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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 licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in CCT Fortis Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser(s), the transferee(s) or to the bank, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected for onward transmission to the purchaser(s) or the transferee(s).

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**CCT FORTIS HOLDINGS LIMITED**

**( 中 建 富 通 集 團 有 限 公 司 )**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 00138)**

**GENERAL MANDATES TO BUY BACK SHARES AND ISSUE NEW SHARES,  
RE-ELECTION OF DIRECTORS,  
PROPOSED ADOPTION OF THE 2021 SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM to be held at 18/F., CCT Telecom Building, 11 Wo Shing Street, Fotan, Shatin, New Territories, Hong Kong on Wednesday, 23 June 2021 at 10:45 a.m. is set out in “Appendix IV” to this circular.

A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as practicable but in any event, not later than 48 hours before the time appointed for holding the AGM (i.e. not later than 10:45 a.m. on Monday, 21 June 2021, Hong Kong time) or any adjournment thereof (as the case may be). Such form of proxy for use at the AGM is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and that of the Company ([www.cct-fortis.com/eng/investor/announcements.php](http://www.cct-fortis.com/eng/investor/announcements.php)). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

**PRECAUTIONARY MEASURES FOR THE AGM**

Please see “Appendix V” to this circular for measures being taken to try to prevent and control the spread of the Novel Coronavirus (COVID-19) at the AGM, including:

- (i) **compulsory body temperature checks for each attendee**
- (ii) **compulsory submission of health declaration form for each attendee**
- (iii) **compulsory wearing of a surgical face mask for each attendee**
- (iv) **no distribution of corporate gift and no serving of drinks and refreshment**

**Any person who does not comply with the precautionary measures or is subject to any Hong Kong Government prescribed quarantine may be denied entry into the AGM venue. The Company strongly recommends Shareholders to appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) at the AGM as an alternative to attending the AGM in person.**

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## **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.

## DEFINITIONS

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

“2011 Share Option Scheme”	the share option scheme adopted by the Company on 27 May 2011 which will expire on 26 May 2021;
“2021 Share Option Scheme”	the proposed new share option scheme of the Company to be adopted by an ordinary resolution to be passed by the Shareholders at the AGM, a summary of the principal terms of which is set out in “Appendix III” to this circular;
“acting in concert”	has the same meaning as ascribed to it under the Takeovers Code;
“Adoption Date”	23 June 2021, being the date of adoption of the 2021 Share Option Scheme by ordinary resolution of the Shareholders at the AGM;
“AGM”	the annual general meeting of the Company to be held at 18/F., CCT Telecom Building, 11 Wo Shing Street, Fotan, Shatin, New Territories, Hong Kong on Wednesday, 23 June 2021 at 10:45 a.m. to consider and, if thought fit, approve, among other things, the grant of the Share Buy-back Mandate and the Issue Mandate to the Directors; the re-election of the Directors and the proposed adoption of the 2021 Share Option Scheme, or any adjournment thereof (as the case may be);
“Board”	the board of the Company;
“Bye-law(s)”	the memorandum of continuance and bye-law(s) of the Company, as amended from time to time;
“close associate(s)”	has the same meaning as ascribed to it under the Listing Rules;
“Company”	CCT Fortis Holdings Limited (stock code: 00138), a company incorporated in the Cayman Islands and continued in Bermuda as an exempted company with limited liability and the Shares are listed on the Main Board of the Stock Exchange;
“controlling shareholder”	has the same meaning as ascribed to it under the Listing Rules;
“core connected person(s)”	has the same meaning as ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;

## DEFINITIONS

“Eligible Participant(s)”	has the meaning set out in the term headed “2. WHO MAY JOIN” in “Appendix III” of this circular;
“GBA”	GBA Holdings Limited (stock code: 00261), an exempted company incorporated in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“INED(s)”	the independent non-executive Director(s);
“Invested Entity”	any entity in which any member of the Group holds any equity interest;
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise the power of the Company to allot, issue or otherwise deal with new Shares not exceeding 20% of the total number of Shares in issue as at the date of passing of the ordinary resolution in relation thereof;
“Latest Practicable Date”	20 April 2021, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Nomination Committee”	the nomination committee of the Board;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Share Buy-back Mandate”	a general and unconditional mandate proposed to be granted to the Directors to enable the Company to buy back the fully paid up Shares up to 10% of the total number of Shares in issue as at the date of passing of the ordinary resolution in relation thereof;

## DEFINITIONS

“Share Option(s)”	share option(s) granted to the eligible participant(s) to subscribe for Share(s) under the 2011 Share Option Scheme and/or to be granted to the Eligible Participant(s) to subscribe for Share(s) under the 2021 Share Option Scheme;
“Shareholder(s)”	holder(s) of the issued Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the same meaning as ascribed to it under the Listing Rules;
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs; and
“%”	per cent.



**CCTI FORTIS HOLDINGS LIMITED**

**( 中 建 富 通 集 團 有 限 公 司 )**

*(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)*

**(Stock Code: 00138)**

*Executive Directors:*

Mak Shiu Tong, Clement  
Tam Ngai Hung, Terry  
Cheng Yuk Ching, Flora

*Registered office:*

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

*Independent non-executive Directors:*

Tam King Ching, Kenny  
Chen Li  
Chow Siu Ngor

*Head office and principal place of  
business in Hong Kong:*

18/F., CCT Telecom Building  
11 Wo Shing Street, Fotan  
Shatin, New Territories  
Hong Kong

26 April 2021

*To the Shareholders*

Dear Sir or Madam,

**GENERAL MANDATES TO BUY BACK SHARES AND ISSUE NEW SHARES,  
RE-ELECTION OF DIRECTORS,  
PROPOSED ADOPTION OF THE 2021 SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information regarding certain ordinary resolutions to be proposed at the AGM to enable you to make an informed decision on whether to vote for or against those resolutions.

At the AGM, ordinary resolutions will be proposed for the Shareholders to approve, among other things, the proposed grant of the Share Buy-back Mandate and the Issue Mandate; the re-election of the Directors; and the proposed adoption of the 2021 Share Option Scheme.

## LETTER FROM THE BOARD

### 2. GENERAL MANDATES TO BUY BACK SHARES AND ISSUE NEW SHARES

#### General mandate to buy back Shares

At the AGM, an ordinary resolution will be proposed that the Directors be given the Share Buy-back Mandate. Under the Share Buy-back Mandate, the maximum number of Shares that the Company may buy back shall not exceed 10% of the total number of Shares in issue as at the date of the passing of the ordinary resolution in relation thereof. The Company's authority is restricted to buy back the Shares on the market in accordance with the Listing Rules. The mandate allows the Company to buy back Shares only during the period ending on the earliest of the date of the next annual general meeting of the Company following the passing of the ordinary resolution referred to herein, the date by which the next annual general meeting of the Company is required to be held by the Bye-laws or any applicable laws and the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

An explanatory statement to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed ordinary resolution for the grant of the Share Buy-back Mandate at the AGM in accordance with the Listing Rules is set out in "*Appendix I*" to this circular.

#### General mandate to issue new Shares

At the AGM, an ordinary resolution will also be proposed that the Directors be given the Issue Mandate in order to ensure flexibility and discretion to the Directors to issue up to 174,622,290 new Shares, being the Shares not exceeding in aggregate 20% of the total number of Shares in issue as at the date of the passing of the relevant resolution and on the basis that no further Share is issued, allotted or bought back by the Company prior to the AGM. In addition, an ordinary resolution will also be proposed to extend the Issue Mandate by adding thereto the number of such Shares to be bought back under the Share Buy-back Mandate.

### 3. RE-ELECTION OF DIRECTORS

In accordance with Bye-law 87 of the Bye-laws, Mr. Tam Ngai Hung, Terry and Mr. Chow Siu Ngor ("**Mr. Chow**") will retire by rotation and, being eligible, will offer themselves for re-election at the AGM. Biographical details of the Directors who are proposed to be re-elected at the AGM are set out in "*Appendix II*" to this circular.

The Nomination Committee leads the process and makes recommendations to the Board for appointments or re-elections of the Directors (including the INEDs) to complement the Company's corporate strategy. In evaluating and selecting candidate(s) for nomination as INEDs, the Nomination Committee and the Board consider the criteria for being an INED.

## LETTER FROM THE BOARD

### **Recommendation of the Nomination Committee**

The Nomination Committee has assessed the independence of each of the INEDs including Mr. Chow Siu Ngor based on reviewing his annual written confirmation of independence to the Company pursuant to Rule 3.13 of the Listing Rules and confirmed that all of them remain independent.

The Nomination Committee has considered Mr. Chow's extensive experience in legal and compliance field, his working profile and other experience as set out in "*Appendix II*" to this circular. The Nomination Committee and the Board are satisfied that Mr. Chow has the required character, integrity and experience to continuously fulfil his role as an INED effectively. The Board is of the view that Mr. Chow has professional qualifications of and considerable experience in various domains, such as legal and compliance, and he has built influence in the industry and fulfilled his duties in an enthusiastic manner. Therefore, he is able to complement the professional background of the composition of the Board in terms of legal and regulatory requirements and offer valuable insights to the Board.

Based on the above, the Board is of the view that diversity of Board members can be achieved through consideration of a number of factors, such as age, gender, cultural and educational background, or professional experience, skills and expertise upon election of Mr. Chow as an INED. The Board believed that the re-election of Mr. Chow as an INED would be in the best interests of the Company and its Shareholders as a whole.

In addition, the Nomination Committee had evaluated the performance of each of the retiring Directors and found their performance satisfactory. Therefore, with the recommendation of the Nomination Committee, the Board has proposed that all of the retiring Directors, namely Mr. Tam Ngai Hung, Terry and Mr. Chow Siu Ngor stand for re-election as Directors at the AGM. As a good corporate governance practice, each of the retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the AGM.

#### **4. PROPOSED ADOPTION OF THE 2021 SHARE OPTION SCHEME**

##### **2011 Share Option Scheme**

The 2011 Share Option Scheme will expire on 26 May 2021. As at the Latest Practicable Date, no Share Option under the 2011 Share Option Scheme remain outstanding and exercisable upon. The Company has no intention to grant any Share Options to any eligible participants under the 2011 Share Option Scheme for the period from the Latest Practicable Date to 26 May 2021. To enable the Company continues to grant Share Options to Eligible Participants as incentives or rewards for their contributions to the success of the Group, the Board proposes to recommend to the Shareholders at the AGM to approve and adopt the 2021 Share Option Scheme.

As at the Latest Practicable Date, there was no outstanding Share Option granted by the Company under the 2011 Share Option Scheme. No Share Option has ever been granted under the 2011 Share Option Scheme.

## LETTER FROM THE BOARD

The 2021 Share Option Scheme will become effective on the date of fulfilment of all the conditions precedent as referred to under the paragraph headed “Conditions Precedent of the 2021 Share Option Scheme” below.

Other than the 2011 Share Option Scheme, the Company does not maintain any other valid share option scheme as at the Latest Practicable Date.

### **Proposed Adoption of the 2021 Share Option Scheme**

The Board considers that the 2021 Share Option Scheme, which will be valid for 10 years from the date of its adoption, will continue to enable the Company to grant Share Options to the Eligible Participants, as incentives and/or rewards for their contribution or potential contribution to the Group and/or any Invested Entity or the holding company of the Company (if applicable).

A summary of the principal terms of the 2021 Share Option Scheme is set out in “Appendix III” of this circular.

The Board also considers that the 2021 Share Option Scheme will facilitate the retention and the recruitment of high-calibre staff of the Group and/or any Invested Entity or the holding company of the Company (if applicable) and it is the interests of the Group as a whole for the directors, executives, officers or employees and the support from supplier, services provider, goods provider, professional, consultant, agent, adviser, customer, business partner or shareholder of any member of the Group and/or any Invested Entity and/or the holding company of the Company (if applicable) to be given incentives to participate in the growth of the Group in the form of share option to subscribe for Shares. Furthermore, the Board considers that the Eligible Participants will share common interests and objectives with the Group and/or any Invested Entity and/or the holding company of the Company (if applicable) upon their exercise of the Share Options, which is beneficial to the development of the Group.

The Company has no immediate plans to offer the grant of a Share Option to any Eligible Participants under the 2021 Share Option Scheme.

The provisions of the 2021 Share Option Scheme will comply with the requirements of Chapter 17 of the Listing Rules.

As at the Latest Practicable Date, there were 873,111,452 Shares in issue. Assuming that no further Share will be allotted, issued or repurchased prior to the AGM, the total maximum number of Shares that may fall to be allotted and issued after the date of such approval by the Shareholders at the AGM authorising the Directors to allot and issue up to 10% of the then total number of issued Shares would be 87,311,145 Shares, representing approximately 10% of the total number of Shares in issue as at the date of the adoption of the 2021 Share Option Scheme. The Company may seek approval by its Shareholders to renew the 10% limit on the basis that the maximum number of Shares which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the 2011 Share Option Scheme and the 2021 Share Option Scheme shall not exceed 30% of the total number of Shares in issue from time to time.

## LETTER FROM THE BOARD

No Share Options may be granted under any share option scheme of the Company (including the 2021 Share Option Scheme) if this will result in the said 30% limit being exceeded.

The Directors consider that it is not appropriate to state the value of the Share Options which may be granted under the 2021 Share Option Scheme as if they had been granted as at the Latest Practicable Date. The exercise price of the Share Options are also set out in paragraph 5 of “*Appendix III*” of this circular. The Directors believe that any estimate regarding the value of the Share Options will not be meaningful to the Shareholders, since the Share Options to be granted shall not be assignable, and no holder of the Share Options shall in any way sell, transfer, charge, mortgage or create any interest (legal or beneficial) in favour of any third party over or in relation to any Share Option.

As at the Latest Practicable Date, no Share Option had been agreed to be granted under the 2021 Share Option Scheme.

### **Conditions Precedent of the 2021 Share Option Scheme**

The adoption of the 2021 Share Option Scheme is conditional upon:

- (a) the passing of ordinary resolution(s) by the Shareholders at the AGM to approve (i) the adoption of the 2021 Share Option Scheme; (ii) authorise the Board to grant Share Options under the 2021 Share Option Scheme; and (iii) authorise the Board to allot and issue Shares pursuant to the exercise of any Share Options to be granted pursuant to the 2021 Share Option Scheme; and
- (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, such number of Shares which may fall to be allotted and issued upon the exercise of Share Options in accordance with the terms and conditions of the 2021 Share Option Scheme (up to 10% of the Shares in issue as at the date of the AGM).

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be allotted and issued pursuant to the exercise of the Share Options granted under the 2021 Share Option Scheme (up to 10% of the Shares in issue as at the date of the AGM).

A summary of the principal terms of the 2021 Share Option Scheme which is proposed to be approved and adopted by the Shareholders at the AGM is set out in “*Appendix III*” to this circular.

A copy of the 2021 Share Option Scheme is available for inspection at the Company’s principal place of business in Hong Kong at 18/F., CCT Telecom Building, 11 Wo Shing Street, Fotan, Shatin, New Territories, Hong Kong during normal business hours for the period from the date of this circular (i.e. 26 April 2021) to the date of AGM (i.e. 23 June 2021) (both days inclusive) and at the AGM.

## LETTER FROM THE BOARD

None of the Directors is a trustee of the 2021 Share Option Scheme or has any direct or indirect interest in the trustee of the 2021 Share Option Scheme, if any. There is no trustee appointed for the purposes of the 2021 Share Option Scheme.

As at the Latest Practicable Date, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the proposed adoption of the 2021 Share Option Scheme. As such, no Shareholder is required to abstain from voting on an ordinary resolution in relation thereto.

### 5. THE AGM AND PROXY ARRANGEMENT

A notice convening the AGM is set out in "Appendix IV" to this circular. At the AGM, ordinary resolutions will be proposed for the Shareholders to approve the grant of the Share Buy-back Mandate and the Issue Mandate to the Directors; the re-election of the Directors; and the proposed adoption of the 2021 Share Option Scheme.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has any direct or indirect material interest in the resolutions to be proposed at the AGM, accordingly, no Shareholders are required to abstain from voting on any resolutions to be proposed at the AGM.

In accordance with the requirement under Rule 13.39(4) of the Listing Rules, the votes for all resolutions by the Shareholders at the AGM must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the AGM will therefore demand a poll on each of the resolutions put forward at the AGM pursuant to Bye-law 66 of the Bye-laws. The poll results of the AGM will be published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and that of the Company ([www.cct-fortis.com/eng/investor/announcements.php](http://www.cct-fortis.com/eng/investor/announcements.php)) after the AGM.

A form of proxy for use by the Shareholders at the AGM is enclosed with this circular. Whether or not you intend to attend and vote at the AGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as practicable but in any event, not later than 48 hours before the time appointed for holding the AGM (i.e. not later than 10:45 a.m. on Monday, 21 June 2021, Hong Kong time) or at any adjournment thereof (as the case may be). Such form of proxy for use at the AGM is also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and that of the Company ([www.cct-fortis.com/eng/investor/announcements.php](http://www.cct-fortis.com/eng/investor/announcements.php)). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting should you so wish.

**LETTER FROM THE BOARD**

**6. RECOMMENDATIONS**

The Directors consider that the proposed grant of the Share Buy-back Mandate and the Issue Mandate to the Directors; the re-election of the Directors; and the adoption of the 2021 Share Option Scheme, are in the best interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM in respect thereof.

Yours faithfully,  
For and on behalf of the Board of  
**CCT FORTIS HOLDINGS LIMITED**  
**Mak Shiu Tong, Clement**  
*Chairman*

*This appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Share Buy-back Mandate to be approved at the AGM.*

## **1. SHARE IN ISSUE**

As at the Latest Practicable Date, there were 873,111,452 Shares in issue representing an issued share capital of HK\$87,311,145.20. As at the Latest Practicable Date, the Company has no share option outstanding under the 2011 Share Option Scheme.

Subject to the passing of the proposed ordinary resolution approving the Share Buy-back Mandate and on the basis that no further Share is issued, allotted or to be bought back by the Company prior to the AGM, the exercise of the Share Buy-back Mandate in full would result in up to a maximum of 87,311,145 Shares, representing the share capital of HK\$8,731,114.50, being bought back by the Company. The Share Buy-back Mandate may be exercised by the Company during the period from the passing of the relevant 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 applicable laws or the Bye-laws to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the Shareholders in a general meeting.

## **2. REASONS FOR THE SHARE BUY BACK**

The Directors believe that the Share Buy-back Mandate is in the best interests of the Company and the Shareholders as a whole. Whilst it is not possible to anticipate in advance any specific circumstance in which the Directors might consider it appropriate to buy back Shares, the Directors believe that an ability to do so will give the Company additional flexibility that is beneficial to the Company. An exercise of the Share Buy-back Mandate 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 when the Directors believe that such buy back will benefit the Company and the Shareholders as a whole.

## **3. FUNDING OF BUY BACK**

In buying back Shares, the Company may only apply funds legally available for such purpose in accordance with the Bye-laws and the applicable laws of Bermuda. Such buy back may only be effected out of the capital paid up on the purchased Shares or out of the funds of the Company otherwise available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose.

In the event that the Share Buy-back Mandate was to be carried out in full at any time during the proposed buy back period, 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 consolidated financial statements contained in the Company's annual report for the year ended 31 December 2020. However, the Directors do not propose to exercise the Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

#### 4. SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date were as follows:

	Price per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2020</b>		
April	0.330	0.242
May	0.350	0.285
June	0.300	0.270
July	0.295	0.265
August	0.295	0.250
September	0.280	0.250
October	0.285	0.235
November	0.280	0.220
December	0.270	0.215
<b>2021</b>		
January	0.310	0.210
February	0.320	0.250
March	0.280	0.191
April (up to the Latest Practicable Date)	0.205	0.180

#### 5. SHARES BUY BACK MADE BY THE COMPANY

The Company has not bought back any of the Shares (whether on the Stock Exchange or otherwise) in the 6 months preceding the Latest Practicable Date.

#### 6. UNDERTAKINGS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Share Buy-back Mandate in accordance with the Listing Rules and the applicable laws of Bermuda, being the jurisdiction in which the Company is continued as an exempted company with limited liability.

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates has any present intention, in the event that the Share Buy-back Mandate is approved by the Shareholders at the AGM, to sell any of the Shares to the Company.

As at the Latest Practicable Date, no core connected person has notified the Company that he/she has a present intention to sell any Share to the Company, nor has undertaken not to sell any of the Shares held by him/her to the Company, in the event that the Share Buy-back Mandate is approved by the Shareholders at the AGM.

## 7. TAKEOVERS CODE

If, as a result of the share buy back by a company, a shareholder's proportionate interest in the voting rights of the company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a shareholder, or a group of shareholders acting in concert, could, depending on the level of increase of shareholding interest, obtain or consolidate control of the company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Mak Shiu Tong, Clement (“**Mr. Mak**”), the chairman and the chief executive officer of the Company and an executive Director, together with parties acting in concert with him, being the substantial shareholders of the Company, were interested in an aggregate of 471,614,731 issued Shares, representing approximately 54.02% of the existing total number of issued Shares.

As at the Latest Practicable Date, Mr. Mak and parties acting in concert with him were interested in the Company's convertible bonds with the principal amount of HK\$250,200,000.00, convertible into 347,500,000 Shares at the current conversion price of HK\$0.72 per Share (subject to adjustments pursuant to the terms and conditions of the convertible bonds), which represented approximately 39.80% of the existing total number of issued Shares.

As at the Latest Practicable Date, the total number of issued Shares was 873,111,452.

In the event that the Directors exercise the Share Buy-back Mandate in full to buy back the Shares in accordance with the terms of the ordinary resolution to be proposed at the AGM and assuming no further Share is issued, allotted or to be bought back by the Company prior to the AGM and assuming no change in the interests of Mr. Mak and parties acting in concert with him in the Company prior to the AGM, the interests of Mr. Mak, together with parties acting in concert with him, in the total number of issued Shares will be increased from approximately 54.02% to approximately 60.02%. Such increase of interests will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code.

Assuming that there is no further issue of the Shares between the Latest Practicable Date and the date in which Shares being bought back, the exercise of the Share Buy-back Mandate whether in whole or in part will not result in less than 25% of the total number of issued Shares being held by the public as required by Rule 8.08 of the Listing Rules. The Directors have no intention to exercise the Share Buy-back Mandate to an extent as may result in a public shareholding of less than such prescribed percentage.

*The following are the biographical details of the retiring Directors proposed to be re-elected at the AGM:*

### **Executive Director**

**Mr. TAM Ngai Hung, Terry**, aged 67, has been an executive Director and the Group Finance Director since March 2001. He has been appointed as the Deputy Chairman of the Company since December 2005. He is a member of each of the remuneration committee of the Company and the Nomination Committee. He is also a director and company secretary of certain subsidiaries of the Company. Mr. Tam is primarily responsible for the corporate finance, accounting and company secretarial functions of the Group. He has more than 43 years of experience in finance and accounting management, and management experience in diversified businesses. He also possesses substantial knowledge in corporate finance matters, mergers and acquisitions and company secretarial matters. He previously held a number of senior positions in several listed companies before he joined the Company. Mr. Tam is also an executive director of GBA. Mr. Tam is a fellow of the Association of Chartered Certified Accountants and an associate of both the Hong Kong Institute of Certified Public Accountants and The Chartered Governance Institute in the United Kingdom.

Save as disclosed above, Mr. Tam has not held any directorship in any listed public company in the past 3 years and does not hold any other positions within the Group.

Mr. Tam has been appointed as an executive Director for a term of not more than 3 years and his directorship in the Company is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. His emoluments from the Company is approximately HK\$2,000,000.00 which comprise of annual salary and allowances and discretionary bonuses. His emoluments are determined with reference to his duties and responsibilities with the Group, the Group's performance as well as the market benchmark. Details of Mr. Tam's emoluments for the year ended 31 December 2020 are set out in note 8 to the financial statements in the Company's 2020 annual report. Mr. Tam does not have any relationship with any Director, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Tam had interests in (i) 825,000,000 share options of GBA, being the associated company of the Company, which are exercisable during the period from 18 January 2017 to 17 January 2027 at an exercise price of HK\$0.011 per share; (ii) 1,320,000,000 share options of GBA which are exercisable during the period from 25 January 2018 to 24 January 2028 at an exercise price of HK\$0.010 per share; and (iii) 1,300,000,000 share options of GBA which are exercisable during the period from 25 January 2019 to 24 January 2029 at an exercise price of HK\$0.010 per share. Save as disclosed above, as at the Latest Practicable Date, Mr. Tam had no interests (within the meaning of Part XV of the SFO) in any shares, underlying shares or debentures of the Company and/or its associated corporations.

There is no information in respect of Mr. Tam which should be disclosed under Rule 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there is no information which should be disclosed nor is/was Mr. Tam involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

### **Independent Non-executive Director**

**Mr. CHOW Siu Ngor**, aged 65, has been an INED since March 2013. Mr. Chow is the chairman and a member of the remuneration committee of the Company, a member of the audit committee of the Company and the Nomination Committee. Mr. Chow is also an independent non-executive director of GBA and REXLot Holdings Limited (stock code: 00555, in liquidation (as at the date of this circular)), the shares of which are listed on the Main Board of the Stock Exchange. Mr. Chow is a practising solicitor in Hong Kong. He is currently a Partner with Messrs. King & Wood Mallesons. Mr. Chow graduated from The Chinese University of Hong Kong in 1981 with an Honours Degree in Social Science. He then obtained an Honours Degree in Laws from the University of Birmingham in 1987. Mr. Chow was admitted as a solicitor of the Supreme Court of Hong Kong in 1990 and has been in private practice since then.

Save as disclosed above, Mr. Chow has not held any directorship in any listed public company in the past 3 years and does not hold any other positions within the Group.

Mr. Chow has been appointed as an INED for a term of not more than 3 years and his directorship in the Company is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Chow does not receive any fee or salary from the Company in respect of his position as an INED.

Mr. Chow does not have any relationship with any Director, senior management or substantial or controlling shareholder of the Company.

As at the Latest Practicable Date, Mr. Chow had interests in (i) 5,000,000 share options of GBA, being the associated corporation of the Company, which are exercisable during the period from 17 January 2014 to 16 January 2024 at an exercise price of HK\$0.01 per share; (ii) 10,000,000 share options of GBA which are exercisable during the period from 18 January 2017 to 17 January 2027 at an exercise price of HK\$0.011 per share; (iii) 10,000,000 share options of GBA which are exercisable during the period from 25 January 2018 to 24 January 2028 at an exercise price of HK\$0.01 per share; and (iv) 10,000,000 share options of GBA which are exercisable during the period from 25 January 2019 to 24 January 2029 at an exercise price of HK\$0.01 per share. Save as disclosed above, as at the Latest Practicable Date, Mr. Chow had no interests (within the meaning of Part XV of the SFO) in any shares, underlying shares or debentures of the Company and/or its associated corporations.

There is no information in respect of Mr. Chow which should be disclosed under Rule 13.51(2)(h) to (v) of the Listing Rules. Save as disclosed above, there is no information which should be disclosed nor is/was Mr. Chow involved in any of the matters required to be disclosed pursuant to any of the requirements of the provisions under Rule 13.51(2) of the Listing Rules nor are there other matters that need to be brought to the attention of the Shareholders.

*This Appendix sets out further information of the 2021 Share Option Scheme and also summarises the principal terms of the 2021 Share Option Scheme but does not form part of, nor is it intended to be, part of the 2021 Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the 2021 Share Option Scheme.*

## **2021 SHARE OPTION SCHEME**

The following is a summary of the principal terms of the 2021 Share Option Scheme to be adopted at the AGM:

### **1. PURPOSE OF THE SCHEME**

The purpose of the 2021 Share Option Scheme is to enable the Company to grant Share Options to the Eligible Participants, as incentives and/or rewards for their contribution or potential contribution to the Group and/or any Invested Entity and/or the holding company of the Company (if applicable).

### **2. WHO MAY JOIN**

The Board may offer to grant Share Options to the following persons to subscribe for such number of new Shares as the Board may determine at an exercise price of the Share Option determined in accordance with the rules set out in paragraph 5 below:

- (a) any director or proposed director (whether executive, non-executive or independent non-executive director), any executive, officer, employee or any person to whom any offer of employment has been made, executive or officer (whether full-time or part-time, on an employment or contractual or honorary basis or otherwise and whether paid or unpaid) of the Group;
- (b) any supplier or services provider or goods provider to offer more economic and quality supplies to the Group;
- (c) any customer to maximise the quantity of their orders and increase loyalty to the Group;
- (d) any adviser, professional, consultant and agent to provide better services to the Group; and
- (e) business partner or shareholder(s) of any Invested Entity and/or the holding company of the Company and/or any member of the Group who have contributed or will contribute to the growth and development of the Group;

(collectively, the “**Eligible Participants**”).

Accordingly, the Board will assess the eligibility of these Eligible Participants based on various factors such as performance conditions, or targets to be achieved and potential and/or actual contribution to the business affairs of and benefits to the Group.

It is also expected that grantees of the Share Options will make an effort to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the Share Options granted and in turn benefiting the Company and its Shareholders as a whole. Upon acceptance of the Share Option(s), the grantee(s) shall pay HK\$1.00 to the Company by way of consideration for the grant.

### 3. MAXIMUM NUMBER OF SHARES

The maximum number of Shares which may be issued upon exercise of all Share Options to be granted under the 2021 Share Option Scheme and any other share option scheme(s) of the Company must not exceed 10% of the total number of Shares in issue (being 873,111,452 Shares assuming that no new Share will be allotted, issued or repurchased prior to the AGM) as at the Adoption Date. Shares which would have been issuable have lapsed or cancelled in accordance with the terms of the 2021 Share Option Scheme and any other share option scheme(s) will not be counted for the purpose of the 10% limit.

Subject to the issue of a circular by the Company and the approval of the Shareholders in a general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

- (a) refresh this limit at any time to 10% of the total number of Shares in issue as at the date of shareholder meeting to approve the refreshment of such limit (Share Option(s) previously granted under any share option scheme(s) of the Company (including those outstanding, cancelled, lapsed in accordance with such share option scheme(s) or exercised Share Option(s)) will not be counted for the purpose of calculating the limit as refreshed); and/or
- (b) grant Share Options beyond the 10% limit to Eligible Participants specifically identified by the Board whereupon the Company will send a circular to the Shareholders containing, amongst others, a generic description of the specified Eligible Participant(s) who may be granted the Share Option(s), the number and terms of the Share Option(s) to be granted and the purpose of granting Share Option(s) to the specified Eligible Participant(s) with an explanation as to how the Share Option(s) serve such purpose.

Notwithstanding the foregoing, the Shares which may be issued upon exercise of all outstanding Share Options granted and yet to be exercised under the 2021 Share Option Scheme and any other share option scheme(s) of the Company at any time shall not exceed 30% of the total number of the Shares in issue from time to time. No Share Option shall be granted under any scheme(s) (including the 2021 Share Option Scheme) of the Company or any of its subsidiaries if this will result in the said 30% limit being exceeded.

**4. MAXIMUM NUMBER OF SHARE OPTIONS TO ANY ONE INDIVIDUAL**

Subject to the limit stated in paragraph 6 below, the total number of Shares issued and which may fall to be issued upon exercise of the Share Options granted under the 2021 Share Option Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding Share Options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the total number of Shares in issue as at the date of grant.

Any further grant of Share Options in excess of this 1% limit shall be subject to the issue of a circular by the Company and the approval of the Shareholders in a general meeting with such Eligible Participant and his/her associates abstaining from voting and/or other requirements prescribed under the Listing Rules from time to time. Any circular to be issued by the Company must disclose, amongst other things, the details of the Share Options, including Share Options exercised or outstanding.

**5. EXERCISE PRICE OF THE SHARE OPTION**

The exercise price for a Share in respect of any particular Share Option granted under the 2021 Share Option Scheme (which shall be payable upon exercise of the Share Option) shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of grant, which must be a business day (and for this purpose shall be taken to be the date of the Board meeting at which the Board proposes to grant the Share Options);
- (b) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the 5 business days immediately preceding the date of grant; and
- (c) the nominal value of a Share.

**6. GRANTING SHARE OPTIONS TO A DIRECTORS, CHIEF EXECUTIVE, SUBSTANTIAL SHAREHOLDERS OF THE COMPANY OR ANY OF THEIR RESPECTIVE ASSOCIATES**

Any grant of Share Options to a director, chief executive or substantial shareholder of the Company or any of their respective associates is required to be approved by the independent non-executive Directors, excluding the independent non-executive Director(s) who is/are the grantee(s) of the Share Options.

If the Company proposes to grant Share Options to a substantial shareholder of the Company or any independent non-executive Director or their respective associates which will result in the number of Shares issued and to be issued upon exercise of Share Options granted (including Share Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of the offer of such grant:

- (a) representing in aggregate over 0.1% of the total number of Shares in issue as at the date of the offer; and
- (b) having an aggregate value in excess of HK\$5 million, based on the closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange as at the date of each offer,

such further grant of Share Options will be subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting at which the grantee, his/her associates and all core connected persons (as defined in the Listing Rules) of the Company shall abstain from voting, and/or such other requirements prescribed under the Listing Rules from time to time except that the grantee, his/her associates and all core connected persons (as defined in the Listing Rules) of the Company may vote against the relevant resolution at the general meeting, provided that his/her intention to do so has been stated in the circular.

## **7. RESTRICTIONS ON THE TIME OF GRANT OF SHARE OPTIONS**

A grant of Share Options may not be made after inside information has come to the knowledge of the Company until such inside information has been announced and published pursuant to the requirements of the Listing Rules and the Inside Information Provisions of Part XIVA of the SFO. In particular, no Share Option may be granted during the period commencing one month immediately preceding the earlier of:

- (a) the date of the Board meeting (as such date is 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
- (b) the deadline for the Company to publish an announcement of its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of actual publication of the results announcement.

The Directors may not grant any Share Option to an Eligible Participant who is a Director during the periods or times in which Directors are prohibited from dealing in the Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

**8. RIGHTS ARE PERSONAL TO GRANTEE**

A Share Option is personal to the grantee and the grantee may not in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Share Option or attempt to do so.

**9. TIME OF EXERCISE OF AND DURATION OF SHARE OPTION**

There is no specific requirement under the 2021 Share Option Scheme that a Share Option must be held for any minimum period before it can be exercised, but the terms of the 2021 Share Option Scheme provide that the Board has the discretion to impose a minimum period at the time of grant of any particular Share Option. The date of grant of any particular Share Option is the date when the duplicate offer document constituting acceptance of the Share Option duly signed by the grantee, together with a remittance in favour of the Company of HK\$1.00 by way of consideration is received by the Company, such date must be on or before the 28th day after the Share Option is offered to the relevant grantee(s). The period during which a Share Option may be exercised will be determined by the Board at its absolute discretion, save that no Share Option may be exercised more than 10 years after it has been granted. No Share Option may be granted upon the expiry of the 10th anniversary of the approval date of the 2021 Share Option Scheme. Subject to earlier termination by the Company in general meeting or by the Board in accordance with the terms of the 2021 Share Option Scheme, the 2021 Share Option Scheme shall be valid and effective for a period of 10 years commencing on the Adoption Date.

**10. PERFORMANCE TARGET**

There is no performance target stipulated under the terms of the 2021 Share Option Scheme which a grantee is required to achieve before any Share Option granted under the 2021 Share Option Scheme can be exercised. The terms of the 2021 Share Option Scheme do provide that the Board has the discretion to require at the time of grant any particular grantee to achieve such performance targets as the Board may then specify in the grant before any Share Option granted under the 2021 Share Option Scheme to such grantee can be exercised.

**11. RIGHTS ON CEASING EMPLOYMENT OR DEATH**

- (a) If the grantee is under employment with the Company or any member of the Group and/or its Invested Entity or the holding company of the Company (if applicable), in the event of the grantee ceasing to be an Eligible Participant for any reason other than his/her ill-health, injury or disability (all evidenced to the satisfaction of the Board), death or the termination of his/her employment on one or more of the grounds specified in paragraph 12 below, the grantee may exercise the Share Option up to his/her entitlement at the date of cessation of his/her employment (to the extent not already exercised) within the period of one month following the date of such cessation, which date shall be the last actual working day with the Company or the relevant member of the Group and/or the Invested Entity or the holding company of the Company (if applicable) whether salary is paid in lieu of notice or not (or such longer period as the Board may determine);

- (b) If the grantee is under employment with the Company or any member of the Group and/or its Invested Entity or the holding company of the Company (if applicable), in the event that the grantee ceases to be an Eligible Participant by reason of ill-health, injury or disability (all evidenced to the satisfaction of the Board), death and none of the events which would be a ground for termination of his/her employment under paragraph 12 below has occurred, the grantee or the legal personal representative(s) of the grantee (as the case may be) shall be entitled to exercise the Share Option in full (to the extent not already exercised) on or before the earlier of (i) the last day in the 12-month period commencing from the date of ceasing to be an Eligible Participant or death (or such longer period as the Board may determine) or (ii) the relevant expiry date of the Share Option.

## **12. RIGHTS ON DISMISSAL**

If the grantee of a Share Option is under employment with the Company or any member of the Group and/or its Invested Entity or the holding company of the Company (if applicable) and ceases to be an Eligible Participant by reason of the termination of his/her relationship with the Company or any member of the Group and/or the Invested Entity or the holding company of the Company (if applicable) on any one or more of the grounds that he/she has been guilty of misconduct, or has been convicted of any criminal offence involving 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 at common law or pursuant to any applicable laws or under the grantee's service contract with the Company or any member of the Group and/or the Invested Entity or the holding company of the Company (if applicable), his/her Share Option will lapse and not be exercisable on the date of termination of his/her employment.

## **13. RIGHTS ON BREACH OF CONTRACT**

If the Directors at their absolute discretion determine that the grantee of any Share Option (other than an employee) or his/her associate has committed any breach of any contract entered into between the grantee or his/her associate on the one part and the Group on the other part or that the grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or composition with his/her creditors generally, the Directors shall determine that any Share Option granted to the grantee which has not become exercisable shall lapse. In such event, his/her Share Option will lapse automatically and will not in any event be exercisable on or after the date on which the Directors have so determined.

## **14. RIGHTS ON WINDING-UP**

In the event of an effective resolution being passed by the Shareholders for the voluntary winding-up of the Company or an order of the court is made for the winding-up of the Company, the grantee of a Share Option (or his/her legal personal representative(s)) may by notice in writing to the Company within 21 days after the date of such resolution elect to be treated as if his/her Share Option (to the extent not already exercised) had been exercised immediately before the passing of such resolution either to its full extent or to the extent

specified in the notice and shall accordingly be entitled to receive out of the assets available in the liquidation pari passu with the holders of Shares such sum as would have been received in respect of the Shares the subject of such election reduced by an amount equal to the exercise price which would otherwise have been payable in respect thereof.

#### **15. RIGHTS ON TAKEOVER**

If a general offer (whether by way of takeover offer, share repurchase offer or scheme of arrangement or otherwise in like manner) is made to all the holders of Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or in concert with the offeror), the Company shall use its best endeavours to procure that such offer is extended to all the grantees (on the same terms mutatis mutandis, and assuming that they shall become, by the exercise in full of the Share Options granted to them, shareholders of the Company). If such offer, having been approved in accordance with applicable laws and regulatory requirements becomes, or is declared unconditional, the grantee (or his/her legal personal representative(s)) shall be entitled to exercise his/her Share Option in full (to the extent not already exercised) at any time within 14 calendar days after the date on which such general offer becomes or is declared unconditional.

#### **16. RIGHTS ON COMPROMISE OR ARRANGEMENT BETWEEN THE COMPANY AND ITS MEMBERS OR CREDITORS**

If, pursuant to the Companies Act, a compromise or arrangement between the Company and its members and/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, the Company shall give notice thereof to all the grantees (together with a notice of the existence of the provisions of this paragraph) on the same day as it despatches to members and/or creditors of the Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each grantee shall be entitled to exercise all or any of his/her Share Options in whole or in part at any time prior to 12:00 noon (Hong Kong time) on the business day immediately preceding the date of the meeting directed to be convened by the relevant court for the purposes of considering such compromise or arrangement and if there are more than one meeting for such purpose, the date of the first meeting. With effect from the date of such meeting, the rights of all grantees to exercise their respective Share Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Share Options shall, to the extent that they have not been exercised, lapsed and determined. The Board shall endeavour to procure that the Shares issued as a result of the exercise of Share Options in such circumstances shall for the purposes of such compromise or arrangement form part of the issued share capital of the Company on the effective date thereof and that such Shares shall in all respects be subject to such compromise or arrangement. If for any reason such compromise or arrangement is not approved by the relevant court (whether upon the terms presented to the relevant court or upon any other terms as may be approved by such court) the rights of the grantees to exercise their respective Share Options shall with effect from the date of the making of the order by the relevant court be restored in full as if such compromise or

arrangement had not been proposed by the Company and no claim shall lie against the Company or any of its officers for any loss or damage sustained by any grantee as a result of the aforesaid suspension.

#### **17. LAPSE OF THE SHARE OPTIONS**

A Share Option will lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry date relevant to that Share Option;
- (b) the expiry of any of the periods referred to in paragraphs 11, 12, 13 and 15 above;
- (c) the date of commencement of the winding-up of the Company (as determined in accordance with the applicable law) as referred to in paragraph 14 above;
- (d) the date on which the scheme for the reconstruction of the Company or its amalgamation with any other company or companies, becomes effective as referred to in paragraph 16 above;
- (e) in the event the grantee is under employment with the Company or any member of the Group and/or its Invested Entity or the holding company of the Company (if applicable), the date on which the grantee ceases to be an Eligible Participant by reason of the termination of his/her employment on any one or more of the grounds specified in paragraph 12 above. A resolution of the Board or the board of directors of the relevant member of the Group and/or the relevant Invested Entity or the holding company of the Company (if applicable) to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in paragraph 12 above shall be conclusive;
- (f) the date on which the grantee ceases to be an Eligible Participant on or after committing any act of bankruptcy or becoming insolvent or making any arrangements or composition with his/her creditors generally; or
- (g) the date on which the grantee commits a breach of the prohibitions specified in paragraph 8 above or the Share Options are cancelled in accordance with paragraph 21 below.

#### **18. RANKING OF SHARES**

The Shares to be allotted upon the exercise of a Share Option will not carry voting rights until completion of the registration of the grantee (or such other person nominated by the grantee) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of Share Options will rank *pari passu* with and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation of the Company as attached to the other fully-paid Shares in issue on the date of issue.

**19. EFFECT OF ALTERATIONS TO CAPITAL**

In the event of a capitalisation issue, rights issue, sub-division or consolidation of Shares or reduction of capital whilst any Share Option may become or remains exercisable, such corresponding alterations (if any) shall be made in the number of Shares subject to any outstanding Share Options or the exercise price of each outstanding Share Option as the auditors of the Company or the independent financial adviser shall certify in writing to the Board to be in their opinion fair and reasonable and in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance issued by the Stock Exchange on 5 September 2005 and any future guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time and the note thereto. Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of the Company for which any grantee of a Share Option is entitled to subscribe pursuant to the Share Options held by him/her before such alteration and the aggregate subscription price payable on the full exercise of any Share Option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration will be made the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

**20. ALTERATION OF THE 2021 SHARE OPTION SCHEME**

The 2021 Share Option Scheme may be altered in any respect by resolution of the Board except that:

- (a) any alteration to the advantage of the grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules;
- (b) any material alteration to the terms and conditions of the 2021 Share Option Scheme or any change to the terms of the Share Options granted (except any alterations which take effect automatically under the terms of the 2021 Share Option Scheme),

shall first be approved by the Shareholders in general meeting provided that if the proposed alteration shall adversely affect a Share Option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the 2021 Share Option Scheme. The amended terms of the 2021 Share Option Scheme shall remain in compliance with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the 2021 Share Option Scheme must be approved by Shareholders in a general meeting.

**21. CANCELLATION OF SHARE OPTIONS**

Any cancellation of Share Options granted but not exercised must be approved by the grantee of the relevant Share Options. Where the Company cancels Share Options and issues new ones to the same grantee, the issue of such new Share Options may only be made under the 2021 Share Option Scheme with available unissued Share Options (excluding the cancelled Share Options) within the limit approved by the Shareholders.

**22. TERMINATION OF THE 2021 SHARE OPTION SCHEME**

The Company may by resolution in general meeting or by the Board at any time terminate the 2021 Share Option Scheme and in such event no further Share Option shall be offered but the provisions of the 2021 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Share Option granted prior to the termination or otherwise as may be required in accordance with the provisions of the 2021 Share Option Scheme. Share Options granted prior to such termination at the time of termination shall continue to be valid and exercisable in accordance with the 2021 Share Option Scheme.

**23. DISPUTES**

Any dispute arising in connection with the 2021 Share Option Scheme (whether as to the number of Shares subject to a Share Option, the amount of the exercise price or otherwise) shall be referred to the auditors of the Company for the time being who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final, conclusive and binding on all persons who may be affected thereby.

**24. DISCLOSURE IN ANNUAL AND INTERIM REPORTS**

The Company will disclose details of the 2021 Share Option Scheme in its annual and interim reports in accordance with the Listing Rules in force from time to time.

**CCTI FORTIS HOLDINGS LIMITED****( 中 建 富 通 集 團 有 限 公 司 )***(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)***(Stock Code: 00138)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of CCT FORTIS HOLDINGS LIMITED (the “Company”) will be held at 18/F., CCT Telecom Building, 11 Wo Shing Street, Fotan, Shatin, New Territories, Hong Kong on Wednesday, 23 June 2021 at 10:45 a.m. for the following purposes:

**ORDINARY RESOLUTIONS****As Ordinary Business**

1. To receive and consider the audited consolidated Financial Statements, the Report of the Directors and the Independent Auditor’s Report for the year ended 31 December 2020.
2. To re-elect the retiring directors, Mr. Tam Ngai Hung, Terry as an executive director of the Company and Mr. Chow Siu Ngor as an independent non-executive director of the Company, and to authorise the board of directors to fix the remuneration of the directors.
3. To re-appoint Messrs. Ernst & Young as auditors and to authorise the board of directors to fix the remuneration of the auditors.

**As Special Business**

4. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval for the listing of, and the permission to deal in, the ordinary shares of HK\$0.10 each in the share capital of the Company (or such nominal amount as shall result from a capitalisation issue, rights issue, sub-division, consolidation, re-classification, reconstruction or reduction of share capital of the Company from time to time) (the “**Share(s)**”) to be issued pursuant to the exercise of the share options granted which may be granted under the proposed new share option scheme (the

“**2021 Share Option Scheme**”), a copy of which is tabled at the AGM and marked “A” and initialled by the chairman of the AGM for identification purpose;

- (b) the 2021 Share Option Scheme be and is hereby approved and adopted; and the directors of the Company be and are hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the 2021 Share Option Scheme, including but without limitation:
- (i) to administer the 2021 Share Option Scheme under which share options will be granted to the Eligible Participants (as defined in the 2021 Share Option Scheme) eligible under the 2021 Share Option Scheme to subscribe for the Shares, including but not limited to determining and granting the share options in accordance with the terms of the 2021 Share Option Scheme;
  - (ii) to modify and/or amend the 2021 Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2021 Share Option Scheme relating to the modification and/or amendment and subject to Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”);
  - (iii) to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued pursuant to the exercise of the share options under the 2021 Share Option Scheme and subject to the Listing Rules;
  - (iv) to make application at appropriate time or times to the Stock Exchange; and any other stock exchanges upon which the issued Shares may for the time being be listed, for listing of, and permission to deal in, any Shares which may hereafter from time to time be allotted and issued pursuant to the exercise of the share options under the 2021 Share Option Scheme; and
  - (v) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the 2021 Share Option Scheme;
- and
- (c) the directors of the Company be and are hereby authorised to grant Share Options to subscribe for Shares in accordance with the rules of the 2021 Share Option Scheme up to a maximum of 10% of the Shares in issue as at the date of passing of this resolution, to issue and allot Shares pursuant to the exercise of the Share Options so granted, to administer the 2021 Share Option Scheme in accordance with its terms and to take all necessary actions incidental thereto as the Directors deem fit.”

5. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

**“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to buy back issued shares in the share capital of the Company subject to and in accordance with all applicable laws and requirements of the Listing Rules or of any other stock exchange as amended from time to time be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors on behalf of the Company during the Relevant Period (as hereinafter defined) to procure the Company to buy back its shares at a price determined by the directors of the Company;
- (c) the total number of shares of the Company to be bought back by the directors of the Company pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10 per cent. of the total number of shares of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

**“Relevant Period”** means the period from the 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 applicable laws or the Company’s bye-laws to be held; and
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of an ordinary resolution of the shareholders of the Company in a general meeting.”

6. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

**“THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional new shares in the share capital

of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors on behalf of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period (as hereinafter defined);
- (c) the total number of shares of the Company allotted or issued or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of options granted under any share option scheme or similar arrangement adopted by the Company; or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on the shares of the Company in accordance with the bye-laws of the Company from time to time, shall not exceed 20 per cent. of the total number of shares of the Company in issue as at the date of passing of this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” shall have the same meaning as that ascribed to it under resolution no. 5 as set out in the notice convening the annual general meeting of which this resolution forms part; and

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

- 7. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of the resolutions nos. 5 and 6 as set out in the notice convening the annual general meeting of which this resolution forms part, the general mandate granted to the directors of the Company pursuant to the resolution no. 6 as set out in the notice convening the annual general meeting of which this resolution forms part be and is hereby extended by the addition thereto of an amount representing the total number of shares of the Company to be bought back by the

Company under the authority granted pursuant to the resolution no. 5 as set out in the notice convening the annual general meeting of which this resolution forms part, provided that such amount shall not exceed 10 per cent. of the total number of shares of the Company in issue as at the date of passing of this resolution.”

By Order of the Board of  
**CCT FORTIS HOLDINGS LIMITED**  
**Mak Shiu Tong, Clement**  
*Chairman*

Hong Kong, 26 April 2021

*Notes:*

- (1) The register of members of the Company will be closed from Friday, 18 June 2021 to Wednesday, 23 June 2021 (both days inclusive) during which period no transfer of share(s) will be effected. In order to determine the eligibility to attend and vote at the AGM, all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer form(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 17 June 2021.
- (2) Any shareholder entitled to attend and vote at the AGM or at any adjourned meeting thereof (as the case may be) is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A shareholder who is the holder of two or more shares may appoint not more than two proxies, or more than two proxies provided that the shareholder is a clearing house (who must be an individual or individuals) to attend and vote instead of him/her on the same occasion. A proxy need not be a shareholder of the Company but must attend the AGM or at any adjourned meeting thereof (as the case may be) in person to represent him/her.
- (3) In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not later than 48 hours before the time appointed for holding the AGM (i.e. not later than 10:45 a.m. on Monday, 21 June 2021, Hong Kong time) or any adjourned meeting thereof (as the case may be). Such prescribed form of proxy for use at the AGM is also published on the websites of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company at [www.cct-fortis.com/eng/investor/announcements.php](http://www.cct-fortis.com/eng/investor/announcements.php).
- (4) Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the AGM or at any adjourned meeting thereof (as the case may be) should they so wish, and in such event, the form of proxy shall be deemed to be revoked.
- (5) Where there are joint registered holders of any share(s), any one of such joint holders may attend and vote at the AGM or at any adjourned meeting thereof (as the case may be), either in person or by proxy, in respect of such share(s) as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the AGM or at any adjourned meeting thereof (as the case may be), the most senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (6) With respect to the resolution set out in resolution no. 2 of this notice, Mr. Tam Ngai Hung, Terry and Mr. Chow Siu Ngor will retire by rotation and, being eligible, offer themselves for re-election at the AGM. Biographical details of the above directors are set out in the circular of the Company which will be sent to the shareholders of the Company in due course.

- (7) With respect to the resolution set out in resolution no. 5 of this notice, approval is being sought from the shareholders for the general mandate to be given to the directors to buy back the shares of the Company. A circular containing an explanatory statement with further information with respect to such resolution will be sent to the shareholders of the Company in due course.
- (8) With respect to the resolutions set out in resolutions nos. 6 and 7 of this notice, approval is being sought from the shareholders for the general mandates to be given to the directors to allot, issue and deal with new shares of the Company in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The health of the Shareholders, staff and stakeholders is of paramount importance to us. In view of the ongoing Novel Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the AGM to protect attending Shareholders, staff and stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted for every attending Shareholder, proxy or other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37 degrees Celsius or who has any flu-like symptoms or is otherwise unwell may be denied entry into the AGM venue or be required to leave the AGM venue.
- (ii) Each attendee will be required to complete and submit at the entrance of the AGM venue a health declaration form confirming, including but not limited to, whether (a) they have travelled to, or to their best of knowledge had close contact with any person who has recently travelled to, areas outside of Hong Kong (as per guidelines issued by the Hong Kong government at [www.chp.gov.hk/en/features/102742.html](http://www.chp.gov.hk/en/features/102742.html)) at any time in the preceding 14 days of the AGM; (b) they are, and have been, in close contact with any person who is, subject to any Hong Kong Government prescribed compulsory quarantine (including home quarantine); and (c) they are, and have been, in close contact with anyone who has contracted COVID-19, has been tested preliminarily positive of COVID-19 or is suspected of contracting COVID-19. Any person who responds positively to any one of the above questions will be denied entry into the AGM venue or be required to leave the AGM venue.
- (iii) No corporate gift will be distributed and no drinks and no refreshment will be served.
- (iv) Each attendee will be required to wear a surgical face mask before he/she is permitted to enter into the AGM venue, and throughout the AGM and inside the AGM venue, and to maintain a safe distance between seats. Please note that no surgical face mask will be provided at the AGM and all attendees should wear their own surgical face masks.
- (v) As a precautionary safety measure, seating at the AGM will be arranged so as to reduce interaction between participants. As a result, there will be limited capacity for the Shareholders to attend the AGM.
- (vi) Attendees are in addition requested to observe and practise good personal hygiene at all times. To the extent permitted by law, the Company reserves the right to deny entry into the AGM venue or require any person to leave the AGM venue so as to ensure the health and safety of the attendees at the AGM.

Due to the constantly evolving COVID-19 pandemic situation in Hong Kong, the Company may be required to change the AGM arrangements at short notice. Shareholders should constantly check the Company's website at [www.cct-fortis.com/eng/investor/announcements.php](http://www.cct-fortis.com/eng/investor/announcements.php) or the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) for, if any, future announcement(s) and update(s) on the AGM arrangements.

In addition, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the AGM as their proxy to vote on the relevant resolution(s) at the AGM instead of attending the AGM in person, by completing and return the form of proxy enclosed with this circular.

If any Shareholder chooses not to attend the AGM in person but has any question about any resolution or about the Company, or has any matter for communication with the Board, he/she is welcome to send such question or matter in writing addressed to the “Company Secretarial Department” of the Company by mail to 18/F., CCT Telecom Building, 11 Wo Shing Street, Fotan, Shatin, New Territories, Hong Kong.

If any Shareholder has any question relating to the AGM, please contact the Company’s branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited as follows:

Tricor Tengis Limited  
Level 54, Hopewell Centre  
183 Queen’s Road East, Hong Kong  
Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)  
Tel: (852) 2980 1333  
Fax: (852) 2810 8185