

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred all your shares in Chow Tai Fook Jewellery Group Limited**, you should at once hand this circular and the accompanying proxy form to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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## **CHOW TAI FOOK JEWELLERY GROUP LIMITED**

**周大福珠寶集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

Stock Code: 1929

### **NOTICE OF ANNUAL GENERAL MEETING AND PROPOSALS FOR (I) RE-ELECTION OF DIRECTORS (II) GENERAL MANDATES TO ISSUE AND BUY BACK SHARES (III) ADOPTION OF THE 2023 SHARE AWARD SCHEME AND TERMINATION OF THE 2021 SHARE OPTION SCHEME**

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The notice convening the AGM is set out on pages 7 to 14 of this circular.

Whether you are able to attend the AGM or not, you are requested to complete and sign the accompanying proxy form in accordance with the instructions printed on it, and return it to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated website (<https://spot-meeting.tricor.hk>) by using the username and password provided on the notification letter sent by the Company as soon as possible, and in any event so that it is received not less than 48 hours before the time appointed for the meeting or any adjourned meeting (as the case may be). Submission of a proxy form will not preclude you from attending and voting in person at the meeting (or any adjourned meeting thereof) should you so wish. Please note that no refreshment or souvenir will be provided at the AGM.

15 June 2023

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## DEFINITIONS

*In this circular, the following expressions have the following meanings unless the context otherwise requires:*

"2021 Share Option Scheme"	the existing share option scheme of the Company approved and adopted by the Shareholders on 28 July 2021
"2023 Annual Report"	the annual report for the year ended 31 March 2023 of the Company
"2023 Share Award Scheme"	the share award scheme proposed to be adopted by the Company at the AGM, a summary of the principal terms of which is set out in Appendix III to this circular
"Adoption Date"	7 July 2023, being the date of the AGM approving the adoption of the 2023 Share Award Scheme and its implementation
"AGM"	the annual general meeting of the Company to be held with the combination of a physical meeting at Meeting Room S421, Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong and an electronic meeting on Friday, 7 July 2023 at 12:00 noon, or, where the context so admits, any adjournment thereof
"Articles of Association"	the articles of association of the Company, as amended and/or restated from time to time
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Award"	an award granted by the Board or the Committee to a Grantee of a conditional right for such Grantee to receive such number of Award Shares under the 2023 Share Award Scheme, subject to the satisfaction of vesting conditions and such other terms and conditions, as the Board or the Committee may in its absolute discretion determine
"Award Share(s)"	in respect of a Grantee, such number of Share(s) underlying the Award(s) as determined by the Board or the Committee, and as may be issued as new Shares or acquired through on-market or off-market purchases of Shares, in accordance with the terms of the 2023 Share Award Scheme
"Board"	the board of directors of the Company

## DEFINITIONS

“Buy-back Mandate”	a general mandate proposed to be granted to the Directors at the AGM to buy back Shares not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Cayman Companies Act”	the Companies Act, Cap. 22 (Act 3 of 1961, as consolidated and revised) of the Cayman Islands
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Committee”	the person(s) from time to time delegated by the Board with the power and authority to administer the 2023 Share Award Scheme in accordance with the rules of the 2023 Share Award Scheme and, unless otherwise notified by the Board, refers to the remuneration committee of the Company
“Company”	Chow Tai Fook Jewellery Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 1929)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Eligible Participant”	any director or employee of the Company or of any of its subsidiaries, including any person who is granted Awards under the 2023 Share Award Scheme as an inducement to enter into an employment or engagement contract with the Company or any of its subsidiaries, provided that such director or employee is not an Excluded Participant
“Excluded Participant”	any person who is resident in a place where the grant of the Award, the vesting of the Award and/or the transfer or subscription of Award Shares pursuant to the terms of the 2023 Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or the Committee or (where applicable) the Trustee, compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such person

## DEFINITIONS

“Grantee”	any Selected Participant who has accepted the offer of the grant of an Award in accordance with the terms of the 2023 Share Award Scheme or, where the context so permits, any person entitled to any such Award in consequence of the death of the original Grantee or the legal personal representative of such person
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution granting such mandate
“Latest Practicable Date”	8 June 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Notification Letter”	the notification letter sent to Shareholders by the Company on 15 June 2023 in relation to attending the Annual General Meeting by electronic means
“Selected Participant”	any Eligible Participant selected by the Board or the Committee in its absolute discretion to be offered with the grant of an Award pursuant to the terms of the 2023 Share Award Scheme
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of par value of HK\$1.00 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong

## DEFINITIONS

“Trust Deed”	the trust deed as may be entered into by the Company as settlor and the Trustee as trustee (as amended, restated, supplemented or otherwise modified from time to time) in respect of the appointment of the Trustee for the administration of the 2023 Share Award Scheme
“Trustee”	the trustee as may be appointed by the Company from time to time for the administration of the 2023 Share Award Scheme
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

References to time and dates in this circular are to Hong Kong time and dates.

**LETTER FROM THE BOARD OF DIRECTORS**

**CHOW TAI FOOK JEWELLERY GROUP LIMITED**

**周大福珠寶集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

Stock Code: 1929

*Executive Directors:*

Dr. Cheng Kar-Shun, Henry  
Mr. Cheng Chi-Heng, Conroy  
Ms. Cheng Chi-Man, Sonia  
Mr. Wong Siu-Kee, Kent  
Dr. Cheng Chi-Kong, Adrian  
Mr. Cheng Kam-Biu, Wilson  
Mr. Cheng Ping-Hei, Hamilton  
Mr. Suen Chi-Keung, Peter  
Mr. Liu Chun-Wai, Bobby

*Independent Non-executive Directors:*

Mr. Kwong Che-Keung, Gordon  
Mr. Lam Kin-Fung, Jeffrey  
Dr. Or Ching-Fai, Raymond  
Ms. Cheng Ka-Lai, Lily  
Mr. Chia Pun-Kok, Herbert  
Ms. Fung Wing-Yee, Sabrina

*Registered Office:*

Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Headquarters and principal place of  
business in Hong Kong:*

33/F, New World Tower  
16–18 Queen's Road Central  
Hong Kong

15 June 2023

Dear Shareholders,

On behalf of the Board, it is my pleasure to invite you to the Company's annual general meeting to be held with the combination of a physical meeting at Meeting Room S421, Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong and an electronic meeting on Friday, 7 July 2023 at 12:00 noon. Registration will start at 11:30 a.m.

The notice of the AGM is set out on pages 7 to 14. Information regarding the business to be considered at the AGM is set out on pages 15 to 24. If you do not plan to attend the AGM yourself, you may appoint the chairman of the AGM or any person of your choice as your proxy to attend and vote on your behalf at the AGM.

The Board considers that the proposed resolutions as set out in the notice of the AGM are in the best interests of the Company and its Shareholders as a whole, and recommends you vote in favour of all the resolutions at the AGM.

## LETTER FROM THE BOARD OF DIRECTORS

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.

Matters regarding Shareholders' rights to attend and vote at the AGM are set out in Appendix IV to this circular. If you have any question concerning the AGM, please contact the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at (852) 2980 1333.

Your participation at the AGM is welcome and my fellow Directors and I look forward to meeting you at the AGM.

Yours faithfully,  
On behalf of the Board  
**Chow Tai Fook Jewellery Group Limited**  
**Dr. Cheng Kar-Shun, Henry**  
*Chairman*



## NOTICE OF ANNUAL GENERAL MEETING

# CHOW TAI FOOK JEWELLERY GROUP LIMITED

## 周大福珠寶集團有限公司

*(Incorporated in the Cayman Islands with limited liability)*

Stock Code: 1929

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of shareholders of Chow Tai Fook Jewellery Group Limited (“**Company**”, together with its subsidiaries, the “**Group**”) will be held with the combination of a physical meeting at Meeting Room S421, Hong Kong Convention and Exhibition Centre, 1 Expo Drive, Wanchai, Hong Kong and an electronic meeting on Friday, 7 July 2023 at 12:00 noon for the following purposes:

### ORDINARY RESOLUTIONS

#### As Ordinary Business:

1. To receive and adopt the audited financial statements for the year ended 31 March 2023 together with the reports of the directors and the independent auditor thereon;
2. To declare a final dividend of HK\$0.28 per ordinary share and a special dividend of HK\$0.72 per ordinary share of the Company for the year ended 31 March 2023;
3.
  - (a) To re-elect Dr. Cheng Kar-Shun, Henry as an executive director;
  - (b) To re-elect Mr. Cheng Kam-Biu, Wilson as an executive director;
  - (c) To re-elect Mr. Suen Chi-Keung, Peter as an executive director;
  - (d) To re-elect Mr. Kwong Che-Keung, Gordon as an independent non-executive director;
  - (e) To re-elect Ms. Fung Wing-Yee, Sabrina as an independent non-executive director; and
  - (f) To authorise the board of directors to fix the remuneration of the directors; and
4. To re-appoint PricewaterhouseCoopers as auditor of the Company and authorise the board of directors to fix its remuneration.

## NOTICE OF ANNUAL GENERAL MEETING

### As Special Business:

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

5. **“THAT:**
- (a) subject to paragraph 5(c) below, the exercise by the directors of the Company (**“Directors”**) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with unissued shares in the capital of the Company and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers, subject to and in accordance with all applicable laws and the articles of association of the Company, be and is hereby generally and unconditionally approved;
  - (b) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into shares of the Company) which might require the exercise of such powers after the end of the Relevant Period;
  - (c) the aggregate nominal amount of the share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs 5(a) and 5(b) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or pursuant to any share scheme (including share option schemes and share award schemes) adopted by the Company or an issue of shares upon the exercise of subscription or conversion rights attached to the warrants or the convertible securities which might be issued by the Company or an issue of shares in lieu of the whole or part of a dividend on shares or any scrip dividend scheme or similar arrangement in accordance with the articles of association of the Company, shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this resolution, and the said approval shall be limited accordingly; and
  - (d) for the purposes of this resolution:

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

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

## NOTICE OF ANNUAL GENERAL MEETING

- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws of the Cayman Islands to be held; and
- (iii) the revocation or variation of the mandate given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

**"Rights Issue"** means an offer of shares open for a period fixed by the Directors to holders of shares whose names stand on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange)."

6. **"THAT:**

- (a) subject to paragraph 6(c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to buy back issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph 6(a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to buy back its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the share capital of the Company which the Directors are authorised to buy back pursuant to the approval in paragraphs 6(a) and 6(b) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company on the date of the passing of this resolution, and the said approval shall be limited accordingly; and

## NOTICE OF ANNUAL GENERAL MEETING

(d) for the purposes of this resolution, "Relevant Period" shall have the same meaning as in paragraph (d) of resolution numbered 5 of the notice of the Annual General Meeting."

### 7. "THAT:

- (a) the proposed share award scheme of the Company (the "**2023 Share Award Scheme**"), a copy of which is tabled at the meeting and marked "A" and initialled by the Chairman hereof for the purpose of identification, with the Scheme Mandate Limit (as defined in the 2023 Share Award Scheme) of 5% of the total number of issued shares of the Company as at the date of the passing of this resolution, be and is hereby approved and adopted; and the Directors and the company secretary of the Company be and are hereby authorised to do all such acts, to enter into all such transactions, arrangements and agreements and to take all actions as may be necessary or desirable to implement and give full effect to the 2023 Share Award Scheme, including but without limitation:
- (i) to administer the 2023 Share Award Scheme under which the Awards (as defined in the 2023 Share Award Scheme) may be granted to Eligible Participants (as defined in the 2023 Share Award Scheme);
  - (ii) to modify and/or amend the 2023 Share Award Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2023 Share Award Scheme relating to modification and/or amendment and subject to the requirements of the Listing Rules;
  - (iii) to grant the Awards to Eligible Participants under the 2023 Share Award Scheme and, 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 of the Company to be allotted and issued, to allot and issue from time to time such number of the shares of the Company as may be required to be allotted and issued in respect of the Awards to be granted under the 2023 Share Award Scheme and subject to the Listing Rules;
  - (iv) to make application at the appropriate time or times to the Stock Exchange, and any other stock exchanges upon which the issued shares of the Company may for the time being be listed, for the listing of, and permission to deal in, any new shares of the Company that may hereafter from time to time be allotted and issued in respect of the Awards to be granted under the 2023 Share Award Scheme and subject to the Listing Rules;

## NOTICE OF ANNUAL GENERAL MEETING

- (v) to consent, if any Director or the company secretary of the Company 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 2023 Share Award Scheme; and
- (b) conditional upon the 2023 Share Award Scheme becoming effective, the existing share option scheme adopted by the Company on 28 July 2021 (the “**2021 Share Option Scheme**”) be and is hereby terminated with effect from the adoption of the 2023 Share Award Scheme, except that the provisions of the 2021 Share Option Scheme will remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior to its termination, or otherwise as may be required in accordance with the provisions of the 2021 Share Option Scheme.”

By Order of the Board  
**Chow Tai Fook Jewellery Group Limited**  
**Dr. Cheng Kar-Shun, Henry**  
*Chairman*

Hong Kong, 15 June 2023

Notes:

### 1. **Hybrid Annual General Meeting**

The Company will conduct a hybrid annual general meeting with the combination of physical meeting and electronic meeting using the Tricor e-Meeting System which allows shareholders to participate the Annual General Meeting online in a convenient and efficient way from anywhere with an internet connection. Shareholders will be able to view the live video broadcast of the Annual General Meeting, participate in voting and submit questions online in written form via their mobile phones, tablet, or computers or call to raise questions. The live broadcast option can also broaden the reach of the Annual General Meeting to shareholders who are unable to attend in person physically.

#### **How to attend and vote?**

Shareholders who wish to attend the Annual General Meeting and exercise their voting rights can be achieved in one of the following ways:

- (1) attend the Annual General Meeting in person physically and vote at the Annual General Meeting venue; OR
- (2) attend the Annual General Meeting via an online platform, namely, the Tricor e-Meeting System which enables live streaming, online voting and online submission of questions in written form or call to raise questions; OR
- (3) appoint the chairman of the Annual General Meeting or other persons as their proxies to vote on their behalf (whether physically or via Tricor e-Meeting System).

Your proxy's authority and instruction will be revoked if you attend and vote in person physically at the Annual General Meeting or via the Tricor e-Meeting System.

## NOTICE OF ANNUAL GENERAL MEETING

For beneficial owners whose shares of the Company are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited and who would like to attend the Annual General Meeting in person physically or online, they should consult directly with their banks or brokers or custodians (as the case may be) for the necessary arrangements.

For corporate shareholders who wish to (1) appoint proxy electronically to attend and vote at the Annual General Meeting on their behalf or (2) appoint the corporate representative to attend the Annual General Meeting and to vote online, please contact the Company's share registrar, Tricor Investor Services Limited, hotline at (852) 2975 0928 by 5:00 p.m. on 4 July 2023 for the necessary arrangements (including the activation of the password provided on the notification letter sent to the shareholders by the Company on 15 June 2023 (the "**Notification Letter**").

- Registered shareholders will be able to attend the Annual General Meeting, vote and submit questions online in written form via the designated website (<https://spot-emeeting.tricor.hk>) by using the username and password provided on the Notification Letter sent by the Company or call to raise questions.

Registered shareholders are requested to provide a valid email address of himself/herself/itself or his/her/its proxy (except for the appointment of the chairman of the Annual General Meeting) for the proxy to receive the login access code to participate online in the e-Meeting System.

Non-registered shareholders whose Shares are held in the Central Clearing and Settlement System through banks, brokers, custodians or Hong Kong Securities Clearing Company Limited may also be able to attend the Annual General Meeting, vote and submit questions online in written form or call to raise questions. In this regard, they should consult directly with their banks, brokers or custodians (as the case may be) for the necessary arrangements.

- Any eligible shareholder is entitled to appoint one or more proxies to attend and vote in his/her/its stead at the above meeting (or at any adjournment of it) provided that each proxy is appointed to represent the respective number of shares held by the shareholder as specified in the relevant proxy form. A proxy need not be a shareholder of the Company.
- Where there are joint registered holders of any share of the Company, any one of such joint holders may vote at the above meeting (or at any adjournment of it), either personally or by proxy, in respect of such share as if he/she/it were solely entitled thereto; but if more than one of such joint holders are present at the meeting personally or by proxy, that one of the said joint holders so present whose name stands first on the register of members of the Company in respect of such share shall be accepted to the exclusion of the votes of the other joint holders.
- In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be delivered to the office of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated website (<https://spot-emeeting.tricor.hk>) by using the username and password provided on the Notification Letter sent by the Company not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof (as the case may be).

In the case of appointment of proxies submitted in electronic form, the proxy forms must be electronically submitted via Tricor e-Meeting System not less than 48 hours before the time appointed for the holding of the meeting (i.e. not later than Wednesday, 5 July 2023 at 12:00 noon) or any adjournment thereof (as the case may be) by scanning the QR code provided on the Notification Letter or visiting the designated website (<https://spot-emeeting.tricor.hk>). Please use the username and password provided on the Notification Letter.

If your proxy (except when the chairman of the meeting is appointed as proxy) wishes to attend the Annual General Meeting and vote online, you must provide a valid email address of your proxy to the Company's share registrar, Tricor Investor Services Limited. If no email address is provided, your proxy cannot attend the Annual General Meeting and vote online. The email address so provided will be used by the Company's share registrar, Tricor Investor Services Limited, for providing the login details for attending and voting at the Annual General Meeting via Tricor e-Meeting System. If your proxy has not

## NOTICE OF ANNUAL GENERAL MEETING

received the login details by email by Thursday, 6 July 2023, you should contact the Company's share registrar, Tricor Investor Services Limited, by calling hotline at (852) 2975 0928 between 9:00 a.m. to 6:00 p.m. or by email to [emeeting@hk.tricorglobal.com](mailto:emeeting@hk.tricorglobal.com) for the necessary arrangements.

6. For the purposes of determining shareholders' eligibility to attend and vote at the above meeting (or at any adjournment of it) and entitlement to the final dividend and special dividend, the register of members of the Company will be closed as set out below:

- (i) For determining eligibility to attend and vote at the above meeting:

Latest time to lodge transfer documents for registration with the Company's Hong Kong branch share registrar	4:30 p.m. on Monday, 3 July 2023
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Closure of register of members	Tuesday, 4 July 2023 to Friday, 7 July 2023 (both dates inclusive)
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Record date	Friday, 7 July 2023
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- (ii) For determining entitlement to the final dividend and special dividend:

Latest time to lodge transfer documents for registration with the Company's Hong Kong branch share registrar	4:30 p.m. on Thursday, 13 July 2023
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Closure of register of members	Friday, 14 July 2023
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Record date	Friday, 14 July 2023
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During the above closure periods, no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the meeting, and to qualify for the final dividend and special dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than the aforementioned latest time.

7. All resolutions set out in this notice will be taken by way of poll pursuant to the Listing Rules and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
8. The registration for attending the above meeting will start at 11:30 a.m. on Friday, 7 July 2023. No refreshment or souvenir will be provided at the Annual General Meeting.
9. The above meeting will be adjourned if any of the following events happens on the date of such meeting:
- (a) at 9:00 a.m., a tropical cyclone warning signal no. 8 or above is in force in Hong Kong; or
  - (b) at 11:00 a.m. or earlier, the Hong Kong Observatory has issued a pre-no. 8 or above special announcement to give an advance notice that tropical cyclone warning signal no. 8 or above is expected within 2 hours.

The Company will post an announcement on the HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and its group website ([www.ctfjewellerygroup.com](http://www.ctfjewellerygroup.com)) to notify shareholders of the date, time and place of the adjourned meeting.

The meeting will be held as scheduled when amber, red or black rainstorm warning signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather conditions bearing in mind their own situations.

## NOTICE OF ANNUAL GENERAL MEETING

Shareholders may contact the Company's Hong Kong branch share registrar's customer service hotline at (852) 2980 1333 during business hours (9:00 a.m. to 6:00 p.m., Monday to Friday, excluding Hong Kong public holidays) for the meeting arrangements.

10. As at the date hereof, the board of directors comprises 9 executive directors, namely Dr. Cheng Kar-Shun, Henry, Mr. Cheng Chi-Heng, Conroy, Ms. Cheng Chi-Man, Sonia, Mr. Wong Siu-Kee, Kent, Dr. Cheng Chi-Kong, Adrian, Mr. Cheng Kam-Biu, Wilson, Mr. Cheng Ping-Hei, Hamilton, Mr. Suen Chi-Keung, Peter and Mr. Liu Chun-Wai, Bobby; and 6 independent non-executive directors, namely Mr. Kwong Che-Keung, Gordon, Mr. Lam Kin-Fung, Jeffrey, Dr. Or Ching-Fai, Raymond, Ms. Cheng Ka-Lai, Lily, Mr. Chia Pun-Kok, Herbert and Ms. Fung Wing-Yee, Sabrina.



## BUSINESS OF ANNUAL GENERAL MEETING

### RESOLUTION 1 — RECEIVING AND ADOPTING THE AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended 31 March 2023, together with the Directors' Report, are set out in the 2023 Annual Report which are available in English and Chinese under the Investor Relations section of the Company's group website ([www.ctfjewellerygroup.com](http://www.ctfjewellerygroup.com)) and the HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)).

The financial statements were audited by PricewaterhouseCoopers ("PwC"), the independent auditor of the Company, and reviewed by the audit committee of the Company. The report of the independent auditor is set out in the 2023 Annual Report.

### RESOLUTION 2 — DECLARATION OF FINAL DIVIDEND AND SPECIAL DIVIDEND

The basic earnings per share of the Company were HK\$0.54 for the year ended 31 March 2023. The Board recommends the payment of a final dividend of HK\$0.28 per Share and a special dividend of HK\$0.72 per Share (FY2022: a final dividend of HK\$0.28 per Share) to Shareholders whose names appear on the register of members of the Company on 14 July 2023. Along with the interim dividend for the six months ended 30 September 2022, the total dividend for the year ended 31 March 2023 amounts to a total of HK\$1.22 per Share (FY2022: HK\$0.50 per Share).

Subject to the passing of Resolution 2, the proposed final dividend and special dividend will be payable in cash on or about 31 July 2023.

### RESOLUTION 3 — RE-ELECTION OF DIRECTORS

As at the date of the notice of the AGM, the Directors are:

*Executive Directors:* Dr. Cheng Kar-Shun, Henry, Mr. Cheng Chi-Heng, Conroy, Ms. Cheng Chi-Man, Sonia, Mr. Wong Siu-Kee, Kent, Dr. Cheng Chi-Kong, Adrian, Mr. Cheng Kam-Biu, Wilson, Mr. Cheng Ping-Hei, Hamilton, Mr. Suen Chi-Keung, Peter, Mr. Liu Chun-Wai, Bobby

*Independent Non-executive Directors:* Mr. Kwong Che-Keung, Gordon, Mr. Lam Kin-Fung, Jeffrey, Dr. Or Ching-Fai, Raymond, Ms. Cheng Ka-Lai, Lily, Mr. Chia Pun-Kok, Herbert, Ms. Fung Wing-Yee, Sabrina

Ms. Fung Wing-Yee, Sabrina, who was appointed by the Board as an additional Director with effect from 1 December 2022, will retire at the AGM in accordance with article 83 of the Articles of Association and code provision B.2.2 of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules (the "**Corporate Governance Code**") and, being eligible, offer herself for re-election at the AGM.

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Nomination of Ms. Sabrina Fung was made in accordance with the Company's nomination policy and process. During its annual review on the Board composition and diversity, the nomination committee of the Company considered some objective criteria for new Board members and made it open for Directors to nominate suitable candidates to the nomination committee for consideration.

Ms. Sabrina Fung was nominated by one of the Directors who first knew her through her significant contribution and presence in the retail and trading industries. Ms. Sabrina Fung emerged as a preferred candidate due to her mix of skills and experience, especially her expertise in retail and wholesale businesses and exposure in the global market. The nomination committee considered the proposed appointment of Ms. Sabrina Fung and recommended the proposed appointment to the Board for approval.

The Board expected Ms. Sabrina Fung to play a part in contributing to the Company's business expansion and brand development. In addition, the appointment of Ms. Sabrina Fung as a Director would enhance the diversity in skills, gender and age mix of the Board. Having considered the above, Ms. Sabrina Fung was appointed by the Board as an independent non-executive Director and a member of the nomination committee and remuneration committee of the Company.

The nomination committee of the Company has taken into account the following circumstances in relation to the proposed re-election of Ms. Fung Wing-Yee, Sabrina:

- She is the daughter of Dr. Fung Kwok-King, Victor, a former independent non-executive Director of the Company who has retired from the Board with effect from the conclusion of the Company's annual general meeting held on 27 July 2022.
- Except for her relationship with Dr. Victor Fung, Ms. Sabrina Fung has satisfied all the independence criteria under Rule 3.13 of the Listing Rules. The nomination committee is not aware of any factors that may affect her independence as an independent non-executive Director.

With respect of the proposed re-election of Ms. Fung Wing-Yee, Sabrina, the nomination committee of the Company is of the view that:

- She has extensive experience in retail and wholesale industries and has held various positions in marketing and public relations, merchandising and sourcing as well as wholesale branding for different international brands. Having considered Ms. Sabrina Fung's qualifications and experience, the nomination committee believes that she is of sufficient calibre and attributes and her valuable experience in retail and wholesale businesses, professional knowledge and general business acumen will bring significant contribution and benefits to the Board.
- Being a daughter of a former independent non-executive Director should not automatically be deemed to adversely affect or impair Ms. Sabrina Fung's independence as an independent non-executive Director herself.

## BUSINESS OF ANNUAL GENERAL MEETING

- Considering Ms. Sabrina Fung's attributes and Dr. Victor Fung's satisfaction of all independence criteria under Rule 3.13 of the Listing Rules throughout his appointment as an independent non-executive Director, the nomination committee believes that Ms. Sabrina Fung's connection with Dr. Victor Fung should not be perceived to have a negative impact on her independence.
- Save for Rule 3.13(6) of the Listing Rules, Ms. Sabrina Fung has confirmed in writing to the Company that she has satisfied all the criteria for independence as set out in Rule 3.13 of the Listing Rules.
- Prior to Ms. Sabrina Fung's appointment, the Company has written to the Stock Exchange under Rule 3.14 of the Listing Rules to demonstrate, and the Stock Exchange has agreed, that Ms. Sabrina Fung is independent to act as an independent non-executive Director.

Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kam-Biu, Wilson, Mr. Suen Chi-Keung, Peter and Mr. Kwong Che-Keung, Gordon will retire from office by rotation at the AGM in accordance with article 84 of the Articles of Association and code provision B.2.2 of the Corporate Governance Code and, being eligible, offer themselves for re-election at the AGM.

The nomination committee, having considered the Company's nomination policy and board diversity policy, is of the view that all retiring Directors who offer themselves for re-election at the AGM are of sufficient calibre and experience and have devoted sufficient time and efforts to the Company's affairs. Mr. Kwong Che-Keung, Gordon, being an independent non-executive Director, has also confirmed that he has met the independence criteria as set out in Rule 3.13 of the Listing Rules.

The nomination committee of the Company has taken into account the following circumstances in relation to the proposed re-election of Mr. Kwong Che-Keung, Gordon:

- Pursuant to code provision B.2.3 of the Corporate Governance Code, if an independent non-executive Director serves more than nine years, any further appointment of such independent non-executive Director should be subject to a separate resolution to be approved by the Shareholders. Mr. Gordon Kwong has served the Company as an independent non-executive director for more than nine years since his appointment in 2011.
- He holds six directorships in other listed companies as disclosed in the biographical information set out in Appendix I to this circular.
- He is an independent non-executive director of FSE Lifestyle Services Limited ("**FSE**"), which is a listed public company in Hong Kong. Mr. Gordon Kwong holds cross directorships with Dr. Cheng Kar-Shun, Henry since both of them serve on the boards of directors of the Company and FSE.

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With respect of the proposed re-election of Mr. Kwong Che-Keung, Gordon, the nomination committee of the Company is of the view that:

- Mr. Gordon Kwong has strong experience in corporate governance of listed companies in Hong Kong. He possesses the required character, integrity and experience to fulfill his role as an independent non-executive Director effectively. His long service would not impair his exercise of independent judgement.
- Notwithstanding the fact that he has served on the Board for more than nine years, he has never held any executive or management position in the Group, nor has he been under the employment of any member of the Group within such period. In addition, Mr. Gordon Kwong does not have any financial or family relationships with any other Director, senior management, substantial Shareholder or controlling Shareholder, which could give rise to a conflict of interests situation or otherwise affect his exercise of independent judgement.
- Mr. Gordon Kwong has demonstrated strong independence by providing impartial views and exercising independent judgment at Board and Board committee meetings. He attended all regular Board meetings and Board committee meetings during the past year. Based on his past performance and his assurance that he will devote sufficient time to the Board, the nomination committee is satisfied that Mr. Gordon Kwong would be able to remain committed to his role of independent non-executive Director if he is re-elected.
- Mr. Gordon Kwong's skills, knowledge and extensive business experience from his participation in multiple boards of listed companies in Hong Kong would bring diversified perspectives and objective and independent views to the Company.
- Mr. Gordon Kwong's role and involvement in the boards of directors of the Company and FSE is independent and non-executive in nature. He has confirmed to the Company that as at the Latest Practicable Date, he did not have any interest in the shares, underlying shares or debentures of any of the aforesaid companies. The nomination committee considers that his cross-directorships with Dr. Henry Cheng would not undermine the independence of Mr. Gordon Kwong as an independent non-executive Director.

The Board and the nomination committee, after taking into account the above factors, are satisfied that both Mr. Gordon Kwong and Ms. Sabrina Fung meet the independence criteria under the Listing Rules and that the re-election of all the retiring Directors is in the best interests of the Company and the Shareholders as a whole.

Re-election of each of the retiring Directors mentioned above will be put forward for voting separately in Resolutions 3(a) to 3(e). Information relating to these Directors which is required to be disclosed under the Listing Rules is set out in Appendix I to this circular.

## **BUSINESS OF ANNUAL GENERAL MEETING**

Subject to the passing of Resolution 3(f), the Board will be authorised to fix the remuneration of the Directors. The remuneration of the Directors will be reviewed by the remuneration committee of the Company according to the Company's remuneration policy which ensures that no Director should vote on any resolution relating to his/her own remuneration.

### **RESOLUTION 4 — RE-APPOINTMENT OF AUDITOR AND FIXING AUDITOR'S REMUNERATION**

For the year ended 31 March 2023, the remuneration paid to PwC and its affiliated firm was approximately HK\$9.5 million, of which about HK\$7.0 million was for audit and related services. The remaining non-audit services comprise cybersecurity and security operations centre service, cloud transformation and other IT related services provided to the Group. None of these non-audit services provided compromise the independence of PwC as auditor, in terms of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, and the remuneration in respect of the services provided by PwC was reviewed and approved by the audit committee of the Company.

Apart from approving its remuneration, the audit committee of the Company also reviewed the work of PwC, the external auditor of the Company, and was satisfied with its independence, objectivity, qualification, expertise and resources and the effectiveness of the audit process. The audit committee recommended to the Board, and the Board accepted, that the re-appointment of PwC, which has expressed its willingness to continue in office for the ensuing year, be recommended to the Shareholders.

### **RESOLUTION 5 — GENERAL MANDATE TO ISSUE SHARES**

Given the general mandate to issue Shares granted by Shareholders at the last annual general meeting will lapse at the conclusion of the AGM, it is proposed that the mandate be renewed at the AGM.

The Issue Mandate size is limited to, and does not exceed, 10% (which is lower than the 20% limit as permitted under the Listing Rules) of the aggregate nominal value of the issued Shares at the date of passing the relevant resolution. Where applicable, the price of any Shares to be allotted and issued for cash consideration under the authority granted by the Issue Mandate shall not be at a discount of 15% (instead of 20% as permitted under the Listing Rules) or more to the "benchmarked price" pursuant to Rule 13.36(5) of the Listing Rules. The Board also decided not to propose the extension of the Issue Mandate by the addition thereto of the Shares bought back under the Buy-back Mandate at the AGM. While the Issue Mandate provides flexibility to the Company to raise additional capital if needed, the decision to reduce the maximum number of Shares to be issued and the maximum discount to the issue price of Shares to be issued under the Issue Mandate and not to extend the Issue Mandate as mentioned above will significantly reduce potential dilution effect on existing Shareholders.

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The Directors wish to state that they have no immediate plan to issue any new Shares pursuant to the Issue Mandate. The main purpose of the Issue Mandate is to give the Directors flexibility to issue and allot Shares pursuant to any capital raising need that may arise from time to time while ensuring that the interests of the Shareholders are not subject to excessive dilution. The Directors believe it is in the best interests of the Company and the Shareholders as a whole to do so.

Details of the proposed resolution on the Issue Mandate are set out in Resolution 5 of the notice of the AGM.

### **RESOLUTION 6 — GENERAL MANDATE TO BUY BACK SHARES**

Given the general mandate to buy back Shares granted by Shareholders at the last annual general meeting will lapse at the conclusion of the AGM, an ordinary resolution will be proposed at the AGM to grant to the Directors a general mandate to buy back Shares not exceeding 10% of the aggregate nominal value of the issued Shares at the date of the passing of the relevant resolution.

The Buy-back Mandate to be sought from Shareholders is in compliance with the Listing Rules. The Directors wish to state that they will not exercise the Buy-back Mandate to such an extent that the public holding of Shares would be reduced to below 10.7% of the issued share capital of the Company, which is a lower minimum percentage of public float accepted at the discretion of the Stock Exchange. An explanatory statement, as required by the Listing Rules in connection with the Buy-back Mandate, is set out in Appendix II to this circular, which contains the information reasonably necessary to enable Shareholders to make an informed decision on whether or not to support the proposed resolution.

Details of the proposed resolution on the Buy-back Mandate are set out in Resolution 6 of the notice of the AGM.

### **RESOLUTION 7 — ADOPTION OF THE 2023 SHARE AWARD SCHEME AND TERMINATION OF THE 2021 SHARE OPTION SCHEME**

With effect from 1 January 2023, Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes involving the issue of new shares, and amendments have been introduced to the Listing Rules requirements which apply to such share schemes.

To enable the Company to grant share awards as part of its incentives and rewards to participants for the growth and development of the Group, the Board proposed the adoption of the 2023 Share Award Scheme with terms in compliance with Chapter 17 of the Listing Rules. The Directors consider that the adoption of the 2023 Share Award Scheme is in the interests of the Company and the Shareholders as a whole.

In view of the amendments to Chapter 17 of the Listing Rules, the Board proposed to terminate the 2021 Share Option Scheme with effect from the adoption of the 2023 Share Award Scheme.

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The 2021 Share Option Scheme was adopted by the Company on 28 July 2021 and is valid and effective for a period of 10 years commencing on the adoption date. Pursuant to the terms of the 2021 Share Option Scheme, the Board may at any time terminate the 2021 Share Option Scheme and in such event, no further share options may be offered or granted but the terms of the 2021 Share Option Scheme shall remain in full force and effect in respect of the share options which are granted during the life of the 2021 Share Option Scheme and which are not yet exercised immediately prior to such termination.

As at the Latest Practicable Date, no share option had been granted and no share option was outstanding under the 2021 Share Option Scheme. Save for the 2021 Share Option Scheme, as at the Latest Practicable Date, the Company had not adopted any other share schemes which are subject to the requirements of Chapter 17 of the Listing Rules.

### **Condition of the 2023 Share Award Scheme**

The 2023 Share Award Scheme is conditional upon the passing of an ordinary resolution by the Shareholders at a general meeting to approve the adoption of the 2023 Share Award Scheme.

An ordinary resolution will be proposed at the AGM for the Shareholders to consider, and if thought fit, to approve the adoption of the 2023 Share Award Scheme.

So far as the Directors are aware and having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder is required to abstain from voting on the resolution to be proposed at the AGM to approve the adoption of the 2023 Share Award Scheme. None of the Directors is a Trustee of the 2023 Share Award Scheme or has a direct or indirect interest in the Trustee, if any, of the 2023 Share Award Scheme.

### **Administration of the 2023 Share Award Scheme**

The 2023 Share Award Scheme shall be subject to the administration of the Board. The Board may delegate the authority to administer the 2023 Share Award Scheme to the Committee and may also appoint any Trustee to assist with the administration and vesting of the Awards granted pursuant to the 2023 Share Award Scheme.

To satisfy the Awards after vesting, the Company may (a) allot and issue new Shares to the Grantee directly; and/or (b) allot and issue new Shares to the Trustee (if any) or instruct the Trustee (if any) to acquire existing Shares through on-market or off-market purchases subject to the terms of the Trust Deed (if any), such new or existing Shares to be held on trust for the Grantee and to be transferred to the Grantee after vesting.

As new Shares may be allotted and issued by the Company to satisfy the Awards after vesting under the 2023 Share Award Scheme, an application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Shares which may fall to be allotted and issued in respect of the Awards to be granted under the 2023 Share Award Scheme.



### **Duration of the 2023 Share Award Scheme**

Subject to the satisfaction of the above condition and any early termination, the 2023 Share Award Scheme will be valid and effective for 10 years commencing on the Adoption Date.

### **Explanation of the terms of the 2023 Share Award Scheme**

A summary of the principal terms of the 2023 Share Award Scheme is set out in Appendix III to this circular. A copy of the rules of the 2023 Share Award Scheme will be published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.ctfjewellerygroup.com](http://www.ctfjewellerygroup.com)) for a period of not less than 14 days before the date of the AGM and will be made available for inspection at the AGM.

#### ***(a) Purpose***

The purpose of the 2023 Share Award Scheme is to (i) recognise and reward the contribution of certain Eligible Participants to the growth and development of the Group and to incentivise and motivate them to further contribute towards the growth and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company; and (ii) attract suitable personnel for further development of the Group.

#### ***(b) Eligible Participants and basis for determining eligibility of participants***

The Eligible Participants under the 2023 Share Award Scheme are the directors and employees of the Company or any of its subsidiaries, and any other person who is granted Awards as an inducement to enter into an employment or engagement contract with any of these companies. The criteria in determining the eligibility for the grant of an Award are based on, among other things, the Eligible Participants' contribution and/or future contribution to development and growth of the Group, further details of which are set out in Appendix III to this circular. In light of the scope of Eligible Participants and the eligibility criteria, the Board considers that the Awards that may be granted to the Eligible Participants would align their interest with the interest of the Group, promote the growth and development of the Group, and therefore enable the purpose of the 2023 Share Award Scheme to be achieved.

#### ***(c) Scheme mandate limit***

The total number of Shares that may be allotted and issued under the 2023 Share Award Scheme and any other share scheme(s) of the Company involving the issue of new Shares shall not in aggregate exceed 5% (which is lower than the 10% limit as permitted under the Listing Rules) of the total number of issued Shares as at the Adoption Date or the relevant date of approval of the refreshment of the scheme mandate limit.

As at the Latest Practicable Date, there were 10,000,000,000 Shares in issue. Assuming that no further Shares will be allotted, issued, repurchased or cancelled prior to the AGM and after the resolution approving the adoption of the 2023 Share Award Scheme is passed at the AGM, the aggregate maximum number of Shares which may be allotted and



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issued in respect of the Awards to be granted under the 2023 Share Award Scheme and all the share options and share awards (if any) to be granted under other share scheme(s) of the Company involving the issue of new Shares will be 500,000,000 Shares, representing 5% of the total number of Shares in issue as at the Adoption Date. This scheme mandate limit complies with the requirements of Chapter 17 of the Listing Rules and strikes a balance between achieving the purpose of the 2023 Share Award Scheme and protecting the Shareholders from potential excessive dilution effect as a result of the issue of new Shares (if any) following the vesting of Awards to be granted under the 2023 Share Award Scheme.

### ***(d) Vesting period***

The vesting period for an Award under the 2023 Share Award Scheme is generally for a minimum period of 12 months in order to incentivise Selected Participants to remain with the Group, save for certain prescribed circumstances (as set out in Appendix III to this circular) in which the Board or the Committee may impose a shorter vesting period. The Board considers that such circumstances allow flexibility for the Company to (i) provide competitive terms to attract and induce valuable talent to join the Group; (ii) address instances where the 12-month vesting period requirement would not be practicable or fair due to administrative or technical reasons; (iii) reward exceptional performers with accelerated vesting; and (iv) motivate individuals based on performance metrics rather than time-based vesting criteria. Therefore, the Board is of the view that the vesting period requirements (including the circumstances in which a shorter vesting period may apply) are appropriate and align with the purpose of the 2023 Share Award Scheme.

### ***(e) Purchase price***

Unless otherwise determined by the Board or the Committee in its absolute discretion at the relevant time for each individual Award, a Selected Participant is not required to pay any grant or purchase price or make any other payment to the Company for accepting an offer of the Award granted, nor is the Selected Participant required to pay any subscription or purchase price for the vesting of the Awards or the receipt of the Award Shares. The Board considers that it is consistent with the purpose of the 2023 Share Award Scheme for the Company to retain discretion to consider the purchase price, if any, for an Award and the underlying Award Shares so that meaningful reward may be provided to Selected Participants in recognition of their contribution or potential contribution to the Group.

### ***(f) Performance targets***

The 2023 Share Award Scheme sets out the qualitative description of possible performance targets related to financial and non-financial parameters of the Group and/or individual performance indicators (as set out in Appendix III to this circular) and allows discretion for the Board or the Committee to determine whether any performance targets will be specified in respect of each Award on a case-by-case basis, for the purpose of motivating Selected Participants to strive for the future development and expansion of the Group. As each Selected Participant has a different position or role with respect to the Group and may contribute to the Group differently in terms of nature, duration or significance, it may not always be appropriate to impose a generic set of performance

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targets for each Award. Therefore, the 2023 Share Award Scheme does not prescribe the performance targets that must be met before each Award may vest. However, the Board or the Committee shall specify the conditions including any performance targets for each Award in the Grant Notice (as defined in the 2023 Share Award Scheme). The Board considers that it is more beneficial for the Company to have flexibility to determine whether and to what extent any performance targets will be attached to each Award in light of the specific circumstances of each Selected Participant.

### ***(g) Clawback mechanism***

The 2023 Share Award Scheme provides for a clawback mechanism which sets out the circumstances in which the unvested Awards to a Grantee shall automatically lapse forthwith in the event that, among other things, the Grantee commits any misconduct (details of which are set out in Appendix III to this circular) or there is any material misstatement(s) in the consolidated financial statements of the Company. The Board considers that such mechanism aligns with the purpose of the 2023 Share Award Scheme as it would not be beneficial to the Group for the Grantee to continue to benefit from the unvested Awards under the circumstances that would trigger the clawback mechanism.

In accordance with articles 83 and 84 of the Articles of Association, Dr. Cheng Kar-Shun, Henry, Mr. Cheng Kam-Biu, Wilson and Mr. Suen Chi-Keung, Peter, being executive Directors, and Mr. Kwong Che-Keung, Gordon and Ms. Fung Wing-Yee, Sabrina, being independent non-executive Directors, will retire from office by rotation at the AGM. All the retiring Directors, being eligible, offer themselves for re-election at the AGM.

Brief biographical and other details of the retiring Directors which are required to be disclosed under the Listing Rules are set out below.

1. **Dr. Cheng Kar-Shun, Henry**, GBM, GBS, aged 76, joined the Group in 1971, was appointed as Chairman and an executive director of the Company in July 2011 and is a member of the Nomination Committee, the Remuneration Committee and the Strategy and Transformation Committee of the Company. He is responsible for the strategic direction and overall performance of the Group.

Dr. Henry Cheng is a director of certain subsidiaries of the Group. He is also a director of several substantial shareholders of the Company, including Cheng Yu Tung Family (Holdings) Limited, Cheng Yu Tung Family (Holdings II) Limited and Chow Tai Fook Capital Limited.

In addition, Dr. Henry Cheng is chairman and an executive director of New World Development Company Limited and NWS Holdings Limited, and also chairman and a non-executive director of FSE Lifestyle Services Limited and i-CABLE Communications Limited, all of which are listed public companies in Hong Kong.

He was a non-executive director of SJM Holdings Limited until his retirement on 11 June 2019; a non-executive director of DTXS Silk Road Investment Holdings Company Limited until his resignation on 19 March 2021; and chairman and a non-executive director of New World Department Store China Limited until his resignation with effect from 13 May 2021, all of the foregoing companies are listed public companies in Hong Kong.

Dr. Henry Cheng is chairman of the Advisory Council for The Better Hong Kong Foundation. He was a Standing Committee Member of the Twelfth Chinese People's Political Consultative Conference.

Dr. Henry Cheng's appointment as Director is subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. Dr. Henry Cheng is entitled to receive a director's fee of HK\$200,000 per annum. For the year ended 31 March 2023, the total remuneration of Dr. Henry Cheng amounted to HK\$24 million which included director's fee, salaries and other benefits, performance-based bonus and retirement benefits scheme contributions. The remuneration of Dr. Henry Cheng was determined by the Board with reference to the prevailing market conditions, Dr. Henry Cheng's expertise, duties and responsibilities with the Company and the remuneration policy of the Group and is subject to review by the Company's remuneration committee from time to time.

Dr. Henry Cheng is the father of Dr. Cheng Chi-Kong, Adrian and Ms. Cheng Chi-Man, Sonia, an uncle of Mr. Cheng Chi-Heng, Conroy and a cousin of Mr. Cheng Kam-Biu, Wilson. Save for 420,000 Shares held by his spouse, Dr. Henry Cheng does not have any other interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no other information discloseable nor is/was Dr. Henry Cheng involved in any of the matters required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and the Directors are not aware of any other matters regarding Dr. Henry Cheng that need to be brought to the attention of the Shareholders.

2. **Mr. Cheng Kam-Biu, Wilson**, aged 64, joined the Group in 1979, was appointed as a non-executive director of the Company in July 2011 and re-designated as an executive director of the Company in April 2019. Mr. Wilson Cheng is responsible for the Group's bank and landlord relationship management. He is also a director of certain subsidiaries of the Group.

Mr. Wilson Cheng is chairman of the Supervisory Committee of The Chinese Gold and Silver Exchange Society. He has over 40 years' experience in administration and finance in jewellery retail business. Mr. Wilson Cheng holds a Bachelor of Arts degree in Economics from the University of Hawaii, Honolulu.

Mr. Wilson Cheng's appointment as Director is subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. Mr. Wilson Cheng is entitled to receive a director's fee of HK\$200,000 per annum. For the year ended 31 March 2023, the total remuneration of Mr. Wilson Cheng amounted to HK\$8.5 million which included director's fee, salaries and other benefits, performance-based bonus and retirement benefits scheme contributions. The remuneration of Mr. Wilson Cheng was determined by the Board with reference to the prevailing market conditions, Mr. Wilson Cheng's expertise, duties and responsibilities with the Company and the remuneration policy of the Group and is subject to review by the Company's remuneration committee from time to time.

Mr. Wilson Cheng is a cousin of Dr. Cheng Kar-Shun, Henry, and an uncle of Mr. Cheng Chi-Heng, Conroy, Dr. Cheng Chi-Kong, Adrian and Ms. Cheng Chi-Man, Sonia. Mr. Wilson Cheng does not have any interest in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no other information discloseable nor is/was Mr. Wilson Cheng involved in any of the matters required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and the Directors are not aware of any other matters regarding Mr. Wilson Cheng that need to be brought to the attention of the Shareholders.

3. **Mr. Suen Chi-Keung, Peter**, aged 58, joined the Group in 1985, was appointed as an executive director of the Company in July 2011. Mr. Peter Suen is responsible for the Group's business in Hong Kong and Macau of China and other markets. He is also a director of certain subsidiaries of the Group.

Mr. Peter Suen has been in the jewellery industry for 38 years. He is a member of the executive committee of The Jewellers' And Goldsmiths' Association of Hong Kong, the executive committee of the Hong Kong Retail Management Association, the Jewellery Industry Training Advisory Committee of the Hong Kong Qualifications Framework and the committee on fundraising of Youth Outreach. Mr. Peter Suen holds an Executive Master's degree in Business Administration from The Chinese University of Hong Kong.

Mr. Peter Suen's appointment as Director is subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. Mr. Peter Suen is entitled to receive a director's fee of HK\$200,000 per annum. For the year ended 31 March 2023, the total remuneration of Mr. Peter Suen amounted to HK\$13.3 million which included director's fee, salaries and other benefits, performance-based bonus and retirement benefits scheme contributions. The remuneration of Mr. Peter Suen was determined by the Board with reference to the prevailing market conditions, Mr. Peter Suen's expertise, duties and responsibilities with the Company and the remuneration policy of the Group and is subject to review by the Company's remuneration committee from time to time.

Mr. Peter Suen is not related to any director, senior management, substantial or controlling shareholder of the Company. Save for 23,600 Shares held in Mr. Peter Suen's personal capacity, he does not have other interest in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no other information discloseable nor is/was Mr. Peter Suen involved in any of the matters required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and the Directors are not aware of any other matters regarding Mr. Peter Suen that need to be brought to the attention of the Shareholders.

4. **Mr. Kwong Che-Keung, Gordon**, aged 73, was appointed as an independent non-executive director of the Company in November 2011 and is chairman of the Audit Committee and a member of the Remuneration Committee of the Company.

Mr. Gordon Kwong is a Fellow member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants. He was a Partner of PriceWaterhouse from 1984 to 1998, an independent member of the Council of the Hong Kong Stock Exchange from 1992 to 1997, during which, he had acted as convener of both the Compliance Committee and the Listing Committee.

Mr. Gordon Kwong is an independent non-executive director of Agile Group Holdings Limited, Henderson Investment Limited, Henderson Land Development Company Limited, FSE Lifestyle Services Limited and COSCO Shipping International (Hong Kong) Company Limited, all of which are listed public companies in Hong Kong. He is also an independent non-executive director of Piraeus Port Authority SA (a company listed on the Athens Stock Exchange) and Shanghai Commercial Bank Limited.

Mr. Gordon Kwong was an independent non-executive director of China Power International Development Limited and NWS Holdings Limited, until his retirement on 3 June 2021 and 21 November 2022, respectively.

Mr. Gordon Kwong's appointment as Director is subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. Mr. Gordon Kwong is entitled to receive a director's fee of HK\$925,000 per annum. The remuneration of Mr. Gordon Kwong was determined by the Board with reference to the prevailing market conditions, Mr. Gordon Kwong's expertise, duties and responsibilities with the Company and the remuneration policy of the Group and is subject to review by the Company's remuneration committee from time to time.

Mr. Gordon Kwong is not related to any director, senior management, or substantial or controlling shareholder of the Company. Mr. Gordon Kwong does not have any interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

There is no other information discloseable nor is/was Mr. Gordon Kwong involved in any of the matters required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and the Directors are not aware of any other matters regarding Mr. Gordon Kwong that need to be brought to the attention of the Shareholders.

5. **Ms. Fung Wing-Yee, Sabrina**, aged 51, has been appointed as an independent non-executive director of the Company and a member of the Nomination Committee and the Remuneration Committee of the Company with effect from 1 December 2022.

Ms. Sabrina Fung is the group managing director of Fung Retailing Group, and a non-executive director of Convenience Retail Asia Limited, which is a listed company in Hong Kong. She is also the chief executive officer of Asia Retail Company Limited, a company with the Fung Group (a Hong Kong-based multinational group which comprises major operating groups engaging in trading, logistics, distribution and retailing) focusing on supporting and growing international brands in Asia. Ms. Sabrina Fung also serves as the chair of Wellness Med Limited, a company under the Fung Group that serves the growing global health and wellness market.

Ms. Sabrina Fung is also the investment director of Fung Investment Management Limited. She started working at the private investment arm of the Fung Group in 2000 as investment manager running the family's investments. Prior to joining the Fung Group, Ms. Sabrina Fung worked for Brown Brothers Harriman & Co in New York and Hong Kong until 1999. Ms. Fung is experienced in the retail industry and holding positions in marketing and public relations for Salvatore Ferragamo Asia, as well as in merchandising, sourcing and branding for Li & Fung group in Hong Kong and the USA. She was named in the Business of Fashion 500 in 2016, and Women's Wear Daily 10 of Tomorrow in 2017.

In Hong Kong, Ms. Sabrina Fung is a member of the Major Sports Events Committee of Hong Kong Special Administrative Region, a member on the board of Alibaba Hong Kong Entrepreneurs Fund, the Advisor on Retailing and Fashion for NBA Greater China, and a member of the University Court of The University of Hong Kong (HKU) and the Executive Committee of the International Advisory Council of the Faculty of Business and Economics of HKU, the Advisory Committee of the Roger King Center for Asian Family Business and Family Office at Hong Kong University of Science and Technology, the advisory panel of IBM Collaborative Innovative Program, the Advisory Committee of the Hong Kong-Europe Business Council and the Hong Kong-France Business Council of Hong Kong Trade Development Council. Internationally, Ms. Sabrina Fung is a member of McLaren Advisory Group, Harvard Global Advisory Council, the board of trustees of The Carnegie Hall Corporation in New York, and the co-chair of St. Paul's School Asia Council in New Hampshire, USA.

Ms. Sabrina Fung graduated from Harvard University, with a Bachelor of Arts degree in Economics. She attended Harvard Business School's Program for Global Leadership and its Business of Entertainment, Media and Sports program afterwards.

Ms. Sabrina Fung's appointment as Director is subject to retirement by rotation and re-election at the AGM in accordance with the Articles of Association. Ms. Sabrina Fung is entitled to receive a director's fee of HK\$775,000 per annum. The remuneration of Ms. Sabrina Fung was determined by the Board with reference to the prevailing market conditions, Ms. Sabrina Fung's expertise, duties and responsibilities with the Company and the remuneration policy of the Group and is subject to review by the Company's remuneration committee from time to time.

Ms. Sabrina Fung is the daughter of Dr. Fung Kwok-King, Victor, a former independent non-executive director of the Company who has retired from the Board with effect from the conclusion of the Company's annual general meeting held on 27 July 2022. Save for the relationship with Dr. Victor Fung mentioned above, Ms. Sabrina Fung is not related to any director, senior management, or substantial or controlling shareholder of the Company. Ms. Sabrina Fung does not have any interests in Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Ms. Fung was a non-executive director and deputy chairman of Trinity Limited (in liquidation) (SEHK: 00891; delisted) ("**Trinity**") until her resignation from both positions with effect from 25 September 2020. Trinity was wound up by the Bermuda court on 13 August 2021 (Bermuda time) and its shares were delisted from the Stock Exchange on 31 October 2022. Information relating to Trinity is contained in its announcements on the Stock Exchange's website.

There is no other information discloseable nor is/was Ms. Sabrina Fung involved in any of the matters required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules and the Directors are not aware of any other matters regarding Ms. Sabrina Fung that need to be brought to the attention of the Shareholders.



This Appendix serves as an explanatory statement required to be sent to Shareholders under the Listing Rules in connection with the Buy-back Mandate proposed to be granted to the Directors at the AGM.

### **1. SHARE CAPITAL**

As at the Latest Practicable Date, the authorised share capital of the Company was 50,000,000,000 Shares, of which a total of 10,000,000,000 Shares were issued and fully paid.

Subject to the passing of the ordinary resolution approving the Buy-back Mandate and on the basis that no further Shares are issued or bought back following the Latest Practicable Date and up to the date of the AGM, the Company would be allowed under the Buy-back Mandate to buy back a maximum of 1,000,000,000 Shares during the period from the passing of the resolution approving the Buy-back Mandate at the AGM up to (i) the conclusion of the next annual general meeting of the Company, (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws of the Cayman Islands to be held, or (iii) the revocation or variation of such mandate by ordinary resolution of Shareholders in general meeting, whichever occurs first.

### **2. REASONS FOR BUY-BACKS**

The Directors believe that it is in the best interests of the Company and its Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Directors to buy back Shares in the market. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and its assets and/or its earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders as a whole.

### **3. FUNDING OF BUY-BACKS**

Any buy-back of Shares will be made out of funds which are legally available for the purpose in accordance with the Articles of Association and the Cayman Companies Act. A listed company may not buy back its own securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, any buy-back by the Company may be made out of profits of the Company, out of the Company's share premium account, out of proceeds of a new issue of Shares made for the purpose of the buy-back or, if authorised by the Articles of Association and subject to the Cayman Companies Act, out of capital. Any amount of premium payable on the purchase over the par value of the Shares to be bought back must be paid out of profits of the Company or from sums standing to the credit of the Company's share premium account or, if authorised by the Articles of Association and subject to the Cayman Companies Act, out of capital.



As compared with the financial position of the Company as at 31 March 2023 (being the date to which the latest audited accounts of the Company were made up), the Directors consider that there might be a material adverse impact on the working capital or the gearing position of the Company in the event that the Buy-back Mandate was to be exercised in full during the proposed buy-back period. The Directors do not propose to exercise the Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### **4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS**

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquiries, any of their respective close associates has any present intention, in the event that the Buy-back Mandate is approved by the Shareholders, to sell Shares to the Company. No core connected person of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Buy-back Mandate is approved by the Shareholders.

#### **5. UNDERTAKING OF THE DIRECTORS**

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Buy-back Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the Articles of Association.

#### **6. EFFECT OF THE TAKEOVERS CODE**

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors' exercising the powers of the Company to buy back Shares pursuant to the Buy-back Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code and, if such increase results in a change of control, may in certain circumstances give rise to an obligation to make a mandatory offer for Shares under Rule 26 of the Takeovers Code.

If the Buy-back Mandate were exercised in full, the shareholding percentage of the Shareholders, who have an interest in 5% or more of the issued share capital of the Company (based on the number of the Shares they held as at the Latest Practicable Date), before and after such buy-back would be as follows:

<b>Name of Shareholder</b>	<b>Number of Shares held</b>	<b>Percentage of existing shareholding in the Company</b>	<b>Percentage of shareholding in the Company if the Buy-back Mandate is exercised in full</b>
Cheng Yu Tung Family (Holdings) Limited	7,239,320,185	72.39	80.44
Cheng Yu Tung Family (Holdings II) Limited	7,239,320,185	72.39	80.44
Chow Tai Fook Capital Limited	7,239,320,185	72.39	80.44
Cheng Kam Chiu, Stewart	507,262,572	5.07	5.64
Cheng Yu Wai	506,541,354	5.07	5.63
Yueford Corporation	506,541,354	5.07	5.63

*Notes:*

- As at the Latest Practicable Date, Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited held approximately 48.98% and 46.65% interest in Chow Tai Fook Capital Limited respectively and accordingly each of Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited is deemed to have an interest in the Shares held by Chow Tai Fook Capital Limited under the SFO. As at the Latest Practicable Date, Chow Tai Fook Capital Limited held 7,239,320,185 Shares directly.
- As at the Latest Practicable Date, Mr. Cheng Kam Chiu, Stewart held more than one-third of the total shares in each of Yueford Corporation and Manor Investment Holdings Ltd. and accordingly he is deemed to have an interest in the 506,541,354 shares of the Company held by Yueford Corporation and the 319,218 shares of the Company held by Manor Investment Holdings Ltd. Together with the 402,000 shares of the Company directly held by him, Mr. Cheng Kam Chiu, Stewart had an aggregate interest in 507,262,572 shares of the Company as at the Latest Practicable Date.

In the event that the Buy-back Mandate is exercised in full, the shareholding of these Shareholders in the Company would be increased as shown in the table above. Accordingly, they will not be required under the Takeovers Code to make a mandatory offer for all the issued Shares as a result of such increase.

The Directors will not exercise the Buy-back Mandate to such an extent that the public holding of Shares would be reduced to below 10.7% of the issued share capital of the Company, which is a lower minimum percentage of public float accepted at the discretion of the Stock Exchange.

## 7. SHARE BUY-BACKS MADE BY THE COMPANY

The Company has not bought back any Shares (whether on the Stock Exchange or otherwise) during the six months prior to the Latest Practicable Date.

## 8. SHARE PRICES

During each of the previous 12 months immediately prior to the Latest Practicable Date, the highest and lowest prices at which the Shares were traded on the Stock Exchange were as follows:

	Share prices (per Share)	
	Highest (HK\$)	Lowest (HK\$)
<b>2022</b>		
June	15.10	12.80
July	16.40	14.42
August	17.48	15.16
September	16.12	14.00
October	16.20	13.38
November	16.92	12.48
December	16.16	13.84
<b>2023</b>		
January	18.16	15.46
February	17.00	15.12
March	15.88	13.44
April	16.68	14.40
May	16.12	13.54
June (up to and including the Latest Practicable Date)	14.46	13.58

Source: quoted prices from the Stock Exchange's website ([www.hkex.com.hk](http://www.hkex.com.hk))

*The following is a summary of the principal rules of the 2023 Share Award Scheme but does not form part of, nor was it intended to be part of, the rules of the 2023 Share Award Scheme nor should it be taken as affecting the interpretation of the rules of the 2023 Share Award Scheme. In addition to the definitions set out on pages 1 to 4 of this circular, in this Appendix III, unless the context otherwise requires, the following expressions have the following meanings:*

"chief executive"	shall have the meaning ascribed to it in the Listing Rules;
"Disability"	a disability, whether temporary or permanent, partial or total as determined by the Board or the Committee in its absolute discretion;
"Grant Notice"	shall have the meaning ascribed to it in paragraph 6(a) of this Appendix;
"Misconduct"	in respect of a Grantee, any of the following: <ul style="list-style-type: none"><li>(i) an act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or contractual engagement with any member of the Group and whether or not it has resulted in his employment or contractual engagement being terminated by the relevant member of the Group;</li><li>(ii) non-compliance with the terms of his employment contract or other contract with any member of the Group or disobedience of any orders or instructions given by any member of the Group, as the case may be;</li><li>(iii) where the Grantee has been declared bankrupt or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due within the meaning of the Bankruptcy Ordinance (Chapter 6 of the Laws of Hong Kong) or any other applicable laws, rules or regulations;</li><li>(iv) where the Grantee has become otherwise insolvent or has made any arrangements or compositions with his creditors generally or an administrator has taken possession of any of his assets;</li><li>(v) where the Grantee has been convicted of any criminal offence involving his integrity or honesty;</li></ul>

(vi) where the Grantee has been convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time; or

(vii) where the Grantee has, in the sole opinion of the Board or the Committee, conducted himself in any manner whatsoever to the detriment of or prejudicial to the interests of any member of the Group;

“Other Distributions” shall have the meaning ascribed to it in paragraph 8(a) of this Appendix;

“Partial Lapse” shall have the meaning as set out in paragraph 10(b) of this Appendix;

“Scheme Mandate Limit” shall have the meaning ascribed to it in paragraph 3;

“Share Schemes” collectively, the share option schemes and share award schemes involving the issue of new Shares adopted or to be adopted by the Company from time to time;

“Subsidiary” any subsidiary (as such term is defined in the Listing Rules) of the Company;

“Total Lapse” shall have the meaning as set out in paragraph 10(a) of this Appendix;

“Vesting Date” in relation to an Award granted to a Grantee, the date or each such date, as determined by the Board or the Committee pursuant to paragraph 5 of this Appendix, on which the Award is to be vested in such Grantee in respect of all or a proportion of the Award Shares, subject to and in accordance with the terms and conditions of the relevant Award and paragraph 5 of this Appendix and other rules of the 2023 Share Award Scheme;

“Vesting Notice” shall have the meaning as set out in paragraph 5(c) of this Appendix; and

“Vesting Period” in relation to an Award granted to a Grantee, the period commencing on the date of the Grant Notice and ending on the Vesting Date (both dates inclusive).

**1. PURPOSE OF THE 2023 SHARE AWARD SCHEME**

The purpose of the 2023 Share Award Scheme is to:

- (i) recognise and reward the contribution of certain Eligible Participants to the growth and development of the Group and incentivise and motivate them to further contribute towards the growth and expansion of the Group by providing them with the opportunity to acquire equity interests in the Company; and
- (ii) to attract suitable personnel for further development of the Group.

**2. ELIGIBLE PARTICIPANTS OF THE 2023 SHARE AWARD SCHEME AND BASIS FOR DETERMINING THE ELIGIBILITY OF THE PARTICIPANTS**

- (a) Eligible Participant means any director or employee of the Company or of any Subsidiary, including any person who is granted Awards under the 2023 Share Award Scheme as an inducement to enter into an employment or engagement contract with the Company or any Subsidiary, provided that such director or employee is not an Excluded Participant.
- (b) The eligibility of any of the Eligible Participants to an Award shall be determined by the Board or the Committee in its absolute discretion from time to time on the basis of the Board's or the Committee's opinion as to matters including but not limited to his contribution and/or future contribution to the development and growth of the Group. The criteria that may be considered by the Board or the Committee in determining the eligibility for the grant of an Award include without limitation individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of employment or engagement with the Group, and the individual contribution or potential contribution to the development and growth of the Group.

**3. MAXIMUM NUMBER OF SHARES AVAILABLE FOR ISSUE**

- (a) The total number of Shares which may be issued by the Company in respect of all the Awards to be granted under the 2023 Share Award Scheme and all the share options and share awards to be granted under any other Share Scheme(s) ("**Scheme Mandate Limit**") shall not in aggregate exceed 5% of the total number of issued Shares as at the Adoption Date or the relevant date of approval of the refreshment of the Scheme Mandate Limit.

- (b) Subject to the requirements set out in sub-paragraphs (c) and (d) below, the Scheme Mandate Limit may be refreshed by the Company as follows:
- (i) the Company may refresh the Scheme Mandate Limit by ordinary resolution of the Shareholders in general meeting after three (3) years from the Adoption Date (or from the date of Shareholders' approval for the last refreshment) in accordance with the applicable Listing Rules; and
  - (ii) any refreshment of the Scheme Mandate Limit within the three-year period from the Adoption Date (or from the date of Shareholders' approval for the last refreshment) must be approved by the Shareholders in general meeting subject to the following provisions:
    - (A) any controlling Shareholders (as defined in the Listing Rules) of the Company and their associates (or if there is no controlling Shareholder, Directors (excluding independent non-executive Directors) and chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
    - (B) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules,provided that the requirements under sub-paragraphs (A) and (B) above do not apply if the refreshment is made immediately after an issue of Shares 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 total number of issued Shares) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of Shares, rounded to the nearest whole Share.
- (c) The Scheme Mandate Limit so refreshed under sub-paragraph (b) above shall not exceed 5% of the total number of issued Shares as at the date of Shareholders' approval of the refreshment of the Scheme Mandate Limit. A circular regarding the proposed refreshment of the Scheme Mandate Limit must be despatched to the Shareholders containing the number of Awards and any other share options and share awards that were already granted under the existing Scheme Mandate Limit and the reason for the refreshment.

- (d) Without prejudice to sub-paragraphs (b) and (c) above, the Company may seek separate approval by the Shareholders in general meeting for granting Awards which will result in the Scheme Mandate Limit or, if applicable, the refreshed Scheme Mandate Limit, being exceeded, provided that:
- (i) the Awards in excess of the limit are granted only to the Grantee(s) specifically identified by the Company before such approval is sought;
  - (ii) the Company must despatch a circular to the Shareholders containing such relevant information as required by the Listing Rules in relation to any such proposed grant to such Grantee(s); and
  - (iii) the number and terms of the Awards to be granted to such Grantee(s) are fixed before the Shareholders' approval.

#### **4. MAXIMUM ENTITLEMENT OF EACH GRANTEE**

- (a) No Award shall be granted to a Grantee if it would result in the total number of Shares issued and to be issued in respect of all the Awards granted under the 2023 Share Award Scheme and, if any, the share options and other share awards granted under any other share scheme(s) to such person (excluding any Awards and any share options and other share awards lapsed in accordance with the terms of the share schemes) in the 12-month period up to and including the date of such grant exceeding 1% (or such other higher percentage as the Listing Rules may prescribe or permit) of the total number of issued Shares as at the date of such grant, unless:
- (i) such grant has been separately approved by the Shareholders in general meeting, with such Grantee and his close associates (or associates if such Grantee is a connected person) abstaining from voting;
  - (ii) the Company must despatch a circular to the Shareholders containing such relevant information as required by the Listing Rules in relation to any such proposed grant to such Grantee; and
  - (iii) the number and terms of the Awards to be granted to such Grantee are fixed before the Shareholders' approval.



- (b) Any grant of Awards to any Director, chief executive or substantial Shareholder (as defined in the Listing Rules) of the Company, or any of their respective associates, shall be subject to the prior approval of the independent non-executive Directors of the Company (excluding any independent non-executive Director who is a proposed recipient of the grant of the Award). In addition:
- (i) where any grant of Awards to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all the Awards granted under the 2023 Share Award Scheme and (if any) the share awards granted under any other Share Scheme(s) (excluding any Awards and any other share awards lapsed in accordance with the terms of the Share Schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as the Listing Rules may prescribe or permit) of the total number of issued Shares as at the date of such grant; or
  - (ii) where any grant of Awards to an independent non-executive Director or substantial Shareholder (as defined in the Listing Rules) of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued in respect of all the Awards granted under the 2023 Share Award Scheme and (if any) the share options and other share awards granted under any other Share Scheme(s) (excluding any Awards and any share options and other share awards lapsed in accordance with the terms of the Share Schemes) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as the Listing Rules may prescribe or permit) of total number of issued Shares as at the date of such grant,

such further grant of Awards must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules. In particular, the Company must send a circular to the Shareholders. The Grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting. The Company must comply with the relevant requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

## 5. VESTING PERIOD

- (a) The Board or the Committee may from time to time, in its absolute discretion, determine the Vesting Date upon which the Award may be vested in that Grantee in respect of all or a proportion of the Award Shares. The Vesting Period in respect of any Award shall be not less than twelve (12) months (or such other period as the Listing Rules may prescribe or permit), save for any of the following circumstances in which a shorter Vesting Period may be imposed by the Board or the Committee in its absolute discretion:
- (i) grants of “make whole” Awards to any Selected Participants who are new joiners to replace the share awards or options they forfeited when leaving the previous employer;
  - (ii) grants of Awards with performance-based vesting conditions in lieu of time-based vesting criteria;
  - (iii) grants of Awards to any Selected Participants whose employment or engagement is terminated due to retirement (including early retirement agreed with the relevant member of the Group), death, Disability or event of force majeure;
  - (iv) grants of Awards in batches during a year for administrative or compliance reasons, including Awards that should have been granted earlier but had to wait for a subsequent batch if not for such administrative or compliance reasons, in which case the Vesting Period may be shorter to reflect the time from which the Awards would have been granted;
  - (v) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or
  - (vi) grants of Awards with a total vesting and holding period of more than twelve (12) months.
- (b) Any grant of Awards to any Director or senior manager of the Company which is made on terms with a Vesting Period of less than 12 months or without a performance target or without a clawback mechanism shall be reviewed by the Committee as to why the Vesting Period is appropriate and how the grant aligns with the purposes of the 2023 Share Award Scheme.
- (c) Within a reasonable time after the vesting conditions have been reached, fulfilled, satisfied or waived and prior to the Vesting Date of an Award as set out in the related Grant Notice, the Board or the Committee shall notify the Grantee in writing by notice (the “**Vesting Notice**”) in respect of the intended vesting of such number of Award Shares underlying the Award as determined by the Board or the Committee in its absolute discretion, subject to the fulfilment of the requirements set out in sub-paragraph (d) below and the terms of the Vesting

Notice. The Board or the Committee has the absolute discretion to determine whether and to what extent such vesting conditions or performance targets have been reached, fulfilled, satisfied or waived and its decision shall, in the absence of manifest error, be final, conclusive and binding.

- (d) Upon the Grantee's receipt of the Vesting Notice, the Grantee shall (i) duly execute and return the reply slip attached to the Vesting Notice and any transfer or subscription documents prescribed by the Board or the Committee for the relevant Award Shares; and (ii) pay the consideration (if any) for the transfer or subscription of the relevant Award Shares, in the manner and within the period stipulated in the Vesting Notice (or such later date as may be determined by the Board or the Committee in its absolute discretion having regard to all relevant circumstances), failing which the corresponding portion of the Award Shares underlying the Awards shall automatically lapse forthwith in accordance with paragraph 10 below.

## 6. PERFORMANCE TARGETS

- (a) After the Board or the Committee has decided to select an Eligible Participant to be offered with the grant of an Award under the 2023 Share Award Scheme, the Board or the Committee shall notify the Selected Participant of such offer by a written notice (the "**Grant Notice**") and the Board or the Committee shall specify in the Grant Notice, among other things, the conditions including any performance targets which may include without limitation (i) financial parameters of the Group (such as the revenue, profits and general financial condition of the Group); (ii) non-financial parameters of the Group (such as the Group's strategic objectives, operational targets and future development plan); and/or (iii) individual performance indicators relevant to the Selected Participant's roles and responsibilities, that must be duly fulfilled before the Award may be vested in such Selected Participant in respect of all or a proportion of the Award Shares.
- (b) During the Vesting Period, in respect of any performance targets as may be specified by the Board or the Committee in the Grant Notice that must be fulfilled before the Award may be vested in the relevant Grantee in respect of the relevant Award Shares, the Board or the Committee will conduct assessment at the end of such performance period as prescribed by the Board or the Committee, including the comparison of the performance of the Group and/or the individual performance of the Grantee with the pre-agreed targets, in order to determine whether the targets have been fulfilled and the extent to which such targets have been fulfilled. If the Board or the Committee determines in its absolute discretion that any condition(s) and/or performance target(s) to be duly fulfilled by the Grantee as specified in the related Grant Notice has not been duly fulfilled or has not been waived by the Board or the Committee, the Board or the

Committee shall determine in its absolute discretion whether such Award shall vest and the period within which such Award shall vest, subject to the requirements of the Listing Rules.

#### 7. PAYMENT ON ACCEPTANCE OF THE AWARD AND PURCHASE PRICE OF SHARES AWARDED

The Board or the Committee shall specify in the Grant Notice the amount, if any, payable by the relevant Selected Participant on acceptance of the Award and, if applicable, the period within which any such payments must or may be made or loans for such purposes must be repaid. Unless otherwise determined by the Board or the Committee in its absolute discretion at the relevant time for each individual Award, a Selected Participant is not required to pay any grant or purchase price or make any other payment to the Company for accepting an offer of the Award granted pursuant to the Grant Notice, nor is the Selected Participant required to pay any subscription or purchase price for the vesting of the Awards or the receipt of the Award Shares.

#### 8. RIGHTS ATTACHED TO THE AWARDS AND THE AWARD SHARES

- (a) Unless otherwise approved and authorised by the Board or the Committee, the Grantee shall not exercise any of the voting rights in respect of any Award Shares and shall not have any right whatsoever in any dividends and other distributions declared and made in respect of any Award Shares or otherwise ("**Other Distributions**") unless and until the relevant Award Shares have been allotted and issued or transferred (as the case may be) to the Grantee in accordance with the 2023 Share Award Scheme and the applicable laws, rules and regulations. For the avoidance of doubt:
  - (i) a Grantee does not have legal and beneficial ownership of any Award Shares unless and until such Award Shares have been allotted and issued or transferred (as the case may be) to the Grantee in accordance with the 2023 Share Award Scheme and the applicable laws, rules and regulations; and
  - (ii) where a Trustee is appointed, no instruction may be given by a Grantee to the Trustee in respect of the Award Shares and/or the Other Distributions and/or such other properties or assets of the trust constituted by the Trust Deed.
- (b) Subject to sub-paragraph (a) above, the Award Shares to be allotted and issued or transferred (as the case may be) to the Grantee after the vesting of the Award in the Grantee shall be subject to all the provisions of the Articles of Association for the time being in force and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company, as existing fully paid Shares in issue on the date on which the Award Shares are allotted and issued or transferred (as the case may be) to the Grantee after the vesting of the Award and, without prejudice to the generality of the foregoing, shall entitle the holders of such Award Shares to

participate in all Other Distributions paid or made on or after the date on which the Award Shares are so allotted and issued or transferred (as the case may be), other than any Other Distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the date on which the Award Shares are so allotted and issued or transferred (as the case may be).

## 9. LIFE OF THE 2023 SHARE AWARD SCHEME

Subject to the fulfilment of the condition set out in paragraph 16 below and the termination provisions under paragraph 13 below, the 2023 Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date and ending on the tenth (10<sup>th</sup>) anniversary of the Adoption Date.

## 10. LAPSE OF AWARDS

(a) In the event that:

- (i) any Grantee is found to be an Excluded Participant or otherwise ceases to be an Eligible Participant (including the termination of his employment or contractual engagement with the Company or any other member of the Group for any reason, other than for reason that a Grantee's employment or service with the Company or any other member of the Group is terminated by reason of retirement, death or Disability, in which case the Board or the Committee shall determine in its absolute discretion whether such Award shall vest and the period within which such Award shall vest);
- (ii) any Grantee makes any attempt or takes any action to sell, transfer, assign, charge, mortgage, encumber or otherwise dispose of or create any security or adverse interest whatsoever in favour of any third party over or in relation to any Award or any interests or benefits pursuant to the Award;
- (iii) any Grantee commits any Misconduct(s);
- (iv) any Grantee is concerned, during the course of his employment or contractual engagement with any member of the Group, without prior written consent of the Company, with any business which competes or is likely to compete with the business of any member of the Group; or
- (v) there is any material misstatement(s) in the consolidated financial statements of the Company;

(each of these, an event of "**Total Lapse**"), all unvested Awards to such Grantee shall automatically lapse forthwith upon the determination by the Board or the Committee that such event has occurred, and such Grantee shall have no right or claim whatsoever against the Company, any other member of the Group, the

Board or the Committee in respect of those unvested Awards, the Award Shares underlying such unvested Awards or any right thereto or interest therein in any way.

(b) In the event that:

- (i) the vesting conditions are not, in the sole opinion of the Board or the Committee, satisfied in respect of the relevant part of the Award and no waiver of such condition is granted as prescribed in paragraph 5(c) above; or
- (ii) a Grantee fails to, in the manner and within the period stipulated in the Vesting Notice (or such later date as may be determined by the Board or the Committee in its absolute discretion having regard to all relevant circumstances), (i) duly execute and return the reply slip attached to the Vesting Notice or any transfer or subscription documents prescribed by the Board or the Committee in respect of the relevant Award Shares; or (ii) pay the consideration (if any) for the transfer or subscription of the relevant Award Shares;

(each an event of "**Partial Lapse**"), the relevant part of the Award in respect of which any event of Partial Lapse has occurred shall automatically lapse forthwith upon the determination by the Board or the Committee that such event has occurred, and the relevant Award Shares shall not vest on the relevant Vesting Date, and such Grantee shall have no right or claim whatsoever against the Company, any other member of the Group, the Board or the Committee in respect of such Award, the relevant Award Shares underlying such Award or any right thereto or interest therein in any way.

The Awards lapsed will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

#### **11. CAPITALISATION ISSUE, RIGHTS ISSUE, SHARE CONSOLIDATION, SHARE SUB-DIVISION OR CAPITAL REDUCTION**

If the Company conducts any capitalisation issue, rights issue, share consolidation, share sub-division or capital reduction, corresponding adjustments (if any) shall be made to the maximum number of Shares that may be issued by the Company in respect of all the Awards and other share awards and share options to be granted pursuant to all the Share Schemes of the Company under the unutilised Scheme Mandate Limit referred to in paragraph 3(a) above (or as increased in accordance with paragraphs 3(b) or 3(d) above, as the case may be) with reference to the total number of issued Shares as at the date immediately before and after such event and rounded to the nearest whole Share, such that each Grantee will be entitled to the same proportion of the Company's share capital as that to which such Grantee was previously entitled, provided that no such adjustment may be made to the extent that any Share would be issued at less than its nominal value, if applicable. In respect of any such adjustments, other than any made on a capitalisation

issue, an independent financial adviser or the Company's auditors must confirm to the Directors in writing that the adjustments satisfy the requirements under the note to Rule 17.03(13) of the Listing Rules.

## 12. CANCELLATION OF AWARDS

- (a) Subject to Chapter 17 of the Listing Rules, the Board or the Committee may in its absolute discretion cancel all or such proportion of the Awards granted but unvested, provided that:
  - (i) the Company or any other member of the Group pay to the Grantee an amount equal to the fair value of the Award at the date of the cancellation as determined by the Board or the Committee, after consultation with the auditors of the Company or an independent financial adviser appointed by the Board or the Committee;
  - (ii) the Company or any other member of the Group provides to the Grantee a replacement Award (or a share option or share award under any other Share Scheme(s)) of equivalent value to the Award to be cancelled; or
  - (iii) the Board or the Committee makes any arrangement as the Grantee may agree in order to compensate him for the cancellation of the Awards.
- (b) Where the Company cancels any Awards granted to a Grantee and makes a new grant (whether under the 2023 Share Award Scheme or any other Share Scheme(s)) to the same Grantee, such new grant may only be made within the available Scheme Mandate Limit approved by the Shareholders. The Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

## 13. TERMINATION OF THE 2023 SHARE AWARD SCHEME

The 2023 Share Award Scheme shall terminate on the tenth (10<sup>th</sup>) anniversary date of the Adoption Date or such date of earlier termination as determined by the Board or the Committee. Upon the termination of the 2023 Share Award Scheme, no further offer of Awards may be made and no Awards offered shall be open for acceptance, but the 2023 Share Award Scheme shall remain in full force and effect to the extent necessary to give effect to any Awards which are granted and remain unvested prior to the termination of the operation of the 2023 Share Award Scheme.

## 14. TRANSFERABILITY OF AWARDS

An Award shall be personal to the Grantee and shall not be transferable or assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any security or adverse interest whatsoever in favour of any third party over or in relation to an Award or any interests or benefits pursuant to the Award, nor shall any Grantee enter or purport to enter into any agreement to do so.



**15. ALTERATION OF THE 2023 SHARE AWARD SCHEME**

- (a) Subject to sub-paragraphs (c) and (d) below, the 2023 Share Award Scheme may be altered in any respect by a resolution of the Board, save and except that (i) any alteration to the terms and conditions of the 2023 Share Award Scheme which are of a material nature; or (ii) any alteration to the provisions of the 2023 Share Award Scheme relating to the matters set out in Rule 17.03 of the Listing Rules to the extent that such alteration operates to the advantage of the Selected Participants or Grantees must be approved by the Shareholders in general meeting, provided that no such alteration shall operate to affect adversely the terms of any Awards granted which have not vested or lapsed or been cancelled prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the holders of the Shares under the Articles of Association for a variation of the rights attached to the Shares.
- (b) Subject to sub-paragraph (d) below, any change to the terms of the Awards granted to a Grantee shall be approved by the Board, the Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the Committee, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alteration takes effect automatically under the existing terms of the 2023 Share Award Scheme.
- (c) Any change to the authority of the Directors or administrators of the 2023 Share Award Scheme (including, where applicable, the Trustee) in relation to any alteration to the 2023 Share Award Scheme shall be approved by the Shareholders in general meeting.
- (d) The amended terms of the 2023 Share Award Scheme must comply with all applicable laws, rules and regulations (including Chapter 17 of the Listing Rules).

**16. CONDITION OF THE 2023 SHARE AWARD SCHEME**

The 2023 Share Award Scheme is conditional upon the passing of an ordinary resolution by the Shareholders at a general meeting to approve the adoption of the 2023 Share Award Scheme.



## 1. HYBRID ANNUAL GENERAL MEETING

The Company will conduct a hybrid Annual General Meeting with the combination of physical meeting and electronic meeting using the Tricor e-Meeting System which allows shareholders to participate the Annual General Meeting online in a convenient and efficient way from anywhere with an internet connection. Shareholders will be able to view the live video broadcast of the Annual General Meeting, participate in voting and submit questions online in written form via their mobile phones, tablet, or computers or call to raise questions. The live broadcast option can also broaden the reach of the Annual General Meeting to shareholders who are unable to attend in person physically.

## 2. WHO IS ELIGIBLE TO ATTEND AND VOTE

Shareholders whose names appear on the register of members of the Company on 7 July 2023 (the date of the AGM) are eligible to attend and vote at the AGM.

The register of members of the Company will be closed and no transfer of Shares will be registered from Tuesday, 4 July 2023 to Friday, 7 July 2023, both dates inclusive. In order to be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Monday, 3 July 2023.

## 3. HOW TO VOTE

### Registered Shareholders

#### (a) *Attending in person*

You are entitled to attend and vote at the AGM in person or, in the case of a corporation, by its duly authorised representative. A corporation must submit a properly executed proxy form or corporate representative authorisation.

#### (b) *Attending online*

Registered Shareholders will be able to attend the AGM, vote and submit questions online in written form via the designated website (<https://spot-meeting.tricor.hk>) by using the username and password provided on the Notification Letter sent by the Company or call to raise questions.

(c) *By proxy*

If you do not plan to attend the AGM, you may appoint the chairman of the AGM or any person of your choice, who needs not be a Shareholder, as your proxy to attend and vote on your behalf at the AGM.

You may appoint more than one proxy to represent you provided that the proxy form for the appointment shall specify the number of Shares in respect of which each such proxy is so appointed.

In the case of appointment of proxies submitted in electronic form, the proxy forms must be electronically submitted via Tricor e-Meeting System not less than 48 hours before the time appointed for the holding of the meeting (i.e. not later than Wednesday, 5 July 2023 at 12:00 noon) or any adjournment thereof (as the case may be) by scanning the QR code provided on the Notification Letter or visiting the designated website (<https://spot-emeeting.tricor.hk>). Please use the username and password provided on the Notification Letter.

If your proxy (except when the chairman of the meeting is appointed as proxy) wishes to attend the Annual General Meeting and vote online, you must provide a valid email address of your proxy to the Company's share registrar, Tricor Investor Services Limited. If no email address is provided, your proxy cannot attend the Annual General Meeting and vote online. The email address so provided will be used by the Company's share registrar, Tricor Investor Services Limited, for providing the login details for attending and voting at the Annual General Meeting via Tricor e-Meeting System. If your proxy has not received the login details by email by Thursday, 6 July 2023, you should contact the Company's share registrar, Tricor Investor Services Limited, by calling hotline at (852) 2975 0928 between 9:00 a.m. to 6:00 p.m. or by email to [emeeting@hk.tricorglobal.com](mailto:emeeting@hk.tricorglobal.com) for the necessary arrangements.

### **Non-registered Shareholders**

If you are a non-registered Shareholder i.e. your Shares are held through an intermediary (for example, a bank, a custodian or a securities broker) or registered in the name of your nominee, you will not receive a proxy form directly from the Company, and you have to give instructions to your intermediary/nominee to vote on your behalf. If you wish to attend and vote at the AGM, you should seek an authorisation from your intermediary/nominee directly.

For the beneficial owners whose Shares are held through banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited would like to attend the Annual General Meeting in person physically or online, they should consult directly with their banks or brokers or custodians (as the case may be) for the necessary arrangements.

#### 4. PROXY APPOINTMENT

##### Form of proxy

A form of proxy is enclosed with this circular or can be downloaded from the Investor Relations section of the Company's group website ([www.ctfjewellerygroup.com](http://www.ctfjewellerygroup.com)) and the HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)). If you appoint more than one proxy, you must specify the number of Shares each proxy is appointed to represent.

##### Voting by proxies

If you have properly completed and returned a proxy form, the person named in the proxy form will be authorised to attend the AGM and vote on your behalf. If you have clearly specified in the proxy form how you wish your votes to be cast, your proxy must cast your votes in accordance with your specified instructions. In the absence of any instructions given in respect of a resolution, your proxy will be entitled to cast your votes at his/her discretion or to abstain from voting in respect of that resolution. Your proxy will also be entitled to cast your votes at his/her discretion or to abstain from voting on any other resolution properly put to the AGM other than those referred to in the notice of the AGM.

In order to be valid, you are requested to complete the proxy form in accordance with the instructions printed on it and return the completed proxy form to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong or via the designated website (<https://spot-emeeting.tricor.hk>) by using the username and password provided on the Notification Letter sent by the Company as soon as possible so that it is received at least 48 hours before the time appointed for the AGM or any adjourned meeting (as the case may be) ("**Closing Time**"). Submission of a proxy form shall not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish and in such event, the proxy form shall be deemed to be revoked.

#### 5. HOW TO REVOKE A PROXY GIVEN

##### Registered Shareholders

If you have returned a proxy form, you may revoke it by completing and signing a proxy form bearing a later date, and lodging it with the Company's Hong Kong branch share registrar or via the designated website (<https://spot-emeeting.tricor.hk>) by using the username and password provided on the Notification Letter sent by the Company. In order to be valid for voting purpose, this latter proxy form should be received by the Company's Hong Kong branch registrar before the Closing Time.

You should also note that your proxy's authority to vote on a resolution is to be regarded as revoked if you attend in person and vote on that particular resolution at the AGM.

**Non-registered Shareholders**

If you are a non-registered Shareholder and wish to revoke an authorisation appointing a person to vote on your behalf, you should contact your intermediary or nominee directly to revoke your authorisation.

**6. VOTING ARRANGEMENTS**

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, voting on all the resolutions proposed at the AGM will be taken by way of poll.

Article 66(1) of the Articles of Association provides that on a poll, subject to any special rights or restrictions as to voting for the time being attached to any Shares by or in accordance with the Articles of Association, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder.

None of the Shareholders is required to abstain from voting at the AGM pursuant to the Listing Rules and/or the Articles of Association.

**7. POLL RESULTS**

After being verified by the scrutineer, the poll results will be published on the Company's group website ([www.ctfjewellerygroup.com](http://www.ctfjewellerygroup.com)) and the HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)).

**8. TYPHOON ARRANGEMENTS**

The meeting will be adjourned if any of the following events happens on the date of such meeting:

- (a) at 9:00 a.m., a tropical cyclone warning signal no. 8 or above is in force in Hong Kong; or
- (b) at 11:00 a.m. or earlier, the Hong Kong Observatory has issued a pre-no. 8 or above special announcement to give an advanced notice that a tropical cyclone warning signal no. 8 or above is expected within 2 hours.

The Company will post an announcement on the HKEXnews website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's group website ([www.ctfjewellerygroup.com](http://www.ctfjewellerygroup.com)) to notify shareholders of the date, time and place of the adjourned meeting.

The meeting will be held as scheduled when amber, red or black rainstorm warning signal is in force. Shareholders should decide on their own whether they would attend the meeting under bad weather conditions bearing in mind their own situations.

Shareholders may contact the Company's Hong Kong branch share registrar's customer service hotline at (852) 2980 1333 during business hours (9:00 a.m. to 6:00 p.m., Monday to Friday, excluding Hong Kong public holidays) for details of the postponement or the meeting arrangements.