards to be granted under the New Scheme and Other Schemes shall not, in aggregate, exceed 10% of the Shares in issue as at the Adoption Date provided that if the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options and awards to be granted under the New Scheme and Other Schemes under the Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share. Options lapsed in accordance with the terms of the New Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

17.2 Subject to paragraph 17.3, the Company may seek approval by its Shareholders in general meeting for renewing the Scheme Mandate Limit (the “**Renewal Mandate**”) from time to time, provided that:

- (a) if the Renewal Mandate is sought within three years from the Adoption Date or the date on which the last Renewal Mandate was granted (as the case may be), any controlling shareholders of the Company and their associates (or if there is no controlling shareholder, Directors (excluding INEDs) and the chief executive of the Company and their respective associates) shall abstain from voting in favour of the relevant resolution at the general meeting; and the Company shall comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules, unless the Renewal Mandate is sought immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the relevant class of Shares in issue) upon renewal is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole Share;
- (b) the total number of Shares which may be issued in respect of all options and awards to be granted under the New Scheme and Other Schemes after renewal of the Scheme Mandate Limit shall not exceed 10% of the Shares in issue as at the date on which the Renewal Mandate is obtained;
- (c) if the Company conducts a share consolidation or subdivision after the Renewal Mandate is obtained, the maximum number of Shares that may be issued in respect of all options and awards to be granted under the New Scheme and Other Schemes under the renewed Scheme Mandate Limit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share; and
- (d) the Company shall send a circular to its Shareholders containing the number of Options that were already granted under the then existing Scheme Mandate Limit and the reason for the renewal.

17.3 The Company may seek separate approval by its Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit (or the renewed Scheme Mandate Limit) provided that:

- (a) the Options in excess of the Scheme Mandate Limit (or the renewed Scheme Mandate Limit) shall be granted only to the Eligible Participants specifically identified by the Company before such Shareholders’ approval is sought;
- (b) the Company shall issue a circular to its Shareholders containing the name of each specified Eligible Participant who may be granted such Options, the number and terms of the Options to be granted to each such specified Eligible Participant, and the purpose of granting Options to each such specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose;
- (c) the number and terms of Options to be granted to each such specified Eligible Participant shall be fixed before such Shareholders’ approval; and
- (d) for the purpose of calculating the minimum Exercise Price in respect of any Options to be so granted to each such specified Eligible Participant, the date of the Board meeting for proposing such grant shall be taken as the date of the Offer of such Options.

18. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

Where any grant of Option to an Eligible Participant would result in the Shares issued and to be issued in respect of all options and awards granted under the New Scheme and Other Schemes to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the New Scheme and Other Schemes) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the Shares in issue as at the date of such grant, such grant shall be subject to the following requirements:

- (a) approval of the Shareholders in general meeting with such Eligible Participant and his or her close associates (or associates if such Eligible Participant is a connected person of the Company) abstaining from voting;
- (b) the Company shall send a circular to its Shareholders disclosing the identity of such Eligible Participant, the number and terms of the further Options to be granted (and those previously granted to such Eligible Participant in the 12-month period), the purpose of granting further Options to such Eligible Participant and an explanation as to how the terms of the further Options serve such purpose; and
- (c) the number and terms of the further Options to be granted to such Eligible Participant shall be fixed before the Shareholders' approval mentioned in (a) above.

19. GRANT OF OPTIONS TO CONNECTED PERSONS

Without prejudice to the provisions summarised in paragraph 5, (a) any grant of Options to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates shall be approved by the INEDs (excluding any INED who is the proposed Grantee of such Options); and (b) where any grant of Options to an INED or a substantial shareholder of the Company or any of their respective associates would result in the Shares issued and to be issued in respect of all options and awards granted under the New Scheme or Other Schemes (excluding any Options lapsed in accordance with the terms of the New Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of Options shall be approved by the Shareholders in general meeting. The Company shall send a circular to its Shareholders containing such information as required under the Applicable Laws. The relevant Grantee, his or her associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. The Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

20. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company while any Option remains exercisable, and such event arises from a capitalisation issue, rights issue, subdivision or consolidation of Shares, or reduction of capital of the Company, the Board may, if it deems appropriate, direct that such corresponding adjustments (if any) be made (i) in the number of Shares subject to the Options so far as unexercised and/or (ii) the Exercise Price. Any adjustments required shall be made in accordance with the following requirements:

- (a) the adjustments shall give a Grantee the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that Grantee was previously entitled; and
- (b) the adjustments shall be made in accordance with the Listing Rules and any other requirements or guidance by the Stock Exchange from time to time (including the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 relating to share option schemes), if applicable.

Save in the case of capitalisation issue, the Auditors or an independent financial adviser appointed by the Company shall certify the Directors in writing that the adjustments satisfy the requirements set out above.

21. ALTERATION OF THE NEW SHARE OPTION SCHEME

The New Scheme may be altered in any respect by resolution of the Board save for the following alterations which may be effected only with the prior approval of the Shareholders in general meeting: (a) any alterations to the terms and conditions of the New Scheme which are of a material nature; (b) any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantees; and (c) any change to the authority of the Board to alter the terms of the New Scheme, provided always that the amended terms of the New Scheme shall continue to comply with the relevant provisions of the Listing Rules and any other Applicable Laws.

22. TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company by resolution in general meeting or the Board may at any time terminate the operation of the New Scheme and in such event, no further Options may be offered or granted under the New Scheme but the provisions of the New Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior to the termination or otherwise as may be required in accordance with the terms and conditions of the New Scheme.

23. CANCELLATION OF OPTIONS GRANTED

23.1 Any Option may be cancelled in whole or in part and at any time:

- (a) if agreed between the Company and the relevant Grantee, with effect from the date of cancellation as agreed between the Company and the Grantee; or
- (b) at the discretion of the Board by giving written notice thereof to the relevant Grantee with effect from the date of delivery of such notice, provided that (i) the Board shall offer to grant to the Grantee replacement Options of equivalent value of the Options being cancelled; or (ii) the Company shall pay or procure to pay to the Grantee an amount equal to the cash value of the Options being cancelled as at the date of cancellation as determined by the Board by reference to the difference between the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the cancellation and the Exercise Price. If, prior to any such payment being made, the relevant Grantee has ceased to be an Eligible Participant, his/her entitlement to further receive any such payment shall be cancelled and he/she shall have no further right in respect thereof.

23.2 Where an Option granted to a Grantee is cancelled and a new grant is made to the same Grantee under the New Scheme, such new grant may only be made under the Scheme Mandate Limit (or the renewed Scheme Mandate Limit) available at the time of such new grant. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit (or the renewed Scheme Mandate Limit).

23.3 If, prior to the allotment of Shares arising from an exercise of an Option, any Grounds for Termination shall have arisen in relation to the relevant Grantee, no allotment of the Shares shall be made and all outstanding Options granted in favour of such Grantee shall forthwith be cancelled and the Grantee shall have no entitlement or claim or any right of compensation or otherwise in respect thereof. A resolution of the Board as to whether or not "Grounds for Termination" shall have arisen at any time shall be conclusive.

THE WHARF (HOLDINGS) LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the “**AGM**”) of The Wharf (Holdings) Limited (the “**Company**”) will be held in Centenary Room, Ground Floor, The Marco Polo Hongkong Hotel, 3 Canton Road, Kowloon, Hong Kong, on Thursday, 11 May 2023 at 11:15 a.m. for the following purposes:

- (1) To receive and adopt the Financial Statements and the Reports of the Directors and Independent Auditor for the financial year ended 31 December 2022.
- (2) To re-elect the retiring Directors.
- (3) To re-appoint Auditors and authorise the Directors to fix their remuneration.

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

- (4) “**THAT:**
 - (a) subject to paragraph (b) below, the exercise by the Directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to purchase shares in the capital of the Company (the “**Shares**”) be and is hereby generally and unconditionally approved;
 - (b) the aggregate number of Shares which may be purchased on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Code on Share Buy-backs pursuant to the approval in paragraph (a) above shall not exceed 10% of the number of Shares in issue at the date of passing of this Resolution (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares after the passing of 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:
 - (aa) the conclusion of the next annual general meeting of the Company;
 - (bb) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
 - (cc) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting.”

(5) “**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 and to make or grant offers, agreements, options, warrants and other securities which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options, warrants and other securities which might require the exercise of such power after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) the exercise of rights of subscription or conversion under the terms of any options, warrants or similar rights granted by the Company or any securities which are convertible into Shares; 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 in accordance with the Articles of Association of the Company, shall not exceed the aggregate of:
 - (aa) 20% of the number of Shares in issue at the date of passing of this Resolution (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares after the passing of this Resolution); plus
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of shareholders of the Company) the number of Shares bought back by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the number of Shares in issue at the date of passing ordinary resolution (4) set out in the notice convening this meeting) (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares after the passing of the said ordinary resolution (4)), 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:
- (aa) the conclusion of the next annual general meeting of the Company;
 - (bb) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
 - (cc) the revocation or variation of the approval given under this Resolution by ordinary resolution of the shareholders of the Company in general meeting; and

“**Rights Issue**” means an offer of shares, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Company or by the Directors to holders of Shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

- (6) “**THAT** the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares pursuant to ordinary resolution (5) set out in the notice convening this meeting be and is hereby extended by the addition thereto of such further additional Shares as shall represent the aggregate number of Shares bought back by the Company subsequent to the passing of the said ordinary resolution (5), provided that the number of Shares so added shall not exceed 10% of the number of Shares in issue at the date of passing ordinary resolution (4) set out in the notice convening this meeting (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares after the passing of the said ordinary resolution (4)).”
- (7) “**THAT**:
- (a) subject to and conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares which may fall to be issued and allotted pursuant to the exercise of any options which may be granted under the New Share Option Scheme of the Company (the “**New Share Option Scheme**”), the rules of which are set out in the printed documented marked “A” now produced in this meeting and signed by the Chairman of the meeting for identification purpose, the New Share Option Scheme be and is hereby approved and adopted;

- (b) the total number of Shares to be allotted and issued pursuant to (a) above, together with any issue of Shares upon the exercise of any options and awards granted under any other share schemes of the Company as may from time to time be adopted by the Company, shall not exceed such number of Shares as equals to 10% of the Shares in issue as at the date of passing of this Resolution; and
- (c) the Directors be and are hereby authorised to do all such acts and to enter into all such arrangements as may be necessary or expedient in order to give full effect to the New Share Option Scheme including but without limitation to: (i) administer the New Share Option Scheme under which options will be granted to participants eligible under the New Share Option Scheme to subscribe for Shares; (ii) modify and/or amend the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment; (iii) grant options to subscribe for Shares under the New Share Option Scheme and to allot and issue from time to time such number of Shares as may be required to be issued pursuant to the exercise of the options under the New Share Option Scheme and subject to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”); (iv) make application at the appropriate time or times to the Listing Committee of the Stock Exchange and any other stock exchanges upon which the issued Shares may, for the time being, be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the options under the New Share Option Scheme; and (v) consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme.”

By Order of the Board

Kevin C. Y. Hui

Director and Company Secretary

Hong Kong, 6 April 2023

Registered Office:

16th Floor, Ocean Centre,
Harbour City, Canton Road,
Kowloon,
Hong Kong

Notes:

- (a) **Precautionary measures for the AGM** — As a courtesy to other shareholders, we recommend that shareholders do not attend the AGM in person if they test COVID-19 positive or display symptoms of COVID-19. As a precautionary measure, we recommend shareholders first submit a proxy to appoint the Chairman of the AGM to vote on their behalf. In the event shareholders can attend in person on the day, their proxy will be cancelled and they may vote in person. **Please note that no refreshment or corporate souvenir will be provided at the AGM.**
- (b) A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and, in the event of a poll, to vote in his/her stead. A proxy needs not be a shareholder of the Company. In order to be valid, the proxy form together with the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of that power of attorney or authority) must be returned to the Company's Share Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 11:15 a.m. on Tuesday, 9 May 2023, or in case of any adjournment thereof, not less than 48 hours (exclusive of any part of a day that is a public holiday) before the time appointed for the holding of such adjourned meeting.
- (c) With reference to item (2) above, Mr. Paul Y. C. Tsui, Mr. Kevin K. P. Chan, Ms. Elizabeth Law and Ms. Nancy S. L. Tse are proposed to be re-elected at the AGM.
- (d) With reference to item (3) above, Messrs. KPMG, Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance, are proposed to be re-appointed as Auditors of the Company.
- (e) With reference to item (5) above, the Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the mandate to be given thereunder, other than under any share option scheme or share award scheme as may from time to time be adopted by the Company.
- (f) Pursuant to Rule 13.39(4) of the Listing Rules, Chairman of the AGM will put each of the above resolutions to be voted by way of a poll under Article 75 of the Articles of Association of the Company.
- (g) The Register of Members of the Company will be closed from Monday, 8 May 2023 to Thursday, 11 May 2023, both days inclusive, during which period no transfer of Shares can be registered. In order to ascertain shareholders' right for the purpose of attending and voting at the AGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, 5 May 2023.
- (h) If a tropical cyclone warning signal no. 8 or above is in force at or after 9:30 a.m. on the date of the AGM, the meeting will be postponed or adjourned. The Company will post an announcement on the respective websites of the Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.wharfholdings.com) to notify shareholders of the date, time and venue of the rescheduled meeting.
- (i) The translation into Chinese language of this document is for reference only. In case of any inconsistency, the English version shall prevail.