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

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

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

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## NOTICE OF ANNUAL GENERAL MEETING

A notice convening the 2023 annual general meeting of Hang Lung Properties Limited (the “Company”) to be held at Grand Ballroom, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, April 28, 2023 at 10:00 a.m. (the “Meeting”) is set out on pages 2 to 6 of this document.

Whether or not you are able to attend the Meeting, you are requested to complete and return the enclosed proxy form in accordance with the instructions printed thereon to the Company’s share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Meeting (or any adjournment thereof). Completion and return of the proxy form will not preclude you from attending and voting at the Meeting (or any adjournment thereof) if you so wish.

April 6, 2023

## **LIVE ONLINE WEBCAST**

As an alternative to attending the Meeting in person, shareholders may view a live online webcast of the Meeting. The live online webcast will be available for the shareholders to log in approximately 30 minutes prior to the commencement of the Meeting from any location with access to the internet with a smart phone, tablet device or computer. They can exercise their voting rights by completing and returning a proxy form in accordance with the instructions printed thereon to the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Meeting (or any adjournment thereof).

Details regarding the live online webcast arrangements including login details, are included in the Company's letter to registered shareholders sent together with this document. Shareholders shall also refer to the User Guide posted on the Company's website on how to use the live online webcast.

If any shareholder has any question relating to the Meeting arrangements, please contact Computershare Hong Kong Investor Services Limited, the Company's share registrar as follows:

Computershare Hong Kong Investor Services Limited  
17M Floor, Hopewell Centre  
183 Queen's Road East, Wan Chai, Hong Kong  
Tel: 2862 8555  
Fax: 2865 0990  
Website: [www.computershare.com/hk/contact](http://www.computershare.com/hk/contact)

Shareholders will be able to raise questions related to the proposed resolutions by text during the live online webcast. Shareholders can also send the questions in writing before the Meeting, to our registered office or to our email at [ir@hanglung.com](mailto:ir@hanglung.com).

The Company may not be able to answer all the questions during the time allocated. Unanswered questions may be responded to after the Meeting.

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恒隆地產有限公司

**HANG LUNG PROPERTIES LIMITED**

*(Incorporated in Hong Kong with limited liability)*  
(Stock Code: 00101)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of shareholders of Hang Lung Properties Limited (the “Company”) will be held at Grand Ballroom, Lower Lobby, Conrad Hong Kong, Pacific Place, 88 Queensway, Hong Kong on Friday, April 28, 2023 at 10:00 a.m. (the “Meeting”) for the following matters and purposes:

1. To receive and consider the audited financial statements and reports of the directors and of the auditor for the year ended December 31, 2022;
2. To declare a final dividend;
3. To re-elect retiring directors of the board and authorize the board of directors to fix directors’ fees; and
4. To re-appoint the auditor and authorize the board of directors to fix the auditor’s remuneration.

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

5. “THAT:
  - (a) subject to paragraph (b) below, the exercise by the board of directors of the Company (the “Board”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back shares of the Company be and is hereby generally and unconditionally approved;

- (b) the aggregate number of shares of the Company which may be bought back by the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange recognized for this purpose by The Securities and Futures Commission and the Stock Exchange under the Hong Kong Code on Share Buy-backs pursuant to the approval in paragraph (a) above shall not exceed 10 per cent of the aggregate number of shares of the Company in issue as at the date of passing this resolution (subject to adjustment according to paragraph (d) below), and the said approval shall be limited accordingly;
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until the earlier of,
  - (i) the conclusion of the next annual general meeting of the Company;
  - (ii) the expiry of the period within which the next annual general meeting of the Company is required to be held; and
  - (iii) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders in general meeting; and
- (d) if, after the passing of this resolution, the Company alters its share capital by converting its shares into a larger or smaller number of shares, the number of shares of the Company subject to the limit set out in paragraph (b) above shall be adjusted by being multiplied by the following fraction:

A/B where, A is the number of shares of the Company in issue immediately after such alteration; and B is the number of shares of the Company in issue immediately before the alteration. Such adjustment shall take effect at the same time as the alteration takes effect.”

6. “THAT:

- (a) subject to paragraph (c) below, pursuant to section 141 of the Companies Ordinance, the exercise by the Board during the Relevant Period (as defined in resolution 5(c) in the notice of the Meeting (the “Notice”)) of all the powers of the Company to allot, issue and deal with additional shares of the Company and to allot, issue or grant securities convertible into shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Board during the Relevant Period to allot, issue or grant securities convertible into shares of the Company and to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) the exercise of rights of subscription or conversion under the terms of any securities which are convertible into shares of the Company, (iii) any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company, or (iv) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed the aggregate of: (aa) 20 per cent of the aggregate number of the shares of the Company in issue as at the date of passing this resolution (subject to adjustment according to paragraph (e) below) plus (bb) if the Board is so authorized by a separate ordinary resolution of the shareholders of the Company set out as resolution 7 in the Notice, the number of the shares of the Company bought back by the Company subsequent to the passing of this resolution, up to a maximum equivalent to 10 per cent of the aggregate number of the shares of the Company in issue as at the date of passing this resolution (subject to adjustment according to paragraph (e) below), and the said approval shall be limited accordingly;

(d) for the purpose of this resolution:

“Rights Issue” means an offer of shares or other securities giving the right to subscribe for shares in the Company, open for a period fixed by the Board to holders of shares of the Company (and where appropriate, to holders of other securities of the Company entitled to the offer) or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares (or, where appropriate, such other securities) or class thereof (subject to such exclusion or other arrangements as the Board 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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong); and

(e) if, after the passing of this resolution, the Company alters its share capital by converting its shares into a larger or smaller number of shares, the number of shares of the Company subject to the limits set out in sub-paragraphs (aa) and (bb) of paragraph (c) above shall be adjusted by being multiplied by the following fraction:

A/B where, A is the number of shares of the Company in issue immediately after such alteration; and B is the number of shares of the Company in issue immediately before the alteration. Such adjustment shall take effect at the same time as the alteration takes effect.”

7. “THAT the Board be and it is hereby authorized to exercise the powers of the Company referred to in paragraph (a) of the resolution set out as resolution 6 in the Notice in respect of the shares of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

By Order of the Board  
**Winnie MA**  
*Company Secretary*

Hong Kong, April 6, 2023

*Registered Office:*

28th Floor  
4 Des Voeux Road Central  
Hong Kong

*Notes:*

1. A shareholder entitled to attend and vote at the Meeting (or at any adjournment thereof) is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him/her. A proxy does not need to be a shareholder of the Company.
2. In order to be valid, all proxies must be deposited at the Company’s share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not less than 48 hours before the time fixed for holding the Meeting (or any adjournment thereof).
3. The register of members will be closed from Tuesday, April 25, 2023 to Friday, April 28, 2023, both days inclusive, during which period no share transfers will be effected. In order to qualify for attending and voting at the Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Monday, April 24, 2023.
4. The register of members will be closed on Friday, May 5, 2023, on which no share transfers will be effected. In order to qualify for the proposed final dividend (if any, subject to shareholders’ approval at the Meeting), all transfers accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Thursday, May 4, 2023.
5. Pursuant to rule 13.39(4) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), any vote of shareholders at a general meeting must be taken by poll. Accordingly, at the Meeting, the chair of the Meeting will exercise his power under article 74 of the articles of association of the Company to put each of the resolutions set out in the Notice to be voted by way of poll. On a poll, every shareholder present in person (or in the case of a corporation, by its corporate representative) or by proxy shall have one vote for each share of which he/she is the holder.
6. With regard to matters numbers 1, 2 and 4 set out in the Notice, relevant ordinary resolutions will be considered and, if thought fit, passed for each of these matters at the Meeting.

7. With regard to matter number 3 regarding re-election of retiring directors of the Board, separate ordinary resolutions will be considered and, if thought fit, passed at the Meeting to:
  - (a) re-elect Mr. Nelson W.L. YUEN as a director of the Company;
  - (b) re-elect Dr. Andrew K.C. CHAN as a director of the Company;
  - (c) re-elect Mr. Adriel CHAN as a director of the Company.
8. The results of the poll will be published on the Company's website at [www.hanglung.com](http://www.hanglung.com) and Hong Kong Exchanges and Clearing Limited's website at [www.hkexnews.hk](http://www.hkexnews.hk) on the date of the Meeting.
9. Details of the businesses to be transacted at the Meeting are set out in this Notice under the "Business of the Meeting".
10. The Meeting's attendance is subject to the capacity limit of the venue.
11. A Shareholder or proxy who attends the Meeting in person will receive ONE refreshment pack as a token of the Company's appreciation. If the shareholder or proxy is also appointed as a proxy of one other shareholder, he/she will receive TWO refreshment packs in total. If he/she represents two or more shareholders, the number of refreshment packs he/she will receive is limited to THREE. Allocation of refreshment packs will be subject to availability and at the Company's absolute discretion.
12. This notice is in English and Chinese. In case of any inconsistency, the English version shall prevail.
13. As at the date of the Notice, the Board comprises the following directors:  
*Executive directors:* Mr. Ronnie C. CHAN, Mr. Adriel CHAN, Mr. Weber W.P. LO and Mr. Kenneth K.K. CHIU  
*Independent non-executive directors:* Mr. Nelson W.L. YUEN, Mr. Dominic C.F. HO, Mr. Philip N.L. CHEN, Dr. Andrew K.C. CHAN, Prof. H.K. CHANG and Ms. Anita Y.M. FUNG

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## BUSINESS OF THE MEETING

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### RESOLUTION 1 – RECEIVING THE AUDITED FINANCIAL STATEMENTS

The audited financial statements together with reports of the directors and of the auditor for the year ended December 31, 2022 are set out in the 2022 annual report.

The financial statements have been audited by KPMG and reviewed by the audit committee of the Company (the “Audit Committee”).

### RESOLUTION 2 – DECLARATION OF FINAL DIVIDEND

The Board has recommended a final dividend of HK60 cents per share of the Company. Subject to the shareholders’ approval at the Meeting, such dividend is expected to be paid on or about Friday, May 19, 2023 to shareholders whose names appear on the register of members on Friday, May 5, 2023.

The register of members will be closed on Friday, May 5, 2023, on which no share transfers will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Thursday, May 4, 2023.

### RESOLUTION 3 – RE-ELECTION OF RETIRING DIRECTORS AND DETERMINATION OF DIRECTORS’ FEES

#### *Re-election of Retiring Directors*

In accordance with article 103 of the Company’s articles of association, Mr. Nelson W.L. YUEN, Dr. Andrew K.C. CHAN, Prof. H.K. CHANG and Mr. Adriel CHAN will retire from the Board by rotation at the Meeting. Mr. Nelson W.L. YUEN, Dr. Andrew K.C. CHAN and Mr. Adriel CHAN, being eligible, offer themselves for re-election. Prof. H.K. CHANG will not offer himself for re-election and will retire from the Board with effect from the conclusion of the Meeting.

Mr. Nelson W.L. YUEN and Dr. Andrew K.C. CHAN, being independent non-executive directors, have satisfied all the criteria for independence set out in rule 3.13 of the Listing Rules and provided annual confirmations of independence to the Company. They have exercised impartial judgments and given independent guidance to the Company during their tenure of offices. The Board considers that they are independent.

Mr. Yuen and Dr. Chan have also provided diversity of experience, skills, expertise and background to the Board.



Mr. Yuen has extensive executive experience in strategic planning, business development and financial management, especially in real estate and construction sectors, across Hong Kong and mainland China. Coupled with his professional skill and in-depth understanding of the Group's business and operations, Mr. Yuen has provided valuable and independent insight to the Board and the Group's strategic development, executive leadership and corporate management.

Dr. Chan is a distinguished engineer and creative business leader. He was global vice chair of the world-renowned multi-disciplinary engineering consultant, Arup Group, before his retirement in 2014. Dr. Chan has brought professional experience in engineering and construction to the Board. Coupled with his wealth of skills and knowledge, he has provided worldwide perspective and valuable advice on the Group's property development projects in Hong Kong and mainland China, as well as the Group's strategies and policies, risk management and corporate governance.

Shareholders are recommended to vote in favor of the resolutions regarding re-election of the above directors as the Board believes that their qualifications and related expertise will continue to bring a wide range of business experience to the Board. Details of these directors are set out in Appendix I to the Notice.

#### ***Determination of Directors' Fees***

The nomination and remuneration committee of the Company (the "Nomination and Remuneration Committee") makes recommendations to the Board on the directors' fees for the year ending December 31, 2023.

#### **RESOLUTION 4 – RE-APPOINTMENT OF AUDITOR AND DETERMINATION OF AUDITOR'S REMUNERATION**

The Audit Committee has recommended to the Board the re-appointment of KPMG as the auditor of the Company until the conclusion of the next annual general meeting.

Shareholders' approval to delegate the authority to the Board to determine the auditor's remuneration for the year ending December 31, 2023 is required at the Meeting.

#### **RESOLUTION 5 – SHARE BUY-BACK MANDATE**

At the annual general meeting of the Company held on Wednesday, April 27, 2022, an ordinary resolution was passed giving a general mandate to the Board to buy back shares of the Company. This general mandate will lapse at the conclusion of the Meeting unless it is renewed at the Meeting. Accordingly, shareholders' approval to give the Board a general mandate to buy back shares of the Company is required at the Meeting.

An explanatory statement, as required by the Listing Rules, is set out in Appendix II to the Notice. Shareholders are recommended to vote in favor of this proposed resolution as it is considered to be in the best interests of the Company and its shareholders.

## **RESOLUTIONS 6 AND 7 – GENERAL MANDATES TO ISSUE SHARES**

At the annual general meeting of the Company held on Wednesday, April 27, 2022, ordinary resolutions were passed giving general mandates to the Board to allot, issue and deal with additional shares of the Company. No shares of the Company have been issued under these mandates and these mandates will lapse at the conclusion of the Meeting unless they are renewed at the Meeting. Accordingly, shareholders' approval is required at the Meeting to give the Board general mandates to:

- (i) allot, issue and deal with additional shares of the Company not exceeding 20 per cent of the aggregate number of shares of the Company in issue as at the date of the Meeting (subject to adjustment in the case of any subdivision and consolidation of shares of the Company after the Meeting); and
- (ii) extend the mandate to allot, issue and deal with the shares of the Company by adding shares bought back (up to a maximum of 10 per cent of the aggregate number of shares of the Company in issue as at the date of the Meeting (subject to adjustment in the case of any subdivision and consolidation of shares of the Company after the Meeting)) to the 20 per cent mandate.

The Board has no immediate plans to issue any new shares of the Company other than pursuant to the exercise of the options granted under the Company's share option schemes. Shareholders are recommended to vote in favor of these proposed resolutions as they are considered to be in the best interests of the Company and its shareholders.

The following are the particulars of the three retiring directors proposed to be re-elected at the Meeting:

1. **Mr. Nelson Wai Leung YUEN**, aged 72, an Independent Non-Executive Director and the Chair of the Nomination and Remuneration Committee of the Company. Mr. Yuen joined Hang Lung in 1978, became an Executive Director of the Company in 1986, and was appointed as the Managing Director of the Company and its listed holding company, Hang Lung Group Limited (“HLG”), in 1992 until he retired in July 2010. He became a Non-Executive Director of the Company in March 2011 and was re-designated as an Independent Non-Executive Director in November 2014.

Mr. Yuen is a graduate of The University of Manchester, the U.K. and a Fellow of The Institute of Chartered Accountants in England and Wales.

Save as disclosed above, Mr. Yuen did not hold any other directorships in any other listed public companies in the last three years and does not have any relationship with any directors of the Board, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Yuen notified the Company that as at March 29, 2023, the latest practicable date, he has interest in 8,000,000 shares in the Company as his interest in the securities of the Company and its associated corporation within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”).

The amount of emoluments paid for the year ended December 31, 2022 to Mr. Yuen is set out in note 6(a) to the financial statements for the year ended December 31, 2022 on page 169 of the Company’s 2022 annual report. The emoluments were determined with reference to his duties and responsibilities (for serving on the Board and the Nomination and Remuneration Committee). Mr. Yuen does not have a service contract with the Company but he is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Company’s articles of association and the Listing Rules.

Save as disclosed above, there are no other matters concerning Mr. Yuen that need to be brought to the attention of the shareholders of the Company nor any information to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

2. **Dr. Andrew Ka Ching CHAN**, aged 73, an Independent Non-Executive Director and a Member of the Audit Committee of the Company. Dr. Chan joined the Board as a Non-Executive Director in October 2014 and was re-designated as an Independent Non-Executive Director in December 2015.

Dr. Chan is a Senior Consultant of the global Arup Group, one of the world's foremost multi-disciplinary engineering consultants. Dr. Chan was the Chairman and a Member of the Trustee Board of Arup Group until April 2022 and was the Deputy Chairman of Arup Group prior to his retirement in October 2014. He is an expert in civil and geotechnical engineering with over 40 years of experience in the engineering profession, and is distinguished for his leadership in the creation, design and delivery of many innovative and award-winning building projects as well as major infrastructure schemes in many cities in Asia. Dr. Chan is a past President and Gold Medallist of The Hong Kong Institution of Engineers, the Founding Chairman of the Hong Kong Green Building Council, Honorary Fellow of the Hong Kong University of Science and Technology, Fellow and past President of the Hong Kong Academy of Engineering Sciences, and Fellow of the Royal Academy of Engineering, the U.K.'s national academy. He obtained his PhD degree from the University of Cambridge in Soil Mechanics. Dr. Chan was appointed Justice of the Peace in 2006 and was awarded the Bronze Bauhinia Star in 2012.

Save as disclosed above, Dr. Chan did not hold any other directorships in any other listed public companies in the last three years and does not have any relationship with any directors of the Board, senior management, substantial shareholders or controlling shareholders of the Company.

As at March 29, 2023, the latest practicable date, the Company received no notification of Dr. Chan having any interest in the securities of the Company and its associated corporation within the meaning of Part XV of the SFO.

The amount of emoluments paid for the year ended December 31, 2022 to Dr. Chan is set out in note 6(a) to the financial statements for the year ended December 31, 2022 on page 169 of the Company's 2022 annual report. The emoluments were determined with reference to his duties and responsibilities (for serving on the Board and the Audit Committee). Dr. Chan does not have a service contract with the Company but he is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Company's articles of association and the Listing Rules.

Save as disclosed above, there are no other matters concerning Dr. Chan that need to be brought to the attention of the shareholders of the Company nor any information to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

3. **Mr. Adriel Wenbwo CHAN**, aged 40, the Vice Chair and an Executive Director of the Company. Mr. Adriel Chan was appointed to the Board and the board of its listed holding company, HLG, in 2016, and became the Vice Chair in September 2020. He also serves on the boards of a number of subsidiaries of the Company.

Mr. Adriel Chan joined the Group in 2010. He is now mainly responsible for Development and Design, Project Management (including asset assurance and improvement) and Cost & Controls. Mr. Adriel Chan is also the Chair of the Sustainability Steering Committee and a Member of Enterprise Risk Management Working Group, among his other responsibilities within the Group. Mr. Adriel Chan is the Vice-President and a Member of the Executive Committee of The Real Estate Developers Association of Hong Kong, a Member of the Advisory Council of The Hong Kong University of Science and Technology (the “HKUST”) Business School, and Overseers Committee of Morningside College of The Chinese University of Hong Kong. He is also a Director of China Institute for Knowledge, a member organization of Our Hong Kong Foundation. Mr. Adriel Chan holds an Executive Master of Business Administration degree jointly awarded by the Kellogg School of Management at Northwestern University, the U.S. and the HKUST, and a Bachelor of Arts degree in International Relations from University of Southern California, the U.S. Prior to joining the Group, he worked in finance, audit, advisory, and risk management fields.

Save as disclosed above, Mr. Adriel Chan did not hold any other directorships in any other listed public companies in the last three years. Mr. Adriel Chan is a son of Mr. Ronnie C. Chan (the Chair of the Company and HLG), a grandson of Ms. Chan Tan Ching Fen (the founder of the trust which is a substantial shareholder of the Company and HLG (the “Trust”)) and is a member of the class of discretionary beneficiaries of the Trust. Mr. Gerald L. Chan (a brother of Mr. Ronnie C. Chan) and Mr. Roy Y.C. Chen (a cousin of Mr. Ronnie C. Chan), both Non-Executive Directors of HLG, are uncles of Mr. Adriel Chan. Save as disclosed above, Mr. Adriel Chan does not have any relationship with any directors of the Board, senior management, substantial shareholders or controlling shareholders of the Company.

Mr. Adriel Chan notified the Company that as at March 29, 2023, the latest practicable date, he is deemed to be interested in 2,733,898,340 shares of the Company held by the Trust of which Mr. Adriel Chan was a discretionary beneficiary, and 551,002,580 shares of HLG (including 522,423,080 shares held by the Trust and 28,579,500 shares held by another trust of which Mr. Adriel Chan was both a settlor and a discretionary beneficiary), and has interest in share options to subscribe for 10,400,000 shares in the Company pursuant to a share option scheme of the Company as his interest in the securities of the Company and its associated corporation within the meaning of Part XV of the SFO.

The amount of emoluments paid for the year ended December 31, 2022 to Mr. Adriel Chan is set out in note 6(a) to the financial statements for the year ended December 31, 2022 on page 169 of the Company’s 2022 annual report. The emoluments were determined by the scope of responsibilities and accountabilities (for serving on the Board), and his individual performance, taking into consideration of the Group’s performance and profitability, market practice and prevailing business conditions. Mr. Adriel Chan has not been appointed for a specific length of service but he is subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Company’s articles of association and the Listing Rules.

Save as disclosed above, there are no other matters concerning Mr. Adriel Chan that need to be brought to the attention of the shareholders of the Company nor any information to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

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## **APPENDIX II EXPLANATORY STATEMENT ON SHARE BUY-BACK MANDATE**

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The following is the explanatory statement required to be sent to shareholders under the Listing Rules in connection with the general mandate for buy-backs of shares of the Company to be proposed at the Meeting to be held on April 28, 2023. This explanatory statement also constitutes the memorandum required by section 239 of the Companies Ordinance.

### **Share Capital – Number of Shares in Issue**

It is proposed that a maximum of 10 per cent of the aggregate number of shares of the Company (the “Shares”) in issue as at the date of the resolution approving the grant of a share buy-back mandate (the “Resolution”) (subject to adjustment in the case of any subdivision and consolidation of Shares after the Meeting) may be bought back. As at March 29, 2023, being the latest practicable date for determining such figure, the aggregate number of Shares in issue was 4,499,260,670. Subject to the passing of the Resolution and on the basis of such figure (and assuming no Shares are issued or bought back after March 29, 2023 and up to the date of passing the Resolution), the Board would be authorized to buy back Shares up to a limit of 449,926,067 Shares.

### **Reasons for Buy-backs**

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

### **Funding of Buy-backs**

Buy-backs pursuant to the mandate would be funded from the available cash flow and/or working capital facilities of the Company. The funds applied by the Company in this connection would be those legally available for such purpose under the Company’s articles of association and the applicable laws of Hong Kong.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited financial statements contained in the annual report for the year ended December 31, 2022 in the event that the buy-backs were to be carried out in full at any time during the proposed buy-back period. However, the Board does not propose to exercise the buy-back mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Board are from time to time appropriate for the Company.

## **Disclosure of Interest**

None of the directors of the Board nor (to the best of the knowledge of the directors of the Board having made all reasonable enquiries) any of their close associates (as defined in the Listing Rules) have any present intention, in the event that the buy-back mandate is granted by shareholders, to sell Shares to the Company.

No core connected persons (as defined in the Listing Rules) have notified the Company of a present intention to sell Shares to the Company and no such persons have undertaken not to sell any such Shares to the Company in the event that the buy-back mandate is granted by shareholders.

## **Undertaking**

The Board has undertaken to the Stock Exchange to exercise the power of the Company to make buy-backs pursuant to the buy-back mandate in accordance with the Listing Rules and the laws of Hong Kong.

## **Code on Takeovers and Mergers**

The Board is not aware of any consequences which would arise under the Code on Takeovers and Mergers (the “Takeovers Code”) as a consequence of any buy-backs pursuant to the general mandate.

As at March 29, 2023, being the latest practicable date prior to the printing of this document, Ms. Chan Tan Ching Fen (founder of the Trust), Cole Enterprises Holdings (PTC) Limited (the trustee of the Trust), MerSSION Limited (company under the Trust) and Mr. Adriel Chan (a discretionary beneficiary of the Trust) were taken to have interest in the same parcel of 2,733,898,340 Shares representing 60.76 per cent of the aggregate number of Shares in issue, of which they were deemed to be interested in the 2,705,565,240 Shares held by HLG and its subsidiaries. Based on such interests, in the event that the Board exercised in full the power to buy back Shares which is proposed to be granted at the Meeting, their interests in the aggregate number of Shares in issue would be increased from 60.76 per cent to 67.51 per cent.

HLG together with its subsidiaries were beneficially interested in an aggregate of 2,705,565,240 Shares representing 60.13 per cent of the aggregate number of Shares in issue as at that date. Based on such interests, in the event that the Board exercised in full the power of buy back Shares which is proposed to be granted at the Meeting, the interests of HLG and its subsidiaries in the aggregate number of Shares in issue would be increased from 60.13 per cent to 66.82 per cent.

In the opinion of the Board, the existing substantial shareholders of the Company would not be obliged to make a mandatory offer under rule 26 of the Takeovers Code as a result of such increase.

## **Share Buy-back made by the Company**

No buy-back of Shares have been made by the Company whether on the Stock Exchange or otherwise in the six months prior to the latest practicable date.

## Share Prices

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve months are as follows:

	<b>Highest</b> <i>(HK\$)</i>	<b>Lowest</b> <i>(HK\$)</i>
<b>2022</b>		
March	16.18	13.33
April	16.40	14.74
May	15.03	13.85
June	15.15	13.14
July	14.62	13.32
August	13.83	12.47
September	13.80	12.64
October	13.62	9.71
November	14.38	9.28
December	15.48	13.80
<b>2023</b>		
January	15.96	14.44
February	16.28	14.76
March (up to the latest practicable date)	15.98	14.34