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

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

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佳明
GRAND MING

GRAND MING GROUP HOLDINGS LIMITED

佳明集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1271)

PROPOSALS FOR
(1) DECLARATION OF FINAL DIVIDEND
AND SPECIAL DIVIDEND;
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(3) RE-ELECTION OF RETIRING DIRECTORS;
(4) ADOPTION OF NEW SHARE OPTION SCHEME
AND NEW SHARE AWARD PLAN;
AND
NOTICE OF ANNUAL GENERAL MEETING

The notice convening the annual general meeting of the Company (the “AGM”) to be held at Chairman’s Place, M/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong at 10:00 a.m. on Friday, 4 August 2023 is set out on pages 57 to 63 of this circular. A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the Company’s website (www.grandming.com.hk) and the designated website of the Stock Exchange (www.hkexnews.hk).

Whether or not you intend to attend the AGM, you are advised to read the notice and to complete, sign and return the accompanying form of proxy for use at the AGM in accordance with the instructions printed thereon to, Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong, on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

6 July 2023

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DEFINITIONS

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

“Acceptance Date”	in relation to any Option, the day on which the offer to grant such Option is accepted by the relevant Eligible Participant in accordance with the provisions of the New Share Option Scheme
“Adoption Date”	the date on which the New Share Option Scheme and/or the New Share Award Plan will be approved and adopted by resolutions of the Shareholders
“AGM”	the annual general meeting of the Company to be held on Friday, 4 August 2023 at 10:00 a.m., a notice of which is set out on page 57 to 63 of this circular
“Articles”	the articles of association of the Company, as amended and restated, modified or otherwise supplemented from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Company
“Auditors”	the independent auditors for the time being of the Company
“Award(s)”	an award of Shares pursuant to the New Share Award Plan
“Awarded Share(s)”	the Share(s) provisionally awarded to a Selected Participant pursuant to an Award.
“Board”	the board of Directors
“Branch Share Registrar”	Tricor Investor Services Limited, the Company’s branch share registrar and transfer office in Hong Kong
“chief executive”	has the same meaning ascribed to it under the Listing Rules
“Companies Act”	the Companies Act (as revised) of the Cayman Islands, as amended, modified or otherwise supplemented from time to time

DEFINITIONS

“Company”	Grand Ming Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Controlling Shareholder(s)”	has the same meaning ascribed to it under the Listing Rules and unless the context requires otherwise, refers to Mr. Chan Hung Ming and Chan HM Company Limited
“core connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Date of Grant”	the day (which must be a trading day) on which the Directors resolve to make an offer of that Option or Award to an Eligible Participant subject to the provisions of the New Share Option Scheme or the New Share Award Plan
“Director(s)”	director(s) of the Company
“Eligible Participant(s)”	comprises (i) any full-time or part-time employees, executive or officers of the Company or any of its subsidiaries; and (ii) any Directors (including non-executive Directors and INEDs) of the Company or any of its subsidiaries
“Excluded Participant”	any Eligible Participant who is resident in a place where the award of the Awarded Shares and/or the vesting and transfer of Shares pursuant to the rules of the New Share Award Plan is not permitted under the laws and regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such person

DEFINITIONS

“Existing Schemes”	the Existing Share Option Scheme and the Existing Share Award Plan
“Existing Share Award Plan”	the share award plan adopted by the Company on 23 July 2013
“Existing Share Option Scheme”	the share option scheme adopted by the Company on 23 July 2013
“Extension Mandate”	a general unconditional mandate proposed to be granted to the Directors to the effect that any Shares repurchased under the Repurchase Mandate will be added to the total number of Shares which may be allotted and issued under the Issue Mandate
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“INED(s)”	independent non-executive Director(s)
“Issue Mandate”	a general unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with Shares up to a maximum of 20% of the total number of Shares in issue as at the date of the passing of the relevant resolution at the AGM
“Latest Practicable Date”	28 June 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, modified or otherwise supplemented from time to time
“New Schemes”	the New Share Option Scheme and the New Share Award Plan

DEFINITIONS

“New Share Award Plan”	the share award plan of the Company proposed to be approved and adopted by the Shareholders at the AGM
“New Share Option Scheme”	the share option scheme of the Company proposed to be approved and adopted by the Shareholders at the AGM
“Nomination Committee”	the nomination committee of the Company
“Option(s)”	option(s) to subscribe for Shares granted pursuant to the New Share Option Scheme
“Option Holder(s)”	the holder(s) of any outstanding Option or (where the context so permits) any person who is entitled to such Option in consequence of the death or disability of the original holder, or the legal personal representative of such holder
“Option Period”	in respect of any Option, the period commencing on the Acceptance Date of an Option and expiring at the close of business on such day as the Board may determine when granting the Option but in any event not exceeding ten (10) years from Date of Grant of the New Share Option Scheme
“Option Price”	the price per Share payable on the exercise of an Option (in whole or in part) as determined by the Directors (which price may, if the Directors so determine, be set at different levels for different periods during the Option Period) provided always that it shall comply with the provisions of the New Share Option Scheme
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of an Option Holder, is or are entitled to exercise the Option granted to such Option Holder (to the extent not already exercised);
“Register”	the register of members of the Company maintained in Hong Kong

DEFINITIONS

“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to repurchase Shares on the Stock Exchange of up to a maximum of 10% of the total number of Shares in issue as at the date of passing of the relevant resolution at the AGM
“Retiring Directors”	the Directors retiring at the AGM and, who being eligible, are offering themselves for re-election at the AGM, in accordance with the Articles
“Selected Participant”	any Eligible Participant for whom Shares have been provisionally set aside pursuant to an Award or (where the context so permits) his/her Personal Representative
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, modified or otherwise supplemented from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	in relation to an Option, an amount equal to the Option Price multiplied by the relevant number of Shares in respect of which such Option is exercised
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers, as amended, modified or otherwise supplemented from time to time

DEFINITIONS

“Trust Deed”	the trust deed to be executed by the Company as settlor and the Trustee as trustee in respect of Shares and other trust fund (if any) to be held by the Trustee subject to the terms thereof, as amended from time to time pursuant to the New Share Award Plan
“Trustee”	such trustee or trustees as shall be from time to time appointed by the Company for the administration of Shares and other trust fund to be held by the Trustee for the implementation of the New Share Award Plan pursuant to and in accordance with the terms of the Trust Deed
“%”	per cent

LETTER FROM THE BOARD



佳明
GRAND MING

GRAND MING GROUP HOLDINGS LIMITED

佳明集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1271)

Executive Directors:

Mr. CHAN Hung Ming (*Chairman*)
Mr. LAU Chi Wah (*Chief Executive Officer*)
Mr. KWAN Wing Wo (*Chief Financial Officer*)
Ms. TSANG Ka Man

Registered Office:

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

Independent Non-Executive Directors:

Mr. TSUI Ka Wah
Mr. KAN Yau Wo
Mr. HO Chiu Yin Ivan
Mr. LEE Chung Yiu Johnny

Head Office and Principal Place of

Business in Hong Kong:
22nd Floor, Railway Plaza
39 Chatham Road South
Tsim Sha Tsui, Kowloon
Hong Kong

6 July 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
(1) DECLARATION OF FINAL DIVIDEND
AND SPECIAL DIVIDEND;
(2) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(3) RE-ELECTION OF RETIRING DIRECTORS;
(4) ADOPTION OF NEW SHARE OPTION SCHEME
AND NEW SHARE AWARD PLAN;
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolutions to be proposed at the AGM and to give you notice of AGM. Resolutions to be proposed at the AGM include, inter alia, (1) declaration of a final dividend and a special dividend; (2) grant of the Repurchase Mandate, Issue Mandate and the extension thereof to the Directors; (3) re-election of the retiring Directors; (4) adoption of the New Share Option Scheme and New Share Award Plan, and also to give you notice of the AGM.

LETTER FROM THE BOARD

2. DECLARATION OF FINAL DIVIDEND AND SPECIAL DIVIDEND

As mentioned in the announcement of the Company dated 19 June 2023, the Board has recommended payment of a final dividend of 5.0 HK cents per Share and a special dividend of 15.0 HK cents per Share. The proposed final dividend and special dividend are subject to Shareholders' approval at the AGM. If approved, the final dividend and special dividends will be paid on or around 18 September 2023 to Shareholders whose names appear on the Register on 15 August 2023.

3. REPURCHASE MANDATE

An ordinary resolution will be proposed at the AGM to grant to Directors a general and unconditional mandate to repurchase Shares on the Stock Exchange, or on any other stock exchange on which the Shares may be listed, not exceeding 10% of the total number of issued Shares as at the date of passing of the relevant resolution. As at the Latest Practicable Date, the number of Shares in issue is 1,420,122,346 Shares. Subject to the passing of the relevant resolution and on the basis that no further Shares will be issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be authorized to repurchase up to a maximum of 142,012,234 Shares.

An explanatory statement as required under the Listing Rules to provide the requisite information concerning the Repurchase Mandate is set out in Appendix I to this circular.

4. ISSUE MANDATE AND EXTENSION MANDATE

An ordinary resolution will be proposed at the AGM to grant to Directors a general and unconditional mandate to allot, issue and deal with an additional Shares up to 20% of the total number of issued Shares as at the date of passing of the relevant resolution. As at the Latest Practicable Date, the number of Shares in issue is 1,420,122,346 Shares. Subject to the passing of the relevant resolution and on the basis that no further Shares will be issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be authorised to allot, issue and deal with up to a maximum of 284,024,469 Shares.

In addition, subject to the passing of the aforesaid resolutions in relation to the Repurchase Mandate and the Issue Mandate, an ordinary resolution will also be proposed to grant an Extension Mandate to the Directors to extend the number of Shares which may be allotted, issued and dealt with under the Issue Mandate by adding the number of Shares repurchased under the Repurchase Mandate.

LETTER FROM THE BOARD

Each of the Repurchase Mandate, the Issue Mandate and the Extension Mandate will expire at the earliest of: (a) at the conclusion of the next annual general meeting of the Company following the AGM; (b) at the end of the period within which the Company is required by the Articles, the Company Act or any other applicable law of the Cayman Islands to hold its next annual general meeting; or (c) date upon which such statutory is revoked or varied by ordinary resolution(s) of the Shareholders in a general meeting prior to the next annual general meeting of the Company.

5. RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 84 of the Articles, one-third of the Directors for the time being shall retire from office by rotation at each annual general meeting, provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election.

Pursuant to Articles 83(3) of the Articles, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

Accordingly, Mr. Lau Chi Wah, Mr. Kan Yau Wo and Mr. Lee Chung Yiu Johnny will retire and offer themselves for re-election in accordance with Article 84 of the Articles. Ms. Tsang Ka Man and Mr. Ho Chiu Yin Ivan will retire in accordance with Article 83(3) of the Articles and they will offer themselves for re-election at the AGM.

The Nomination Committee had reviewed the structure, size, composition and diversity of the Board from a number of aspects, including but not limited to age, professional qualification, skills, knowledge and length of service. Given that each of the Retiring Directors has different expertise and professional qualification, and have made positive contribution to the development of the Company, the Nomination Committee considers that each of them contributes to the diversity of the Board.

The Nomination Committee has assessed and reviewed the annual written confirmation of independence provided by each INED and considered that they satisfied the independence criteria as set out in Rule 3.13 of the Listing Rules.

LETTER FROM THE BOARD

Pursuant to code provision B.2.3 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules, if an INED has served more than nine years, such director's further appointment should be subject to a separate resolution to be approved by shareholders. Each of Mr. Kan Yau Wo and Mr. Lee Chung Yiu Johnny have served as INED for more than nine years since their appointment in July 2013. In addition to the annual written confirmation as mentioned above, the Nomination Committee has reviewed the performance of Mr. Kan and Mr. Lee and is of the view that they have made positive contributions to the Company and have demonstrated their abilities to provide balanced and objective view to the Company's affairs. Taking into account that (i) Mr. Kan and Mr. Lee have not engaged in any executive management of the Group and (ii) they have demonstrated that they possess the required professional integrity in exercising their duties as INEDs, the Nomination Committee considered that Mr. Kan and Mr. Lee are able to maintain their independence and objectivity on the Company's affairs despite of their services to the Company for more than nine years.

Based on the abovementioned reasons, the Board, at the recommendation of the Nomination Committee, has proposed that each of Mr. Lau, Ms. Tsang, Mr. Kan, Mr. Lee and Mr. Ho stands for re-election as Directors by way of separate resolution at the AGM.

Particulars of each of the Retiring Directors are set out in Appendix II to this circular.

6. ADOPTION OF NEW SHARE OPTION SCHEME AND NEW SHARE AWARD PLAN

The Existing Schemes were adopted by the Company on 23 July 2013 and are valid and effective for a period of 10 years from the date of adoption. As at the Latest Practicable Date, there were a total of 16,020,000 share options outstanding and unexercised under the Existing Share Option Scheme, which entitle their respective holders to subscribe for a total of 16,020,000 Shares (representing approximately 1.13% of the total issued share capital of the Company as at the Latest Practicable Date). As at the Latest Practicable Date, the details of the outstanding share options granted under the Existing Share Option Scheme were as follows:

LETTER FROM THE BOARD

Name and/ or category of grantees	Grant date	Exercise period	Exercise price	Options granted as at the grant date	Options cancelled/ lapsed up to the Latest Practicable Date	Options exercised up to the Latest Practicable Date	Outstanding Options held as at the Latest Practicable Date
Executive Directors							
Lau Chi Wah	15 December 2022	15 December 2022- 14 December 2032 <i>(Note 2)</i>	HK\$3.95	1,000,000	–	–	1,000,000
Kwan Wing Wo	15 December 2022	15 December 2022- 14 December 2032 <i>(Note 2)</i>	HK\$3.95	1,000,000	–	–	1,000,000
Tsang Ka Man	15 December 2022	15 December 2022- 14 December 2032 <i>(Note 2)</i>	HK\$3.95	1,000,000	–	–	1,000,000
INEDs							
Tsui Ka Wah	15 December 2022	15 December 2022- 14 December 2032 <i>(Note 2)</i>	HK\$3.95	200,000	–	–	200,000
Kan Yau Wo	15 December 2022	15 December 2022- 14 December 2032 <i>(Note 2)</i>	HK\$3.95	200,000	–	–	200,000
Lee Chung Yiu Johnny	15 December 2022	15 December 2022- 14 December 2032 <i>(Note 2)</i>	HK\$3.95	200,000	–	–	200,000
Sub-total for Directors:				3,600,000	–	–	3,600,000
Management personnel and core employees of the Group <i>(Note 1)</i>	15 December 2022	15 December 2022- 14 December 2032 <i>(Note 2)</i>	HK\$3.95	5,300,000	–	(580,000)	4,720,000
	11 January 2023	11 January 2024- 10 January 2033 <i>(Note 3)</i>	HK\$6.04	8,300,000	(600,000)	–	7,700,000
Sub-total for other employees <i>(Note 1)</i>:				13,600,000	(600,000)	(580,000)	12,420,000
Total				17,200,000	(600,000)	(580,000)	16,020,000

Notes:

- (1) Excluding Directors, chief executives or substantial shareholders of the Company or any of their respective associates.
- (2) Such share options granted are not subject to vesting conditions.
- (3) Such share options granted shall be vested to the grantees on 11 January 2024.

LETTER FROM THE BOARD

The expiry of the Existing Share Option Scheme will not affect the terms of such outstanding options and these outstanding options shall continue to be valid and exercisable subject to and in accordance with the provisions of the Existing Share Option Scheme. The Company did not award any Shares under the Existing Share Award Plan since the date of its adoption up to the Latest Practicable Date. Save as aforesaid, the Company has no other outstanding options, convertible securities or warrants which confer the right to subscribe for Shares as at the Latest Practicable Date.

The Board has no intention of granting any further share options nor awarding shares under the Existing Schemes prior to their expiry. Upon expiry of the Existing Share Option Scheme, no further options may be granted but in all other respects the provisions of the Existing Share Option Scheme shall remain in full force and effect.

As the Existing Schemes are due to expire on 23 July 2023, and in order to enable continuity of the share option scheme and share award plan of the Company, the Board proposes to adopt the New Schemes so that the Company can continue to provide incentives and/or rewards to the Group's eligible participants.

The Directors believe that attracting, rewarding, motivating and retaining best quality personnel is a key to the success and growth of the Group. The purpose of the New Schemes is to provide incentives or rewards to the eligible participants for their contribution to the Group.

The New Share Option Scheme provides for the granting to Eligible Participants of Options to subscribe for Shares at the Exercise Price fixed at the date of grant and payable on exercise of the Option. The Exercise Price in respect of any particular Share Option will be such price as determined by the Board in its discretion at the time of grant of the relevant Share Option but in any event the Exercise Price shall be at least the highest of (i) the closing price of the Shares as stated in the daily quotation sheet issued by the Stock Exchange on the Date of Grant; (ii) the average of the closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five (5) business days immediately preceding the Date of Grant; and (iii) the nominal value of the Shares. The New Share Award Plan provides for the award of Awarded Shares to Eligible Participants, who are not required to pay for those Shares either on grant or on vesting of the award.

The coverage of the Eligible Participants is the same under the New Schemes, which include (a) any employee (whether full time or part time), executive or officers of the Company or any of its subsidiaries, and (b) directors (including any executive director, non-executive director and INED) of the Company or any of its subsidiaries.

LETTER FROM THE BOARD

Having considered that (i) equity-based remuneration continues to be an important means of ensuring alignment between the interests of Shareholders and all Board members, including the INEDs, and (ii) INEDs may provide crucial contributions to the Group's development and business in providing valuable insight and advices to the Company with their deep industry knowledge and professional background, the Board considers that inclusion of INEDs in the Eligible Participants would allow the Company to keep its remuneration package competitive in order to attract and retain talent. As at the Latest Practicable Date, the Company has no concrete plan nor intention to grant any Options or Awards to the INEDs under the New Schemes.

In order to avoid the potential that INEDs may have bias in their decision-making or compromise their objectivity and independence, the Board considers that if any Option is to be granted to INEDs, such option shall not contain any performance-related element and shall not be subject to any performance target, and that the INEDs must continue to comply with the independence requirement under Rule 3.13 of the Listing Rules. In addition, the Board will comply with the relevant requirements under Rule 17.04 of the Listing Rules that if any grant of Options or Awards to an INED would result in the Shares issued and to be issued in respect of all the options and awards granted and to be granted to such person in the 12-month period up to and including the date of the grant representing in aggregate over 0.1% of the Shares in issue, such grant of options or awards must be approved by Shareholders.

The rules of the New Schemes will not prescribe specific performance targets that must be met before an Option can be exercised or an Award is granted nor there is any clawback mechanism to recover or withhold Option or Award granted. However, the rules of the New Schemes will give the Board discretion to impose such conditions on the Option or Award granted. The Directors consider that it may not always be appropriate to impose such conditions or prescribe such clawback mechanism particularly when the purpose of the New Schemes is to remunerate or compensate Eligible Participants for past contributions. The Directors consider it more beneficial to the Company to retain the flexibility to determine whether such conditions or clawback mechanism are appropriate in light of the particular circumstances of each grant or award.

The performance targets, if imposed, may be linked to the individual Eligible Participant or the Group as a whole or to a subsidiary, department, division, region, function or business unit, line of business, project or individual key performance indicators, which may include revenue, profits (before or after income tax), earnings per share, market value or economic value added, cash flow, return on assets, return on equity, return on investment, share price, and other targets as the Board may determine from time to time and assess either annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, past or current performance or comparison to internal targets or industry performance, in each case as specified by the Board in their sole discretion.

LETTER FROM THE BOARD

There is a general rule under the New Schemes that the Vesting Period shall not be less than 12 months. Nevertheless, the New Schemes had retained flexibility by setting out exceptional circumstances where there may be shorter Vesting Periods, as particularised in paragraph 7 of Appendix III and paragraph 9 of Appendix IV to this circular. The Board and the Remuneration Committee is of the view that this is in line with the market practice and is appropriate and aligns with the purposes of the New Schemes.

The total number of Shares which may be issued in respect of all Options and/or Awards must not in aggregate exceed 10% of the total number of Shares in issue at the Adoption Date. As at the Latest Practicable Date, there were 1,420,122,346 Shares in issue. Assuming that there is no change in the issued share capital between the period from the Latest Practicable Date to the Adoption Date, the total number of Shares which may be issued upon exercise of all Options under the New Share Option Scheme or in respect of Awards that may be granted under the New Share Award Plan will be 142,012,234 Shares, representing 10% of the total number of Shares in issue as at the Adoption Date.

Each of the New Share Option Scheme and the New Share Award Plan constitutes a “Share Scheme” governed by Chapter 17 of the Listing Rules and the adoption of the New Schemes are subject to the approval of the Shareholders at the AGM.

The adoption of the New Share Option Scheme is conditional upon (a) the passing of a resolution by the Shareholders to approve and adopt the New Share Option Scheme; and (b) the Listing Committee of the Stock Exchange granting for the listing of, and permission to deal in, the Shares falling to be allotted and issued pursuant to the exercise of Options in accordance with the terms and conditions of the New Share Option Scheme.

The adoption of the New Share Award Plan is conditional upon (a) the passing of a resolution by the Shareholders to approve and adopt the New Share Award Plan; and (b) the Listing Committee of the Stock Exchange granting for the listing of, and permission to deal with Shares that may be allotted and issued by the Company in connection with Awards, in accordance with the terms and conditions of the New Share Award Plan.

Application will be made to the Stock Exchange for the approval of the listing for, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options granted from time to time under the New Share Option Scheme and the Shares to be granted and issued from time to time under the New Share Award Plan.

None of the Directors is and will be a trustee of the New Schemes nor has any direct or indirect interest in the trustee of the New Schemes, if any.

LETTER FROM THE BOARD

As at the Latest Practicable Date, to the best knowledge of the Directors and having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of the New Schemes. As such, no Shareholder is required to abstain from voting on the resolution in relation thereto.

A summary of the rules of the New Share Option Scheme and the New Share Award Plan is set out in Appendix III and Appendix IV to this circular respectively.

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

7. AGM

The notice convening the AGM is set out on pages 57 to 63 of this circular.

As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors having made all reasonable enquiries, no Shareholder is required under the Listing Rules to abstain from voting on the proposed resolutions at the AGM.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published on the Company's website (www.grandming.com.hk) and the designated website of the Stock Exchange (www.hkexnews.hk). Whether or not you are able to attend the AGM in person, you are advised to read the notice and to complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon to the Branch Share Registrar on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at the AGM must be taken by way of a 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, the resolutions to be considered and, if thought fit, passed at the AGM will be voted by way of a poll by the Shareholders. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

8. CLOSURE OF THE REGISTER

a. For determining the entitlement to attend and vote at the AGM

For the purpose of determining the entitlement to attend and vote at the AGM (or any adjournment thereof), the Register will be closed from Tuesday, 1 August 2023 to Friday, 4 August 2023, both days inclusive, during which period no transfer of Shares will be effected. All transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Monday, 31 July 2023.

b. For determining the entitlement to the proposed final dividend and special dividend

For the purpose of determining the entitlement to the proposed final dividend and special dividend, the Register will be closed from Monday, 14 August 2023 to Tuesday, 15 August 2023, both days inclusive, during which period no transfer of Shares will be effected. All transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Friday, 11 August 2023.

9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. 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.

10. RECOMMENDATION

The Directors consider that the proposed resolutions in respect of the declaration of a final dividend and a special dividend, the grant to the Directors of the Issue Mandate, the Repurchase Mandate and the Extension Mandate, re-election of Retiring Directors and adoption of New Share Option Scheme and New Share Award Plan are in the best interests of the Company and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

LETTER FROM THE BOARD

11. GENERAL

Your attention is drawn to the additional information set out in the appendices to this circular.

12. MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
By order of the Board
Grand Ming Group Holdings Limited
Chan Hung Ming
Chairman and Executive Director

This Appendix serves as an explanatory statement, as required by Rule 10.06(1)(b) of the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the grant of the Repurchase Mandate to the Directors.

1. LISTING RULES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their fully-paid shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

All proposed purchase of shares on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of a general mandate or by a specific approval in relation to a specific transaction.

(b) Source of funds

Repurchases must be made out of funds which are legally available for such purpose in accordance with the company's memorandum of association, the articles of association, the Companies Act, other applicable laws of the Cayman Islands and the Listing Rules.

(c) Maximum number of shares to be repurchased

The shares proposed to be repurchased by a company must be fully paid up. A maximum of 10% of the total number of shares in issue on the date of the passing of the relevant resolution approving the repurchase mandate may be repurchased on the Stock Exchange.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company was 1,420,122,346 fully paid-up Shares.

Subject to the passing of the proposed ordinary resolution for the grant of the Repurchase Mandate and on the basis that no further Shares will be allotted and issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase up to 142,012,234 Shares, representing 10% of the issued share capital of the Company as at the Latest Practicable Date during the period ending on the earliest of (a) the conclusion of the next annual general meeting of the Company, or (b) expiration of the period within which the next annual general meeting of the Company is required to be held by law or the Articles, or (c) the date upon which such authority is revoked or varied by ordinary resolution(s) of the Shareholders in general meeting prior to the next annual general meeting.

3. REASONS FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interest of the Company and the Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and its Shareholders.

4. FUNDING OF REPURCHASE

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, the Articles, the Companies Act, other applicable laws of the Cayman Islands and the Listing Rules.

The Company shall not repurchase its own Shares 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 from time to time.

Subject to the above, any repurchase of the Shares by the Company may be made out of the profits of the Company or out of a fresh issue of Shares made for the purchase of the repurchase or, subject to the Companies Act and other applicable laws of the Cayman Islands, out of capital provided that on the day immediately following the date of repurchase of the Shares, the Company is able to pay its debts as they fall due in the ordinary course of business.

5. IMPACT OF REPURCHASE

The Directors consider that if the Repurchase Mandate was to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position as at 31 March 2023, being the date on which its latest published audited consolidated accounts were made up. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

6. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:-

	Price per share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
June	8.08	7.50
July	7.70	7.50
August	7.66	6.11
September	6.36	4.20
October	4.50	4.10
November	4.37	3.90
December	5.50	3.90
2023		
January	6.53	5.20
February	6.75	5.66
March	6.50	5.60
April	6.00	5.30
May	5.60	5.00
June (Up to the Latest Practicable Date)	5.15	4.81

7. UNDERTAKINGS, DIRECTORS' DEALINGS AND CONNECTED PERSONS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases under the Repurchase Mandate in accordance with the Listing Rules, the applicable laws of the Cayman Islands and the regulations set out in the memorandum of association of the Company and the Articles.

None of the Directors nor, to the best of their knowledge and belief, having made all reasonable enquires, any of their close associates (as defined in the Listing Rules), has any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders at the AGM and exercised.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

8. TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising their powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert (as defined in the Takeovers Code) could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date and so far as was known to the Directors, Mr. Chan Hung Ming, an executive Director and the parties acting in concert (as defined in the Takeovers Code) with him were interested in total of 921,642,940 Shares, representing approximately 64.90% of the total number of Shares in issue. On the basis that no further Shares will be issued or repurchased after the Latest Practicable Date, in the event that the Directors exercise the Repurchase Mandate in full, the shareholdings of Mr. Chan Hung Ming and the parties acting in concert with him in the Company would be increased to approximately 72.11% of the total number of Shares in issue as reduced by the exercise of the Repurchase Mandate in full. Mr. Chan Hung Ming and parties acting in concert with him would not be required under Rule 26 of the Takeovers Code to make a mandatory offer pursuant to such increase. The Directors have no present intention to exercise in full the power to repurchase shares proposed to be granted pursuant to the Repurchase Mandate.

Save as disclosed above, the Directors are currently not aware of any consequences which will arise under the Takeovers Code as a result of any purchase made under the Repurchase Mandate.

9. SHARE REPURCHASES MADE BY THE COMPANY

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

The biographical details as of 31 March 2023 of the Retiring Directors who are proposed to be re-elected at the AGM are set out below:

MR. LAU CHI WAH

Mr. LAU CHI WAH, aged 58, is our executive Director and chief executive officer. He is also a director of all subsidiaries of our Group. Mr. Lau is a co-founder of our Group and has participated in the management of our Group since 1995. He is primarily responsible for formulating the overall strategic planning of our Group and overseeing the business development, administrative and compliance matters of our Group. He had over 34 years of audit, accounting and finance experience.

Mr. Lau holds an Honour Diploma in Accountancy from the Lingnan College (now known as the Lingnan University) and Master's Degree in Professional Accounting from Hong Kong Polytechnic University. He is a fellow member of the Hong Kong Institute of Certified Public Accountants ("HKICPA").

As at the Latest Practicable Date, Mr. Lau is interested in 106,293,660 Shares, representing approximately 7.48% of the issued Shares. He also holds options under the Existing Share Option Scheme entitling him to subscribe for 1,000,000 Shares. Save as aforementioned, Mr. Lau has no other interests in the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Lau (i) is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders; and (ii) has not held any directorships in other listed public companies in the last three years preceding the date of this circular.

Mr. Lau entered into a service agreement with the Company for his appointment as an executive director for an initial term of three years commencing from 9 August 2013, and such appointment continued thereafter unless terminated in accordance with the terms of his service agreement. He is also subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles. The details of emolument of Mr. Lau have been disclosed in note 11 to the financial statements in the 2022/23 annual report of the Company. His emolument was determined and will be reviewed by the Remuneration Committee annually with reference to his duties and responsibilities with the Group, as well as the Group's performance.

MS. TSANG KA MAN

MS. TSANG KA MAN, aged 32, was appointed as an executive Director with effect from 15 December 2022. Ms. Tsang joined the Group in 2016 and is currently responsible for developing the Group's property development business in Hong Kong. She has over 6 years of experience in the management of construction projects.

Ms. Tsang holds a Master of Science in Construction and Real Estate from the Hong Kong Polytechnic University and a Bachelor of Science with Second Class Honours in Construction Management from the University of Wolverhampton, United Kingdom.

As at the Latest Practicable Date, Ms. Tsang is interested in 1,586,000 Shares, representing approximately 0.11% of the issued Shares. She also holds options under the Existing Share Option Scheme entitling her to subscribe for 1,000,000 Shares. Save as aforementioned, Ms. Tsang has no other interests in the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Ms. Tsang (i) is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders; and (ii) has not held any directorships in other listed public companies in the last three years preceding the date of this circular.

Ms. Tsang entered into a service agreement with the Company for her appointment as an executive director for an initial term of three years commencing from 15 December 2022, and such appointment continued thereafter unless terminated in accordance with the terms of her service agreement. She is also subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles. The details of emolument of Ms. Tsang have been disclosed in note 11 to the financial statements in the 2022/23 annual report of the Company. Her emolument was determined and will be reviewed by the Remuneration Committee annually with reference to her duties and responsibilities with the Group, as well as the Group's performance.

MR. KAN YAU WO

MR. KAN YAU WO, aged 70, is our independent non-executive Director since 23 July 2013. He is also the chairman of the Nomination Committee and a member of each of the Remuneration Committee and Audit Committee.

Mr. Kan has been working with Fujitsu's group of companies for over 30 years and was appointed as the president in Fujitsu Hong Kong Ltd. in 2007 and then the chief executive officer of Fujitsu's South China and Hong Kong Region. Mr. Kan retired from his position in Fujitsu's group of companies in 2011.

Mr. Kan graduated from University of Hull in United Kingdom with Bachelor of Science (First Class Honour) in Computer Studies and Mathematics.

As at the Latest Practicable Date, Mr. Kan holds options under the Existing Share Option Scheme entitling him to subscribe for 200,000 Shares. Save as aforementioned, Mr. Kan has any other interests in the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Kan (i) is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders; (ii) has not held any directorships in other listed public companies in the last three years preceding the date of this circular.

Mr. Kan has signed a letter of appointment with the Company for a term of three years commencing from 9 August 2022 and is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles. The details of emolument of Mr. Kan have been disclosed in note 11 to the financial statements in the 2022/23 annual report of the Company. The Remuneration Committee will review and determine the remuneration with reference to his duties and responsibilities in the Company.

MR. LEE CHUNG YIU JOHNNY

MR. LEE CHUNG YIU JOHNNY, aged 79, is our independent non-executive Director since 23 July 2013. He is also the member of each of the Remuneration Committee, Audit Committee and Nomination Committee.

With 28 years' experience in the field of architecture, Mr. Lee worked in several architect firms including as a director from 1995 to 2009. From 2009, Mr. Lee has been working for an architecture company as a project director.

Mr. Lee graduated from the University of Hong Kong with a Bachelor's Degree in Architecture. He is a member of the Hong Kong Institute of Architects and a registered architect with Architects Registration Board in Hong Kong. Mr. Lee is also an authorised person within the List of Architects maintained by the Buildings Department.

As at the Latest Practicable Date, Mr. Lee holds options under the Existing Share Option Scheme entitling him to subscribe for 200,000 Shares. Save as aforementioned, Mr. Lee has no other interests in the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Lee (i) is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders; and (ii) has not held any directorships in other listed public companies in the last three years preceding the date of this circular.

Mr. Lee has signed a letter of appointment with the Company for a term of three years commencing from 9 August 2022 and is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles. The details of emolument of Mr. Lee have been disclosed in note 11 to the financial statements in the 2022/23 annual report of the Company. The Remuneration Committee will review and determine the remuneration with reference to his duties and responsibilities in the Company.

MR. HO CHIU YIN IVAN

MR. HO CHIU YIN IVAN, aged 62, was appointed as an independent non-executive Director with effect from 1 January 2023. He is also the chairman of the Audit Committee, and a member of each of the Remuneration Committee and Nomination Committee.

Mr. Ho has over 30 years of experience in providing statutory audit, group reporting, due diligence review and regulatory advisory services for various clients with shares listed in Hong Kong and businesses in manufacturing, retail, and property development in Hong Kong and the Mainland China. He worked for Price Waterhouse (now PricewaterhouseCoopers Hong Kong) from 1985 to 1989. He then worked for Hamiltons in Sydney, Australia, a firm specialised in insolvency practice, from 1989 to 1992 with his last position as manager. From 1993 to 1995, Mr. Ho rejoined PricewaterhouseCoopers Hong Kong and worked as an audit manager. He then joined PricewaterhouseCoopers Zhong Tian LLP, Guangzhou Branch and acted as a manager and then senior manager from 1995 to 2002, and was admitted as partner from 2002 to 2021. Mr. Ho retired from partnership of the firm in June 2021.

Mr. Ho obtained a Bachelor of Commerce from the University of New South Wales in 1984. He is a member of the HKICPA since 1993, a member of the Chartered Accountants Australia and New Zealand (previously the Institute of Chartered Accountant Australia) since 1991.

APPENDIX II**PARTICULARS OF RETIRING DIRECTORS
PROPOSED FOR RE-ELECTION AT THE AGM**

As at the Latest Practicable Date, Mr. Ho did not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Ho (i) is not connected with any existing Directors, senior management, substantial Shareholders or Controlling Shareholders; and (ii) has not held any directorships in other listed public companies in the last three years preceding the date of this circular.

Mr. Ho has signed a letter of appointment with the Company for a term of three years commencing from 1 January 2023 and is subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles. The details of emolument of Mr. Ho have been disclosed in note 11 to the financial statements in the 2022/23 annual report of the Company. The Remuneration Committee will review and determine the remuneration with reference to his duties and responsibilities in the Company.

Save as disclosed herein, (i) none of the Retiring Directors held other positions with the Company or other members of the Group; and (ii) to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, there were no other matters with respect of the re-election of the Directors that need to be brought to the attention of the Shareholders and there was no information relating to the Directors that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules as at the Latest Practicable Date.

The following is a summary of the rules of the New Share Option Scheme. It does not form part of, nor is it intended to be part of the rules of the New Share Option Scheme and it should not be taken as affecting the interpretation of the rules of the New Share Option Scheme. The Directors reserve the right at any time prior to the AGM to make such amendments to the New Share Option Scheme as they may consider necessary or appropriate provided that such amendments do not conflict in any material aspects with the summary in this Appendix III.

1. PURPOSE OF THE NEW SHARE OPTION SCHEME

The purpose of the New Share Option Scheme is to recognise the contribution or future contribution of the Eligible Participants for their contribution to the Group by granting Options to them as incentives or rewards and to attract, retain and motivate high-calibre Eligible Participants for the benefit of the Group. The New Share Option Scheme shall strengthen and maintain the many long-term relationships that the Eligible Participants may have with the Group.

2. ELIGIBLE PARTICIPANTS OF THE NEW SHARE OPTION SCHEME AND THE BASIS OF DETERMINING ELIGIBILITY OF ELIGIBLE PARTICIPANTS

Eligible Participants comprise (i) any full-time or part-time employees, executive or officers of the Company or any of its subsidiaries; and (ii) any Directors (including non-executive Directors and INEDs) of the Company or any of its subsidiaries.

In determining the basis of eligibility of each Eligible Participant, the Board would consider all relevant factors as appropriate, including, among others, (a) his/her skills, knowledge, experience, expertise and other relevant personal qualities; (b) his/her performance, time commitment, responsibilities or employment conditions; and (c) his/her contribution made or expected to be made to the development and growth of the Group. In assessing whether Options are to be granted to any Eligible Participant, the Board shall take into account various factors, including but not limited to, the individual performance of the Eligible Participant, the special skills or technical knowhow possessed by them which is beneficial to the continuing development of the Group, and the contribution which such Eligible Participant has brought to the Group's business and development.

3. MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- (a) The maximum number of Shares which may be issued upon the exercise of all Options to be granted under the New Share Option Scheme and all options and awards to be granted under any other share option scheme(s) and share award scheme(s) of the Company (the “**Other Schemes**”) shall not in aggregate exceed 142,012,234, representing 10% of the Shares in issue on the Adoption Date (the “**Scheme Mandate Limit**”) unless the Company obtains an approval from the Shareholders pursuant to paragraph 3(b) below. Options or awards lapsed in accordance with the terms of the New Share Option Scheme or Other Schemes will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Options to be granted under the New Share Option Scheme and options and awards to be granted under all Other Schemes under the Scheme Mandate Limit as a percentage of the number of total issued Shares at the date immediately before and after such consolidation or subdivision shall be the same (rounded to the nearest whole Share).
- (b) The Company may seek approval of the Shareholders in the general meeting for refreshing the Scheme Mandate Limit set out in paragraph 3(a) above under the New Share Option Scheme after three (3) years from the Adoption Date or the date of approval by the Shareholders for the last refreshment.
- (c) Any refreshment within any three (3)-year period must be approved by Shareholders subject to that:
- (i) any Controlling Shareholders and their associates (or if there are no controlling shareholder, Directors (excluding INEDs) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6), 13.39(7), 13.40, 13.41 and 13.42 of the Listing Rules.

- (d) The requirements under paragraphs 3(c)(i) and 3(c)(ii) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the 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 Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities (rounded to the nearest whole Share).
- (e) The total number of Shares which may be issued in respect of all Options to be granted under the New Share Option Scheme (in aggregate with any other options and awards to be granted under any Other Schemes that involve(s) the issuance of new Shares) under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit. The Company shall send to the Shareholders a circular containing the number of Options and Awards that were already granted under the existing Scheme Mandate Limit, and the reason for the refreshment.
- (f) The Company may seek separate approval by the Shareholders in its general meeting for granting Options beyond the Scheme Mandate Limit provided the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Participants specifically identified by the Company before such approval is sought. In such a case, the Company shall send to the Shareholders a circular containing the name of each specified Eligible Participant who may be granted such Options, the number and terms of the Options to be granted to each Eligible Participant, and the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose and all such information as may be required under the Listing Rules. The number and terms of Options to be granted to such Eligible Participants must be fixed before approval by the Shareholders. In respect of any Options to be granted, the date of Board meeting for proposing such grant should be taken as the Date of Grant for the purpose of calculating the Option Price.

4. MAXIMUM ENTITLEMENT OF SHARES OF EACH ELIGIBLE PARTICIPANT

Subject to paragraph 21 below, the total number of Shares issued and to be issued upon exercise of the options and awards granted to each Eligible Participant or grantee (including exercised and outstanding options but excluding any options and awards lapsed in accordance with the terms of such schemes) in any twelve (12)-month period up to the Date of Grant shall not exceed 1% of the number of the total issued Shares at the Date of Grant (the “**Individual Limit**”). Where it is proposed that any offer is to be made to an Eligible Participant (or where approximate, an existing grantee) which would result in the Shares issued and to be issued upon exercise of all options and awards granted and to be granted to such person (including exercised, cancelled and outstanding options and awards) in the twelve (12)-month period up to and including the relevant Date of Grant to exceed his, her or its Individual Limit, such grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Eligible Participant or grantee, the number and terms of options to be granted (and options and/or awards previously granted to such Eligible Participant in the 12-month period) to such Eligible Participant and the information required under the Listing Rules, including but not limited to the purpose of granting options to the Eligible Participant and an explanation as to how the terms of the options serve such purpose. The number and terms (including the Subscription Price) of options to be granted to such Eligible Participant must be fixed before the date on which approval of the Shareholders is sought and the date of the Board meeting for proposing such further grant should be taken as the Date of Grant for the purpose of calculating the Option Price.

5. ACCEPTANCE OF OPTION

Offers to grant an Option shall be open for acceptance for a period of up to 30 days from the Date of Grant (the “**Acceptance Period**”) provided that no such offer shall be open for acceptance after the expiry of the period of the New Share Option Scheme or after the New Share Option Scheme has been terminated; or by a person who ceases to be an Eligible Participant after such offer has been made. An Offer shall be deemed to have been granted and accepted by an Eligible Participant and to have taken effect when the duplicate offer document constituting acceptance of the offer duly signed by the Eligible Participant, together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof, is received by the Company within the Acceptance Period. Such remittance shall in no circumstances be refundable.

An offer of the grant of Options not accepted within the Acceptance Period shall lapse.

6. PERIOD WITHIN WHICH THE OPTION MAY BE EXERCISED

Save as provided in paragraphs 7, 9 to 12 below, Options for the time being outstanding may be exercised in whole or in part at any time during the Option Period. An Option shall be exercisable in whole or in part by giving notice to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is so exercised. Each such notice must be accompanied by a remittance for the full amount of the Option Price for Shares in respect of which the notice is given. Notwithstanding anything in provisions under the New Share Option Scheme to the contrary, the Option Period shall not be extended beyond ten (10) years from the Date of Grant and, on the expiry of the Option Period, all rights in respect of an Option for the time being outstanding shall terminate, except in so far as there has been an effective exercise of that Option prior thereto and the Company has not discharged all its obligations under the New Share Option Scheme in relation to such exercise.

7. VESTING PERIOD OF OPTION

- (a) The vesting period for Options shall not be less than twelve (12) months.
- (b) A shorter vesting period may be granted to the Eligible Participants at the discretion of the Board or a committee or any other authorised agent(s) as deemed appropriate at the sole discretion of the Board in any of the following circumstances:
 - (i) grants of “make-whole” Options to new joiners to replace the share awards or options they forfeited when leaving the previous employer;
 - (ii) grants to an Eligible Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
 - (iii) grants that are made in batches during a year for administrative and compliance reasons, which include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;
 - (iv) grants with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months; and
 - (v) grants with performance-based vesting conditions in lieu of time-based vesting criteria,

each of which are considered by the Board and the Remuneration Committee appropriate to provide flexibility to grant Options (a) as part of competitive terms and conditions to induce valuable talent to join the Group (sub-paragraphs (i) and (iv)); (b) reward past contribution which may otherwise be neglected due to administrative or technical reasons (sub-paragraphs (ii) and (iii)); (c) reward exceptional performers with accelerated vesting (sub-paragraph (iv)); (d) to motivate exceptional performers based on performance metrics rather than time (sub-paragraph (v)); and (e) in exceptional circumstances where justified (sub-paragraphs (i) to (v)), which is consistent with the purpose of the New Share Option Scheme.

8. OPTION PRICE

The Option Price (subject to adjustments in accordance with paragraph 15 below) shall be determined on the Date of Grant at the absolute discretion of the Directors as an amount per Share which shall be at least the highest of (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Date of Grant, which must be a business day; (b) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) business days immediately preceding the Date of Grant; and (c) the nominal value of the Shares on the Date of Grant, provided that the Option Price shall be subject to adjustment in accordance with the provisions of paragraph 15 below.

9. RIGHTS ON WINDING UP

In the event notice is given of a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to the Option Holders and thereupon, each Option Holder (or his/her Personal Representative(s)) shall be entitled to exercise all or any of his Options (to the extent not already exercised) at any time not later than two (2) business days prior to the proposed general meeting of the Company referred to above by giving notice in writing to the Company, accompanied by a remittance for the full payment of the aggregate Option Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot and issue the relevant Shares to the Option Holders credited as fully paid. Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up.

10. RIGHTS ON A GENERAL OFFER

If a general offer by way of a take-over is made to all the Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror (as defined in the Hong Kong Code on Takeovers and Mergers)) and such offer becomes or is declared unconditional during the Option Period of the relevant Option, the Option Holder shall be entitled to exercise the Option in full (to the extent not already exercised) at any time within fourteen (14) days after the date on which the offer becomes or is declared unconditional. To the extent that any Option has not been so exercised, it shall upon the expiry of such period be lapsed.

11. RIGHTS ON A COMPROMISE OR ARRANGEMENT

If a compromise or an arrangement between the Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies pursuant to the laws of jurisdictions in which the Company was incorporated, the Company shall give notice thereof to all Option Holders on the same day as it despatches the notice which is sent to each member or creditor of the Company summoning the meeting to consider such a compromise or an arrangement, and any Option Holder (or where permitted his/her Personal Representative(s)) may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate Option Price for the Shares in respect of which the notice is given (such notice to be received by the Company no later than two (2) business days prior to the proposed meeting), exercise the Option (to the extent not already exercised) to its full extent or to the extent specified in the notice, whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed meeting, issue and allot the relevant Shares to the Option Holder credited as fully paid.

With effect from the date of such meeting, the rights of all Option Holders to exercise their respective Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been exercised, lapse and terminate. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of Option Holders to exercise their respective Options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable.

12. RIGHTS ON CEASING EMPLOYMENT, DEATH/DISABILITY OR DISMISSAL

Subject to the provisions of the New Share Option Scheme, an Option may be exercised by an Option Holder at any time during the Option Period provided that:

- (a) in the event that the Option Holder, who is an employee of the Group at the time of grant of the Option, ceases to be an employee by reason of death, ill-health, injury or disability (all evidenced to the satisfaction of the Board) and none of the events which would be a ground for termination of his relationship with the Company and/or any of its subsidiaries specified in paragraph 12(b) has occurred, the Option Holder or his/her Personal Representative(s) may exercise the Option (to the extent not already exercised) in whole or in part within a period of twelve (12) months (or such longer period as the Board may determine) from the date of cessation of being an Eligible Participant or death;
- (b) in the event that the Option Holder, who is an employee of the Group at the time of grant of the Option, ceases to be an employee by reason other than his/her death, ill-health, injury, disability or termination of his/her relationship with the Company and/or any of its subsidiaries on one or more of the grounds specified in paragraph 12(c) below, the Option Holder may exercise the Option up to the entitlement of the Option Holder as at the date of cessation (to the extent not already exercised) in whole or in part within a period of one (1) month (or such longer period as the Board may determine) from such cessation which date shall be the last actual working day with the Company or the relevant Subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse (or such longer period as the Company may determine);
- (c) in the event that the Option Holder, who is an employee of the Group at the time of grant of the Option, ceases to be an employee by reason of termination of his/her employment on any one or more of the grounds that he/her has been guilty of persistent or serious misconduct, or has been liable for a material misstatement in the Company's financial statements, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Option Holder or the Group into disrepute and does not involve his/her integrity or honesty) or (if so determined by the Board) on any other grounds on which an employer would be entitled to terminate his/her employment summarily, his/her Options will lapse and not be exercisable after the date of termination of his/her employment; and

- (d) in the event that the Option Holder ceases to be an Eligible Participant by reason of his or her retirement in accordance with his or her contract of employment or service, any outstanding Option(s) may be exercised during the Option Period subject to the criteria and conditions set out in the offer,

provided always that, in each case the Directors in their absolute discretion may decide that such Options or any part thereof shall not so lapse or determine subject to such conditions or limitations as they may decide.

13. DURATION OF THE NEW SHARE OPTION SCHEME

Subject to early termination as may be determined by Shareholders in general meeting, the New Share Option Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date (the “**Scheme Period**”), after which period, no further Options shall be offered or granted but the provisions of the New Share Option Scheme shall remain in full force and effect in all other respects. Options granted during the life of the New Share Option Scheme shall continue to be exercisable in accordance with their terms of grant after the termination of the New Share Option Scheme.

14. LAPSE OF OPTION

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

- (a) the expiry of the Option Period as may be determined by the Board in accordance with the rules of the New Share Option Scheme;
- (b) the expiry of any of the periods referred to in paragraphs 9, 10 and 12 above;
- (c) the date on which the scheme arrangement of the Company referred to in paragraph 11 above becomes effective;
- (d) the date upon which the Option Holder ceases to be an Eligible Participant by reason referred to in paragraph 12(c) above;
- (e) subject to paragraph 9 above, the date of the commencement of the winding-up of the Company;

- (f) the date on which the Board shall exercise the Company's right to cancel the Option at any time after the Option Holder commits a breach of paragraph 18 below; or
- (g) the date on which the Option is cancelled in accordance with paragraph 16 below.

The Company shall owe no liability to an Option Holder for the lapse of any Option under this paragraph 14.

15. ADJUSTMENT

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable or the New Share Option Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Option remains exercisable), then, in any such case (other than in the case of capitalisation issue), the Company shall instruct the Auditors or independent financial adviser to certify in writing the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Option Holder, to:

- (a) the number of Shares to which the New Share Option Scheme or any Option(s) relates (insofar as it is/they are unexercised); and/or
- (b) the Option Price of any unexercised Options,

and an adjustment as so certified by the Auditors or the independent financial adviser shall be made, provided that, (1) any such adjustment shall be made on the basis that the aggregate Subscription Price payable by an Option Holder on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, (2) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value, (3) any such adjustment shall be made on the basis that an Option Holder shall be given the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, for which any Option Holder would have been entitled to subscribe had he exercised all the Options held by him immediately prior to such adjustment (as interpreted in accordance with FAQ No. 072-2020 or any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time), and (4) the issue of securities of the Company for cash or as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment.

In respect of any such adjustment, other than any made on a capitalisation issue, the Auditors or the independent financial adviser must confirm to the Directors in writing that the adjustment satisfy the requirements of the relevant provision of the Listing Rules.

16. CANCELLATION OF OPTIONS GRANTED

Any cancellation of Options granted but not exercised must be approved by the relevant Option Holder thereof, unless otherwise provided for in the rules of the New Share Option Scheme.

Any new Options (or any other options) issued in replacement of Options cancelled may only be issued under the New Share Option Scheme (or the Other Schemes) with available Scheme Mandate Limit approved by the Shareholders as mentioned in paragraph 3 above. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

17. TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company by resolution in the general meeting may at any time terminate the operation of the New Share Option Scheme before the expiry of the Scheme Period and in such event, no further offer to grant an Option shall be made but in all other respects the provisions of the New Share Option Scheme shall remain in force. Upon such termination, details of the Options granted (including options exercised or outstanding) and (if applicable) Options that become void or non-exercisable as a result of the termination under the New Share Option Scheme are required under the Listing Rules to be disclosed in the circular to the Shareholders seeking their approval of the first new scheme established thereunder or refreshment of any scheme mandate limit under any existing Other Schemes after such termination. All Options granted and accepted prior to such termination shall continue to be valid and exercisable in accordance with their terms and the terms of the New Share Option Scheme, and accordingly no relevant disclosure in relation to the Options that become void or non-exercisable as a result of the termination will be included in the circular to the Shareholders as such disclosure is not applicable.

18. TRANSFERABILITY OF OPTIONS

An Option shall be personal to the Option Holder and shall not be transferable and no Option Holder shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option, unless a waiver is granted by the Stock Exchange. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Option Holder.

19. ALTERATION OF THE NEW SHARE OPTION SCHEME

- (a) The Directors may from time to time in their absolute discretion waive or amend such of the provisions of the New Share Option Scheme as they deem desirable, provided that, except with the prior sanction of the Shareholders in the general meeting, no alteration shall be made to the New Share Option Scheme altering to the advantage of Option Holders (present or future) any of the provisions of the New Share Option Scheme as to the definitions of “Eligible Participants”, “Option Period” and “Scheme Period” in the New Share Option Scheme, the terms and conditions of the New Share Option Scheme which are of a material nature and all such other matters set out in Rule 17.03 of the Listing Rules.
- (b) No amendments to the New Share Option Scheme shall be made which would have the effect of abrogating or altering adversely any of the subsisting rights of Option Holders except with such consent on their part as would be required under the provisions of the Articles of Association as if the Options constituted a separate class of share capital and as if such provisions applied *mutatis mutandis* thereto.
- (c) Change to the terms of the Options granted to an Eligible Participant must be approved by the Board, the Remuneration Committee, the INEDs and/or Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (d) Save as otherwise provided in the terms of the New Share Option Scheme, an amendment of a material nature to the New Share Option Scheme may not be made by the Directors, without the prior approval of Shareholders in the general meeting.
- (e) The amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of the Listing Rules.
- (f) Any change to the authority of the Directors or scheme administrators to alter the terms of the New Share Option Scheme must be approved by the Shareholders in the general meeting.

20. PERFORMANCE TARGETS AND CLAWBACK MECHANISM

Unless otherwise determined by the Board and specified in the offer, there is generally no performance target that needs to be achieved before the exercise of an Option granted to the Option Holder nor there is any clawback mechanism for the Company to recover or withhold the Options granted to any Eligible Participant.

The performance targets, if imposed, may be linked to the individual Eligible Participant or the Group as a whole or to a subsidiary, department, division, region, function or business unit, line of business, project or individual key performance indicators, which may include revenue, profits (before or after income tax), earnings per share, market value or economic value added, cash flow, return on assets, return on equity, return on investment, share price, and other targets as the Board may determine from time to time and assess either annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, past or current performance or comparison to internal targets or industry performance, in each case as specified by the Board in their sole discretion.

21. GRANT OF OPTIONS TO CONNECTED PERSONS

- (a) In addition to paragraph 4 above, any grant of Options to an Eligible Participant who is a Director, chief executive or substantial shareholder of the Company or their respective associates must be approved by the INEDs (excluding any INED who is a proposed grantee of the relevant Options) and shall comply with the requirements of Rule 17.04 of the Listing Rules.
- (b) Where Options are proposed to be granted to an INED or a substantial Shareholder, or any of their respective associates, which will result in the total number of Shares issued and to be issued in respect of all options and awards (excluding any options and awards lapsed in accordance with the terms of the New Share Option Scheme) granted to such person in the twelve (12)-month period up to and including the Date of Grant to such person representing in aggregate over 0.1% of the relevant class of Shares, then the proposed grant must be subject to the approval of the Shareholders taken on a poll in a general meeting.
- (c) In the circumstances described in paragraph 21(b) above, the Company must send a circular to the Shareholders setting out the details as required under Rule 17.04(5) of the Listing Rules. The relevant Option Holder, his or her 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 requirements set out in Rules 13.40, 13.41 and 13.42 of the Listing Rules.

22. CONDITIONS OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme shall take effect upon satisfaction of the following conditions:

- (a) the passing of the necessary resolutions by the Shareholders in a general meeting to adopt the New Share Option Scheme and to authorise the Directors to grant Options to subscribe for Shares hereunder and to allot, issue and deal with Shares pursuant to the exercise of any Options granted under the New Share Option Scheme; and
- (b) the approval for the listing of, and permission to deal in, any Shares to be issued and allotted pursuant to the exercise of Options under the New Share Option Scheme, being granted by the Listing Committee. If such approval, listing or permission is not granted, then the New Share Option Scheme shall forthwith determine and any Option granted or agreed to be granted pursuant to provisions of the New Share Option Scheme and any offer of Options shall be of no effect after which, no person shall be entitled to any rights or benefits or be under any obligation under or in respect of the New Share Option Scheme or any Option.

23. RANKING OF SHARES

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Articles of Association for the time being in force and will rank *pari passu* with the fully paid Shares in issue on the date of allotment and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made. The Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the Option Holder (or any other person) as the holder of those Shares.

24. RESTRICTION ON THE TIME OF GRANT OF OPTIONS

No offer of an Option shall be made and no Option shall be granted to any Eligible Participant after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision or inside information has come to the Company's knowledge until (and including) such price sensitive information or inside information has been publicly disseminated in accordance with the Listing Rules or during any period of time which is prohibited from any such offer and/or grant under the Listing Rules or any applicable law. In particular, no Option shall be granted during the period commencing one month immediately preceding the earlier of the date of the Board meeting (such date as first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and the deadline for the Company to publish an announcement of its results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement. No Option may be granted during any period of delay in publishing a results announcement.

The following is a summary of the rules of the New Share Award Plan. It does not form part of, nor is it intended to be part of the rules of the New Share Award Plan and it should not be taken as affecting the interpretation of the rules of the New Share Award Plan. The Directors reserve the right at any time prior to the AGM to make such amendments to the New Share Award Plan as they may consider necessary or appropriate provided that such amendments do not conflict in any material aspects with the summary in this Appendix IV.

1. PURPOSE, ADMINISTRATION AND DURATION OF THE NEW SHARE AWARD PLAN

The purpose of the New Share Award Plan is to recognise and reward the contribution of certain Selected Participants to the growth and development of our Group, to give incentives thereto in order to retain them for the continual operation and development of our Group and to attract suitable personnel for further development of our Group through an award of Shares.

The New Share Award Plan shall be subject to the administration of the Board whose decisions on all matters arising in relation to the New Share Award Plan or its interpretation or effect shall be final, conclusive and binding on all persons who may be affected thereby, provided that such administration shall not prejudice (a) the powers of the Trustee as provided under the Trust Deed, or (b) the powers of the Remuneration Committee (or such committee or such sub-committee or person(s) delegated with such power and authority by the Board) on recommending and/or deciding (on and subject to the terms and conditions provided under the Plan) the selection of the Selected Participants, the number of Awarded Shares to be awarded to the respective Selected Participants and other related matters as expressly provided under the New Share Award Plan.

The New Share Award Plan shall be valid and effective commencing on the Adoption Date and for a term of ten (10) years.

2. ELIGIBLE PARTICIPANTS OF THE NEW SHARE AWARD PLAN AND THE BASIS OF DETERMINING ELIGIBILITY OF ELIGIBLE PARTICIPANTS

Eligible Participants comprise (a) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; and (b) any Directors (including non-executive Directors and independent non-executive Directors) of the Company or any of its subsidiaries.

In determining the basis of eligibility of each Eligible Participant, the Board would consider all relevant factors as appropriate, including, among others, (a) his/her skills, knowledge, experience, expertise and other relevant personal qualities; (b) his/her performance, time commitment, responsibilities or employment conditions; and (c) his/her contribution made or expected to be made to the development and growth of the Group. In assessing whether Awards are to be granted to any Selected Participant, the Board shall take into account various factors, including but not limited to, the individual performance of the Selected Participant, the special skills or technical knowhow possessed by them which is beneficial to the continuing development of the Group, and the contribution which such Selected Participant has brought to the Group's business and development.

3. AWARD OF SHARES AND POOL OF AWARDED SHARES

The Board shall, subject to and in accordance with these rules of the New Share Award Plan, be entitled (but shall not be bound) to, at any time and from time to time within the period of New Share Award Plan, make an Award out of the pool of Shares to any of the Eligible Participants (excluding any Excluded Participant) such number of issued Shares, fully paid or credited as fully paid, as the Board shall, subject to paragraph 5, determine pursuant to these rules of the New Share Award Plan.

No grant of Awards shall be capable of or open for acceptance after the expiry of 10 years from the Adoption Date and thereafter no grant of Awards shall be made.

The Board shall notify the Trustee in writing upon the making of an Award under the New Share Award Plan. Upon the receipt of an Award notice, the Trustee shall set aside the appropriate number of Awarded Shares pending the transfer and vesting of the same to the Selected Participant out of a pool of Shares comprising the following:

- (a) such Shares as may be (1) transferred to the Trustee (or a special purpose vehicle (“**SPV**”) for the purpose of the New Share Award Plan, if so established and subsisting and authorised by the Trustee) from any person (other than our Group) by way of gift, or (2) purchased by the Trustee (or SPV, if so established and subsisting and authorised by the Trustee) by utilising the funds received by the Trustee (or via SPV, if so established and subsisting) by way of gift or for nominal consideration, but subject to the limitations set out in paragraph 5 below;
- (b) such Shares as may be subscribed or purchased by the Trustee (or SPV, if so established and subsisting and authorised by the Trustee) by utilising the funds allocated by the Board out of our resources (“**Group Contribution**”), but subject to the limitations set out in paragraph 5 below;

- (c) such Shares as may be purchased by the Trustee (or SPV, if so established and subsisting and authorised by the Trustee) by utilising any surplus gift contribution, or as the case may be, the net proceeds of the sale of the relevant nil-paid rights, options or warrants allocated to it in respect of Awarded Shares as described in paragraph 7(b) below; and
- (d) such Shares which remain unvested and revert to the Trustee (or via SPV, if so established and subsisting) in accordance with the rules of the New Share Award Plan.

Where any grant of Awards is proposed to be made to any Selected Participant who is a Director (including an INED) or senior management of the Company, such grant must first be approved by all the members of the Remuneration Committee, or in the case where the grant is proposed to be made to any member of the Remuneration Committee, by all of the other members of the Remuneration Committee.

Subject to paragraph 5,

- (a) any grant of Awards to a Selected Participant who is Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be approved by the INEDs (excluding any INED who is a proposed grantee of the Awards);
- (b) where any grant of Awards to a Director (other than an INED) 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 awards granted (excluding any awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) to such person in the twelve (12) month period up to and including the date of such grant, representing in aggregate over 0.1% of the total number of issued Shares, such grant of Awards shall be approved by Shareholders in general meeting in the manner as set out in subparagraph (d) below;
- (c) where any grant of Awards to an INED or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the rules of the relevant scheme(s) of the Company) to such person in the twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the total number of issued Shares, such grant of Awards shall be approved by Shareholders in general meeting in the manner as set out in subparagraph (d) below; and

- (d) in the circumstances described in sub-paragraphs (a), (b) and (c) above, the Company shall send a circular to the Shareholders containing such details and information as required under the Listing Rules. The proposed grantee, his associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting. The Company shall comply with the requirements under rules 13.40, 13.41 and 13.42 of the Listing Rules. The circular must contain:
- (i) details of the number and terms of the Awards to be granted to each Eligible Participant, which must be fixed before the Shareholders' meeting;
 - (ii) the views of the INEDs (excluding any INED who is the proposed grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting; and
 - (iii) the information required under rule 17.02(2)(c) and rule 2.17 of the Listing Rules.

Where any grant of Awarded Shares is proposed to be made to any person who is a connected person of the Company, the Company shall comply with such provisions of the Listing Rules as may be applicable, including any reporting, announcement and/or Shareholders' approval requirements, unless otherwise exempted under the Listing Rules.

After an award is made, the Board shall notify the Selected Participant who may decline to accept such award by notifying us in writing within the prescribed period in accordance with the rules of the New Share Award Plan. Unless so declined by the Selected Participant, the award shall be deemed irrevocably accepted by the Selected Participant.

The Selected Participants shall not be required to bear or pay any price or fee for the acceptance of the grant of the Shares.

4. SUBSCRIPTION AND PURCHASE OF SHARES BY THE SHARE AWARD PLAN TRUSTEE

The Trustee (or SPV, if so established and subsisting and delegated by the Trustee) may purchase Shares on the Stock Exchange at the prevailing market price or off the market. In respect of off-market transactions, purchases shall not be made with any connected person, nor shall the purchase price be higher than the lower of the following: (1) the closing market price on the date of such purchase, and (2) the average closing market price for the five preceding trading days on which our Shares were traded on the Stock Exchange.

In the event that the Board considers it appropriate for the Trustee subscribe Shares by utilising the Group Contribution, the Trustee shall, upon the instructions of the Board, apply to our Company for the allotment and issue of the appropriate number of new Shares at par or at such other subscription price as instructed by the Board. The Directors shall comply with the applicable Listing Rules when allotting and issuing any new Shares under the New Share Award Plan to the Trustee, provided that the total number of such Shares to be allotted and issued under the New Share Award Plan shall not exceed the limitations set out in paragraph 5 below and any allotment and issue of Shares shall only be made after the Listing Committee of the Stock Exchange has granted the listing of and permission to deal in such Shares.

5. MAXIMUM NUMBER OF SHARES TO BE PURCHASED, SUBSCRIBED AND/OR ALLOCATED TO SELECTED PARTICIPANTS

- (a) The maximum number of Shares which may be issued in respect of all Options and Awards to be granted under the New Share Award Plan and any other share option scheme(s) and share award scheme(s) of the Company (the “**Other Schemes**”) must not in aggregate exceed 142,012,234, representing 10% of the Shares in issue on the Adoption Date (the “**Scheme Mandate Limit**”) unless the Company obtains an approval from the Shareholders pursuant to sub-paragraph (b) below. Options or Awards lapsed in accordance with the terms of the New Share Award Plan or Other Schemes will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Award Shares to be granted under the New Share Award Plan and options and awards to be granted under all Other Schemes under the Scheme Mandate Limit as a percentage of the number of total issued Shares at the date immediately before and after such consolidation or subdivision shall be the same (rounded to the nearest whole Share).
- (b) The Company may seek approval of the Shareholders in the general meeting for refreshing the Scheme Mandate Limit set out in sub-paragraph (a) above under the New Share Award Plan after three (3) years from the Adoption Date or the date of approval by the Shareholders for the last refreshment.
- (c) Any refreshment within any three (3)-year period must be approved by Shareholders subject to that:

- (i) any Controlling Shareholders and their associates (or if there are no controlling shareholder, Directors (excluding INEDs) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6), 13.39(7), 13.40, 13.41 and 13.42 of the Listing Rules.
- (d) The requirements under sub-paragraphs (c)(i) and (c)(ii) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the 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 Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities (rounded to the nearest whole Share).
- (e) The total number of Shares which may be issued in respect of all Awarded Shares to be granted under the New Share Award Plan (in aggregate with any other options and awards to be granted under any Other Schemes that involve(s) the issuance of new Shares) under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit. The Company shall send to the Shareholders a circular containing the number of Options and Awards that were already granted under the existing Scheme Mandate Limit, and the reason for the refreshment.
- (f) The Company may seek separate approval by the Shareholders in its general meeting for granting Awards beyond the Scheme Mandate Limit provided the Awarded Shares in excess of the Scheme Mandate Limit are granted only to the Eligible Participants specifically identified by the Company before such approval is sought. In such a case, the Company shall send to the Shareholders a circular containing the name of each specified Selected Participant who may be granted such Awards, the number and terms of the Awarded Shares to be granted to each Selected Participant, and the purpose of granting Awards to the specified Selected Participants with an explanation as to how the terms of the Awards serve such purpose and all such information as may be required under the Listing Rules. The number and terms of Awards to be granted to such Selected Participants must be fixed before approval by the Shareholders.

- (g) Subject to paragraph 3 above, the total number of Shares issued and to be issued upon exercise of the Options and Awards granted to each Selected Participant or grantee (including exercised and outstanding Options but excluding any Options and Awards lapsed in accordance with the terms of such schemes) in any twelve (12)-month period up to the Date of Grant shall not exceed 1% of the number of the total issued Shares at the Date of Grant (the “**Individual Limit**”). Where it is proposed that any grant of Awards to an Eligible Participant (or where approximate, an existing grantee) which would result in the Shares issued and to be issued upon exercise of all Options and Awards granted and to be granted to such person (including exercised, cancelled and outstanding Options and Awards) in the twelve (12)-month period up to and including the relevant Date of Grant to exceed his, her or its Individual Limit, such grant must be separately approved by the Shareholders in general meeting with such Selected Participant and his/her close associates (or associates if the Selected Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Selected Participant or grantee, the number and terms of Awards to be granted (and options and/or awards previously granted to such Selected Participant in the twelve (12) month period) to such Selected Participant and the information required under the Listing Rules, including but not limited to the purpose of granting Awards to the Selected Participant and an explanation as to how the terms of the Awards serve such purpose. The number and terms of Awards to be granted to such Selected Participant must be fixed before the date on which approval of the Shareholders is sought and the date of the Board meeting for proposing such further grant should be taken as the Date of Grant.
- (h) The maximum numbers set out in sub-paragraph (a) above shall be adjusted, in such manner as the Auditors shall certify in writing to the Board to be fair and reasonable in the event of any alteration to the capital structure of the Company in accordance with paragraph 12 below whether by way of consolidation or subdivision of the share capital of the Company but shall not in any event exceed the limits imposed by the Listing Rules. Any such adjustment shall give the grantees the same proportion of equity capital as they were previously entitled to. In respect of any such adjustments, other than any made on a capitalisation issue, the Auditors shall confirm to the Board in writing that the adjustments satisfy the requirement.

6. VOTING RIGHTS OF THE SHARES IN THE SHARES POOL

Neither the Trustee nor SPV (if so established and subsisting) shall exercise the voting rights in respect of the Shares held under trust, including but not limited to the Shares provisionally awarded under the New Share Award Plan and Shares in the pool of Shares. The Selected Participants shall not have any right to receive any Awarded Shares set aside for them and all other distributions attributable thereto unless and until the Trustee (via SPV, if so established and subsisting) has transferred and vested the legal and beneficial ownership of such Awarded Shares to and in the Selected Participants.

7. RIGHTS ON DISTRIBUTIONS AND EQUITY OFFER

During the vesting period of awards,

- (a) any dividends and other distributions (“**Other Distributions**”) declared and made in respect of any Awarded Shares shall be held by the Trustee or SPV (if so established and subsisting) for the benefit of, and shall only be payable or transferrable to, the relevant Selected Participant when such Awarded Shares are vested in such Selected Participant in accordance with the terms of the New Share Award Plan. Without prejudice to the above, with respect to any such dividends in connection with which our Company allows its Shareholders to elect to receive Shares in lieu of cash, then in respect of any Awarded Shares that have not been vested in the relevant Selected Participant, the Trustee (after consulting the Board) shall have the right (in its absolute discretion) to determine whether it shall elect to receive Shares in lieu of cash or cash in respect of such dividends, and any such scrip dividend or cash dividend so elected and received by the Trustee (or SPV, if so established and subsisting) shall be treated as and constitute Other Distributions.
- (b) if the Company offers to Shareholders new Shares or other securities for subscription by way of rights, options or warrants and no amount is required to be payable by the Shareholders for such rights, options or warrants, the Trustee (or via SPV, if so established and subsisting and authorised by the Trustee) shall sell any nil-paid rights, options or warrants allocated to it in respect of the Awarded Shares if there is any open market for such rights, options or warrants. The net proceeds of such sale (if so sold) shall be applied to purchase Shares for the pool of Shares.

- (c) if the Company offers to the Shareholders new Shares or other securities for subscription by way of rights, options, warrants or other open or preferential offer and consideration is required to be paid, the Trustee shall (or via SPV, if so established and subsisting and authorised by the Trustee) decline to take up, purchase and/or subscribe for such rights, options, warrants or open or preferential offer.
- (d) in case of a general or partial offer, whether by way of takeover offer, share repurchase offer or scheme of arrangement or otherwise in like manner is made to all Shareholders (or all Shareholders other than the offeror, any persons controlled by the offeror and any persons acting in association or concert with the offeror), and such offer becomes or is declared unconditional prior to the vesting of the Awarded Shares in the relevant Selected Participants, the Board shall have the right in their absolute discretion to determine whether the Trustee shall elect to accept such offer. If the offer is elected to be accepted, all proceeds paid or payable to the Trustee (or SPV, if so established and subsisting and authorised by the Trustee) by reason of such acceptance shall be held by the Trustee (via SPV) for the benefit of the relevant Selected Participant and be payable to the relevant Selected Participant on the date of vesting of the Awarded Shares. The Board shall be deemed to have directed the Trustee not to accept such offer if no direction in writing is actually received by the Trustee (or SPV, if so established and subsisting and authorised by the Trustee) within the prescribed period under the New Share Award Plan.

8. RIGHTS ON DEATH OR RETIREMENT

- (a) In respect of a Selected Participant, at any time prior to the vesting date:
 - (i) died; or
 - (ii) retired at his normal retirement date; or
 - (iii) retired at an earlier retirement date (with prior written agreement given by us or the Invested Entity),

all the Awarded Shares and the Other Distributions attributable thereto shall be deemed to be vested on the day immediately prior to his death or retirement.

- (b) In the event of the death of a Selected Participant, the Trustee (or SPV, if so established and subsisting) shall hold the vested Awarded Shares and the Other Distributions upon trust and to transfer the same to the legal personal representatives of the Selected Participant on and subject to the rules of the New Share Award Plan. If such vested Awarded Shares and the Other Distributions would otherwise become *bona vacantia*, they shall be forfeited and cease to be transferrable.

9. VESTING OF THE AWARDED SHARES

- (a) The vesting period for an Award to all Eligible Participants under the New Share Award Plan shall not be less than twelve (12) months.
- (b) A shorter vesting period may be granted to the Eligible Participants at the sole discretion of the Board in any of the following specific circumstances:
 - (i) grants of “make-whole” Awards to an Eligible Participant who is a new director or employee of the Group to replace the share awards such person forfeited when leaving his previous employer(s);
 - (ii) grants of Awards to an Eligible Participant whose employment is terminated due to death or disability or event of force majeure;
 - (iii) grants of Awards which are subject to the fulfilment of performance targets as conditions of the Awards;
 - (iv) grants of Awards made in batches during a year for administrative and compliance reasons;
 - (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; and
 - (vi) grants of Awards with a total vesting and holding period of more than twelve (12) months.

each of which are considered by the Board and the Remuneration Committee appropriate to provide flexibility to grant Awards (a) as part of competitive terms and conditions to induce valuable talent to join the Group (sub-paragraphs (i) and (v)); (b) reward past contribution which may otherwise be neglected due to administrative or technical reasons (sub-paragraphs (ii) and (iv)); (c) reward exceptional performers with accelerated vesting (sub-paragraph (v)); (d) to motivate exceptional performers based on performance metrics rather than time (sub-paragraph (iii)); and (e) in exceptional circumstances where justified (sub-paragraphs (i) to (vi)), which is consistent with the purpose of the New Share Award Plan.

**10. RESTRICTIONS ON THE TIME OF MAKING AWARDS, SUBSCRIPTION,
PURCHASE AND/OR VESTING**

- (a) An award or, as the case may be, any instruction of the Board to the Trustee (who will authorise SPV, if so established and subsisting) to subscribe or acquire Shares may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until (and including) the trading day after such price sensitive information has been published in accordance with the Listing Rules. In particular, during the period preceding the publication of financial results in which our Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by us and up to the date of publication of the relevant financial results, no award may be made. No Award may be granted during any period of delay in publishing a results announcement.
- (b) The Board may not make an award to any of our Directors during the periods or times which our Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

11. LAPSE OF AWARDS

In the event that any Selected Participant ceases to be an Eligible Participant by virtue of a corporate reorganisation of our Group, any Award made to such Selected Participant shall forthwith lapse and be cancelled.

Save as provided in paragraph 8(a) above, in the event:

- (a) a Selected Participant ceases to be an Eligible Participant;
- (b) the subsidiary by which a Selected Participant is employed ceases to be a subsidiary of our Company (or of a member of us); or

- (c) an order for the winding-up of our Company is made or a resolution is passed for the voluntary winding-up of our Company (otherwise than for the purposes of, and followed by, an amalgamation or reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of our Company pass to a successor company),

the Award shall automatically lapse forthwith and all the Awarded Shares and Other Distributions attributable thereto (other than cash distributions which shall be applied to purchase Shares and, upon termination of the New Share Award Plan, treated and dealt with as income of the trust fund) shall become returned Shares for the purposes of the New Share Award Plan.

In the event (1) a Selected Participant is found to be an Excluded Participant or (2) (subject to paragraph 8(a)) a Selected Participant fails to return duly executed transfer documents prescribed by the Trustee (or via SPV, if so established and subsisting and authorized by the Trustee) for the relevant Awarded Shares and other distributions attributable thereto within the stipulated period, the relevant part of the award shall automatically lapse forthwith and the relevant Awarded Shares and Other Distributions attributable thereto (other than cash distributions which shall be applied to purchase shares and, upon termination of the New Share Award Plan, treated and dealt with as income of the Trust Fund) shall become returned Shares for the purposes of the New Share Award Plan.

12. REORGANISATION OF CAPITAL STRUCTURE

In the event of any alteration in the capital structure of the Company, whether by way of capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (or any other actions which may have an impact on the share capital of the Company, other than an issue of Shares as consideration in respect of a transaction to which the Company is a party), the Board may, if it considers the same to be appropriate, direct that adjustments be made to the aggregate number of Shares subject to the Awards so far as unvested, provided that any adjustments made must give the Selected Participant the same proportion of the equity capital, rounded to the nearest whole share, as that to which that Selected Participant was previously entitled, but no such adjustments may be made to the extent that a share would be issued at less than its nominal value (if any).

Where the Board determines that such adjustments are appropriate (other than an adjustment arising from a capitalisation issue), the Auditors appointed by the Company shall certify in writing to the Board that any such adjustments satisfy the requirement set out in Chapter 17 of the Listing Rules and supplementary guidance on the interpretation of the Listing Rules issued by the Stock Exchange from time to time.

13. TERMINATION OF THE NEW SHARE AWARD PLAN

The New Share Award Plan shall terminate on the earlier of (a) the 10th anniversary date of the Adoption Date; and (b) such date of early termination as determined by the Board, provided that such termination shall not affect any subsisting rights of any Selected Participant.

14. CANCELLATION OF AWARDS

Awards granted but not vested or lapsed may be cancelled by the Company with the consent of the Eligible Participant. Where the Company cancels Awards and grant new Awards to the same grantee, the issue of such new Awards may only be made under the New Share Award Plan within the limits set out in paragraph 5 above and the cancelled Shares cannot be added back to replenish the limit.

15. TRANSFERABILITY OF AWARDS

An Award shall be personal to the Selected Participant and shall not be transferable or assignable and no Selected Participant 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 any Award, or enter or purport to enter into any agreement to do so provided that the Selected Participant may assign the Award to a company wholly beneficially owned by the Selected Participant. Any breach of the foregoing by any Selected Participant shall entitle the Company to cancel the Award made to such Selected Participant.

Where (i) the Board gives consent in writing (which consent may be given or withheld by the Board at its absolute discretion), and (ii) the Stock Exchange gives any express waiver, the Award held by a grantee may at the request of the grantee be transferred to a related trust or company of the grantee for the benefit of the grantee and any family members of such grantee (for purposes of estate planning or tax planning or such other reasons as the directors of the Company and the Stock Exchange consider to be justifiable) that would continue to meet the purpose of the Scheme and comply with the requirements of Chapter 17 of the Listing Rules.

16. ALTERATION OF THE RULES OF NEW SHARE AWARD PLAN

- (a) Subject to sub-paragraph (b), the New Share Award Plan may be altered in any respect by a resolution of the Board.
- (b) The following shall not be carried out except with the prior approval of the Shareholders in general meeting by ordinary resolution:
 - (i) any alterations to the terms and conditions of the New Share Award Plan which are material in nature or any alterations to the provisions of the Plan in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants;
 - (ii) any change to the authority of the Board to alter the terms of the New Share Award Plan; and
 - (iii) any alteration to this paragraph,

provided always that the amended terms of the New Share Award Plan or the Awards shall comply with the applicable requirements of Chapter 17 of the Listing Rules.

- (c) Any change to the terms of Awards granted to a grantee shall be approved by the Board, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the Remuneration Committee, the INEDs and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the New Share Award Plan.
- (d) Written notice of any amendment to the New Share Award Plan shall be given to the Trustee.

17. PERFORMANCE TARGETS AND CLAWBACK MECHANISM

Unless otherwise determined by the Board and specified in the Award notice, there is generally no performance target that needs to be achieved before the Awards granted to the Selected Participant nor there is any clawback mechanism for the Company to recover or withhold the Awards granted to any Selected Participant.

The performance targets, if imposed, may be linked to the individual Eligible Participant or the Group as a whole or to a subsidiary, department, division, region, function or business unit, line of business, project or individual key performance indicators, which may include revenue, profits (before or after income tax), earnings per share, market value or economic value added, cash flow, return on assets, return on equity, return on investment, share price, and other targets as the Board may determine from time to time and assess either annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, past or current performance or comparison to internal targets or industry performance, in each case as specified by the Board in their sole discretion.

18. CONDITIONS OF THE NEW SHARE AWARD PLAN

The New Share Award Plan shall take effect upon satisfaction of the following conditions:

- (a) the passing of the necessary resolutions by the Shareholders in a general meeting to adopt the New Share Award Plan and to authorise the Directors to grant Awards hereunder and to allot, issue and deal with Shares pursuant to the Awards granted under the New Share Award Plan; and
- (b) the approval for the listing of, and permission to deal in, any Shares to be issued and allotted pursuant to the Awards granted under the New Share Award Plan, being granted by the Listing Committee. If such approval, listing or permission is not granted, then the New Share Award Plan shall forthwith determine and any Awards granted or agreed to be granted pursuant to provisions of the New Share Award Plan and any Award notice shall be of no effect after which, no person shall be entitled to any rights or benefits or be under any obligation under or in respect of the New Share Award Plan or any Award.

19. RANKING OF SHARES

Any Awarded Shares transferred to a grantee by the Trustee in respect of vesting of any Award shall rank *pari passu* in all respects with, and shall have the same voting, dividend and other rights (including those rights arising on the liquidation of the Company) as, the existing fully paid Shares in issue on the date on which those Awarded Shares are transferred after the vesting of the Awards granted and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which Shares are transferred, other than any dividends or 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 Shares are transferred.

NOTICE OF ANNUAL GENERAL MEETING



佳明
GRAND MING

GRAND MING GROUP HOLDINGS LIMITED

佳明集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1271)

NOTICE IS HEREBY GIVEN that the annual general meeting of Grand Ming Group Holdings Limited (the “**Company**”) will be held at Chairman’s Place, M/F., New World Millennium Hong Kong Hotel, 72 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong on Friday, 4 August 2023 at 10:00 a.m. for the following purposes:

1. To receive and approve the audited financial statements and the reports of the directors and the independent auditor of the Company for the year ended 31 March 2023;
2. To declare a final dividend of 5.0 HK cents per ordinary share for the year ended 31 March 2023;
3. To declare a special dividend of 15.0 HK cents per ordinary share;
4.
 - (a) To re-elect Mr. Lau Chi Wah as an executive director of the Company;
 - (b) To re-elect Ms. Tsang Ka Man as an executive director of the Company;
 - (c) To re-elect Mr. Kan Yau Wo as an independent non-executive director of the Company;
 - (d) To re-elect Mr. Lee Chung Yiu Johnny as an independent non-executive director of the Company;
 - (e) To re-elect Mr. Ho Chiu Yin Ivan as an independent non-executive director of the Company;
 - (f) To authorise the board of directors of the Company to fix the directors’ remuneration;
5. To re-appoint BDO Limited as auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next annual general meeting and to authorise the board of directors of the Company to fix their remuneration; and

NOTICE OF ANNUAL GENERAL MEETING

6. To consider as special business and, if thought fit, pass with or without modifications, the following resolutions as ordinary resolutions: –

ORDINARY RESOLUTIONS

(A) “**THAT:**

- (I) subject to paragraph (II) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the shares of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the Shares may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Buy-backs, and subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (II) the aggregate number of Shares which may be repurchased or agreed to be repurchased by the Company pursuant to the approval in paragraph (I) above during the Relevant Period shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution; and
- (III) for the purposes of this resolution, “**Relevant Period**” means the period from the date of passing of this resolution until whichever is the earliest of:
- (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 of the Company (the “**Articles**”), the Companies Act or any other applicable law of the Cayman Islands to be held; or
 - (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the shareholders of the Company (the “**Shareholders**”) in general meeting prior to the next annual general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

(B) **“THAT:**

- (I) subject to paragraph (III) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares, and to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (II) the approval in paragraph (I) above shall authorise the Directors during the Relevant Period to make and grant offers, agreements and options (including warrants, bonds, debentures, notes and other securities which carry rights to subscribe for or are convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (III) the total number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (I) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (IV) below);
 - (ii) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares; or
 - (iii) an issue of Shares upon the exercise of any options granted under any share option scheme or similar arrangement adopted by the Company from time to time for the grant or issue to eligible persons of Shares or rights to acquire Shares;

shall not exceed 20% of the total number of Shares in issue at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(IV) for the purposes of this resolution,

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

- (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, the Companies Act or any other applicable law of the Cayman Islands to be held; or
- (iii) the date on which such mandate granted under this resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting prior to the next annual general meeting.

“**Rights Issue**” means an offer of Shares, or offer or issue of options, warrants or other securities giving the right to subscribe for Shares opens for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear 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, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

- (C) “**THAT** conditional upon passing of resolutions No.6(A) and 6(B) in the notice of this meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue and deal with the Shares pursuant to resolution No.6(B) above be and is hereby extended by the addition thereon of an amount representing the total number of Shares repurchased by the Company under the authority granted pursuant to resolution No.6(A) above, provided that such amount shall not exceed 10% of the total number of Shares in issue at the date of the passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

(D) **“THAT:**

- (I) conditional upon the fulfilment of all conditions as set out in the Circular in respect of the adoption of the share option scheme (the **“New Share Option Scheme”**), the rules of the New Share Option Scheme (a copy of which has been tabled at the meeting marked **“A”** and initialled by the chairman of the meeting for identification purpose) be and are hereby approved;
- (II) the Directors be and are hereby authorised to grant options pursuant to the New Share Option Scheme subject to such conditions as the Directors may impose, allot and issue Shares which may fall to be issued pursuant to the exercise of options granted, and do all such acts and execute all such documents as he/she may deem necessary or expedient to implement the New Share Option Scheme.”

(E) **“THAT:**

- (I) conditional upon the fulfilment of all conditions as set out in the Circular in respect of the adoption of the share award plan (the **“New Share Award Plan”**), the rules of the New Share Award Plan (a copy of which has been tabled at the meeting marked **“B”** and initialled by the chairman of the meeting for identification purpose) be and are hereby approved;
- (II) the Directors be and are hereby authorised to grant awarded shares pursuant to the New Share Award Plan subject to such conditions as the Directors may impose and do all such acts (including attending to the allotment and issue of Shares) and execute all such documents as he/she may deem necessary or expedient to implement the New Share Award Plan.”

NOTICE OF ANNUAL GENERAL MEETING

- (F) “**THAT** the Scheme Mandate Limit (as defined in the New Share Option Scheme and the New Share Award Plan) on the total number of Shares that may be issued in respect of all options and awards to be granted to the eligible participants under all the share schemes of the Company (i.e., 10% of the Shares in issue as at the date of passing of this resolution) be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the directors of the Company may consider necessary, desirable or expedient to effect and implement the Scheme Mandate Limit.”

By order of the Board
Grand Ming Group Holdings Limited
Leung Wai Chuen
Company Secretary

Hong Kong, 6 July 2023

Notes:

1. A member of the Company entitled to attend and vote at the above meeting is entitled to appoint in written form one or if he is the holder of two or more shares, more than one proxy to attend and vote instead of him. A proxy need not be a member of the Company.
2. In the case of joint holders of Shares, any one of such joint holders may vote, either in person or by proxy, in respect of such Shares as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the above meeting, whether in person or by proxy, then one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
3. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited at the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited (the “**Branch Share Registrar**”), on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time of the meeting or any adjournment thereof.
4. For the purpose of determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Tuesday, 1 August 2023 to Friday, 4 August 2023, both dates inclusive, during which period no transfer of Shares will be effected. All transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30p.m. on Monday, 31 July 2023.

NOTICE OF ANNUAL GENERAL MEETING

5. For the purpose of determining the entitlement to the proposed final dividend and special dividend, the register of members of the Company will be closed from Monday, 14 August 2023 to Tuesday, 15 August 2023, both dates inclusive, during which period no transfer of Shares will be effected. All transfers of Shares accompanied by the relevant share certificates must be lodged with the Branch Share Registrar on 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 11 August 2023.
6. Delivery of an instrument appointing a proxy should not preclude a member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
7. In relation to resolution No. 4 above, details of the retiring Directors proposed for re-election namely, Mr. Lau Chi Wah, Ms. Tsang Ka Man, Mr. Kan Yau Wo, Mr. Lee Chung Yiu Johnny and Mr. Ho Chiu Yin Ivan, are set out in Appendix II to the circular to Shareholders dated 6 July 2023.
8. In relation to resolution No. 6(A) above, the Directors wish to state that they will exercise the powers conferred thereby to purchase Shares in circumstances, which they deem appropriate for the benefit of the Shareholders. An explanatory statement containing the information necessary to enable the shareholders to make an informed decision to vote on the proposed resolution as required by the Rules Governing the Listing of Securities on Stock Exchange is set out in Appendix I to the circular to Shareholders dated 6 July 2023.
9. In relation to the resolution No. 6(B) above, approval is being sought from the Shareholders for the grant to the Directors of a general mandate to authorize the allotment and issue of Shares. The Directors have no immediate plans to issue any new Shares other than Shares which may fall to be issued under the share option scheme and the share award plan.