

Corporate Governance and Other Information

Directors' and Chief Executive's Interests

As at June 30, 2024, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which have been notified to the Company pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such director or chief executive was taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) were as follows:

Name of directors	Capacity/ Nature of interests	Interests in shares (other than pursuant to equity derivatives) ⁽¹⁾	Interests in underlying shares pursuant to equity derivatives ⁽¹⁾	Total interests in shares/ underlying shares	Approximate aggregate percentage of interests
Mr Horst Julius Pudwill	Beneficial owner	147,019,500 ⁽²⁾	805,500	364,744,794	19.90%
	Interests of spouse	760,000	—		
	Interests of controlled corporation	216,159,794 ⁽³⁾	—		
Mr Stephan Horst Pudwill	Beneficial owner	5,234,500 ⁽⁴⁾	5,500,000	44,742,000	2.44%
	Beneficiary of a trust	34,007,500 ⁽⁵⁾	—		
Mr Kin Wah Chan	Beneficial owner	766,000 ⁽⁶⁾	4,950,000	5,716,000	0.31%
Mr Chi Chung Chan	Beneficial owner	1,125,000 ⁽⁷⁾	5,250,000	6,375,000	0.35%
Mr Camille Jojo	Beneficial owner	551,500 ⁽⁸⁾	286,000	837,500	0.05%
Mr Peter David Sullivan	Beneficial owner	532,000 ⁽⁹⁾	139,000	671,000	0.04%
Mr Johannes-Gerhard Hesse	Beneficial owner	35,000 ⁽¹⁰⁾	471,000	506,000	0.03%
Mr Robert Hinman Getz	Beneficial owner	90,674 ⁽¹¹⁾	214,000	304,674	0.02%
Ms Virginia Davis Wilmerding	Beneficial owner	25,000 ⁽¹²⁾	89,500	114,500	0.01%
Ms Caroline Christina Kracht	Beneficial owner	12,500 ⁽¹³⁾	60,000	72,500	less than 0.01%

Notes:

- Interests in shares and underlying shares stated above represent long positions of the Company.
The interests of the directors of the Company in the underlying shares pursuant to equity derivatives, which were held as beneficial owner, represent share options granted to them respectively pursuant to the share option schemes adopted by the Company, details of which are separately disclosed in the section headed “Share Options” below. These share options are physically settled and unlisted.
- These included Mr Horst Julius Pudwill's interests in 180,500 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Mr Horst Julius Pudwill's awarded shares are set out in the section headed “Share Award Scheme” below.
- These shares were held by the following companies in which Mr Horst Julius Pudwill has a beneficial interest:

	No. of shares
Sunning Inc.	179,084,764
Cordless Industries Company Limited*	37,075,030
	216,159,794

* Cordless Industries Company Limited is owned as to 70% by Mr Horst Julius Pudwill.

Directors' and Chief Executive's Interests (continued)

Notes: (continued)

- (4) These included Mr Stephan Horst Pudwill's interests in 75,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Mr Stephan Horst Pudwill's awarded shares are set out in the section headed "Share Award Scheme" below.
- (5) These shares were held by a trust of which Mr Stephan Horst Pudwill is one of the beneficiaries.
- (6) These included Mr Kin Wah Chan's interests in 75,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Mr Kin Wah Chan's awarded shares are set out in the section headed "Share Award Scheme" below.
- (7) These included Mr Chi Chung Chan's interests in 75,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Mr Chi Chung Chan's awarded shares are set out in the section headed "Share Award Scheme" below.
- (8) These included Mr Camille Jojo's interests in 512,500 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Mr Camille Jojo's awarded shares are set out in the section headed "Share Award Scheme" below.
- (9) These included Mr Peter David Sullivan's interests in 12,500 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Mr Peter David Sullivan's awarded shares are set out in the section headed "Share Award Scheme" below.
- (10) These included Mr Johannes-Gerhard Hesse's interests in 12,500 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Mr Johannes-Gerhard Hesse's awarded shares are set out in the section headed "Share Award Scheme" below.
- (11) These included Mr Robert Hinman Getz's interests in 30,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Mr Robert Hinman Getz's awarded shares are set out in the section headed "Share Award Scheme" below.
- (12) These included Ms Virginia Davis Wilmerding's interests in 25,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Ms Virginia Davis Wilmerding's awarded shares are set out in the section headed "Share Award Scheme" below.
- (13) These included Ms Caroline Christina Kracht's interests in 12,500 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2024. Details of Ms Caroline Christina Kracht's awarded shares are set out in the section headed "Share Award Scheme" below.

Save as disclosed above, none of the directors and the chief executive of the Company was interested or had any short position in any shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as at June 30, 2024.

Share Options

Share Option Schemes

The Company has two share option schemes in place – Scheme D and Scheme E. Scheme D was adopted on May 29, 2007 and expired on May 28, 2017, though its provisions shall remain in full force and effect in all other respects. Following the expiry of Scheme D, Scheme E was adopted on May 19, 2017 and subsequently amended and restated on May 12, 2023 (“Scheme E Amendment Date”), and will expire on May 18, 2027.

Both Scheme D and Scheme E are aimed for recognition of the contribution to the development and growth of the Group by the eligible persons. Below is the summary of the principal terms of Scheme D:

The Board of Directors of the Company may grant share options to the following eligible persons (and their wholly owned companies) of the Company, its subsidiaries and any companies in which the Group holds any equity interest, to subscribe for shares in the Company: (i) employees; or (ii) Directors; or (iii) secondees; or (iv) any shareholders of any member of the Group or invested entity or controlling shareholders or any holders of any securities issued by any member of the Group; or (v) business partners; or (vi) suppliers; or (vii) customers; or (viii) advisers of the Group.

Share options granted must be taken up within 21 days of the date of grant, upon payment of consideration to be determined by the Board for the grant thereof. Share options may be exercised at any time, subject to vesting conditions, from the date of grant to the tenth anniversary thereof. The subscription price is set at the highest of: the closing price of the shares on the date of offer of the share option or the average closing price of shares as stated in the daily quotation sheets issued by the Stock Exchange for the five trading days immediately preceding the date of offer.

The maximum number of shares in respect of which share options may be granted under Scheme D is not permitted to exceed 30.0% of the issued share capital of the Company from time to time or 10.0% of the shares in issue as at the adoption date of Scheme D. No person shall be granted an option which exceeds 1.0% of the shares in issue as at the date of offer in any 12-month period up to the date thereof.

Options may be exercised at any time immediately after vesting on each of the first and, depending on the vesting conditions, second and third anniversary of the relevant date of grant of the share option to the tenth anniversary of such date of grant. The exercise price is determined by the Directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; and (ii) the average closing price of the shares for the five business days immediately preceding the date of grant.

In view of the amendments to Chapter 17 of the Listing Rules relating to share schemes of listed issuers effective from January 1, 2023, the scheme rules of Scheme E were amended and restated with effect from May 12, 2023 as below:

The Board may, as its discretion and on such terms as it may think fit, grant such share options to eligible participants as it may in its absolute discretion select in accordance with the terms of Scheme E. Eligible participants include (i) employees; (ii) Directors; (iii) related entity participants and (iv) service providers.

Share options granted must be taken up within 21 days of the date of grant, upon payment of consideration to be determined by the Board for the grant thereof. Share options may be exercised at any time, subject to vesting conditions, from the first date of vesting to the tenth anniversary of the date of grant. The subscription price is set at the highest of: the closing price of the shares on the date of offer of the share option or the average closing price of shares as stated in the daily quotation sheets issued by the Stock Exchange for the five trading days immediately preceding the date of offer.

Share Options (continued)

According to the scheme rules as amended and restated on May 12, 2023, the overall limit on the number of shares under share options from time to time under Scheme E and any other share scheme(s) of the Company shall not, in aggregate, exceed 10.00% of the total issued share capital of the Company as at Scheme E Amendment Date. Within the scheme mandate limit, the total number of shares which may be issued upon exercise of all options to be granted to service providers shall not exceed 1.00% of the total issued share capital of the Company as at Scheme E Amendment Date. Where any grant of share options to a share option grantee under Scheme E would result in shares issued and to be issued in respect of all share options or awarded shares granted to such person (excluding any share options and awarded shares lapsed in accordance with the terms of Scheme E or any other share scheme(s) of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1.00% of the total issued share capital of the Company as at Scheme E Amendment Date, such grant of share options must be separately approved by the shareholders in general meeting with such share option grantee and his/her close associates (or his/her associates if the share option grantee is a connected person of the Company) abstaining from voting. Without prejudice to the above, where any grant of share options or awarded shares to a Director (other than an Independent Non-executive Director) or chief executive of the Company, or any of their respective associates would result in the shares issued and to be issued in respect of all share options and awarded shares granted (excluding any share options or awarded shares lapsed in accordance with the terms of Scheme E or any other share scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.10% of the total issued share capital of the Company as at Scheme E Amendment Date, such grant of share options or awarded shares must be approved by the shareholders in general meeting with such share option grantee, his/her associates and all core connected persons of the Company abstaining from voting at such general meeting. Without prejudice to the above, where any grant of share options or awarded shares to an Independent Non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the shares issued and to be issued in respect of all share options and awarded shares granted (excluding any share options or awarded shares lapsed in accordance with the terms of Scheme E or any other share scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.10% of the total issued share capital of the Company as at Scheme E Amendment Date, such grant of share options or awarded shares must be approved by the shareholders in general meeting with such share option grantee, his/her associates and all core connected persons of the Company abstaining from voting at such general meeting. The total issued share capital of the Company as at Scheme E Amendment Date was 1,834,797,941 shares.

The Directors or the Remuneration Committee (as the case may be) have the authority to establish performance target and/or clawback mechanism in relation to the granting of share options. The Board is of the view that the flexibility granted to the Directors to specify appropriate conditions, restrictions and/or limitations on a case-by-case basis in their absolute discretion when offering and/or vesting share options to eligible participants could provide a more meaningful and functional means to achieve the purpose of Scheme E (whether as recognition of past contribution or as incentive to motivate, retain or attract suitable talents) in light of the particular circumstances of each offer of share options. General factors that the Board may take into account for imposing performance targets and clawback mechanisms include, but not limited to the Group's level and the individual's level. The Board or the Remuneration Committee (as the case may be) will carefully assess whether performance targets, if any, are satisfied upon receipt of any notice of exercise of share options from a grantee.

Options may be exercised at any time immediately after each of the first, and depending on the vesting conditions, second and third anniversary of the relevant date of grant of the share option to the tenth anniversary of such date of grant. The exercise price is determined by the Directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; and (ii) the average closing price of the shares for the five business days immediately preceding the date of grant.

The following tables disclose movements in the Company's share options during the six-month period ended June 30, 2024:

Share option holders	Date of share options granted	Share option scheme category	Outstanding at beginning of the period	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at end of the period	Subscription price HK\$	Exercise period
Directors									
Mr Horst Julius Pudwill	22.12.2020	E	23,500	—	—	—	23,500	105.500	22.12.2021 – 21.12.2030 ⁽⁴⁾
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031 ⁽⁴⁾
	22.8.2023	E	750,000	—	—	—	750,000	81.050	22.8.2024 – 21.8.2033 ⁽⁵⁾
Mr Stephan Horst Pudwill	20.3.2014	D	750,000	—	(750,000)	—	—	21.600	20.3.2015 – 19.3.2024 ⁽⁴⁾
	11.9.2015	D	250,000	—	—	—	250,000	29.650	11.9.2016 – 10.9.2025 ⁽⁴⁾
	17.3.2017	D	500,000	—	—	—	500,000	32.100	17.3.2018 – 16.3.2027 ⁽⁴⁾
	14.3.2018	E	250,000	—	—	—	250,000	47.900	14.3.2019 – 13.3.2028 ⁽⁴⁾
	20.5.2019	E	500,000	—	—	—	500,000	51.080	20.5.2020 – 19.5.2029 ⁽⁴⁾
	15.5.2020	E	500,000	—	—	—	500,000	65.250	15.5.2021 – 14.5.2030 ⁽⁷⁾
	22.12.2020	E	2,000,000	—	—	—	2,000,000	105.500	22.12.2021 – 21.12.2030 ⁽⁸⁾
	30.12.2021	E	1,000,000	—	—	—	1,000,000	154.900	30.12.2022 – 29.12.2031 ⁽⁶⁾
22.8.2023	E	500,000	—	—	—	500,000	81.050	22.8.2024 – 21.8.2033 ⁽⁷⁾	
Mr Kin Wah Chan	17.3.2017	D	200,000	—	—	—	200,000	32.100	17.3.2018 – 16.3.2027 ⁽⁴⁾
	14.3.2018	E	250,000	—	—	—	250,000	47.900	14.3.2019 – 13.3.2028 ⁽⁴⁾
	20.5.2019	E	500,000	—	—	—	500,000	51.080	20.5.2020 – 19.5.2029 ⁽⁴⁾
	15.5.2020	E	500,000	—	—	—	500,000	65.250	15.5.2021 – 14.5.2030 ⁽⁷⁾
	22.12.2020	E	2,000,000	—	—	—	2,000,000	105.500	22.12.2021 – 21.12.2030 ⁽⁸⁾
	30.12.2021	E	1,000,000	—	—	—	1,000,000	154.900	30.12.2022 – 29.12.2031 ⁽⁶⁾
22.8.2023	E	500,000	—	—	—	500,000	81.050	22.8.2024 – 21.8.2033 ⁽⁷⁾	
Mr Chi Chung Chan	17.3.2017	D	500,000	—	—	—	500,000	32.100	17.3.2018 – 16.3.2027 ⁽⁴⁾
	14.3.2018	E	250,000	—	—	—	250,000	47.900	14.3.2019 – 13.3.2028 ⁽⁴⁾
	20.5.2019	E	500,000	—	—	—	500,000	51.080	20.5.2020 – 19.5.2029 ⁽⁴⁾
	15.5.2020	E	500,000	—	—	—	500,000	65.250	15.5.2021 – 14.5.2030 ⁽⁷⁾
	22.12.2020	E	2,000,000	—	—	—	2,000,000	105.500	22.12.2021 – 21.12.2030 ⁽⁸⁾
	30.12.2021	E	1,000,000	—	—	—	1,000,000	154.900	30.12.2022 – 29.12.2031 ⁽⁶⁾
22.8.2023	E	500,000	—	—	—	500,000	81.050	22.8.2024 – 21.8.2033 ⁽⁷⁾	
Mr Camille Jojo	14.3.2018	E	50,000	—	—	—	50,000	47.900	14.3.2019 – 13.3.2028 ⁽⁴⁾
	20.5.2019	E	97,000	—	—	—	97,000	51.080	20.5.2020 – 19.5.2029 ⁽⁴⁾
	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030 ⁽⁴⁾
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031 ⁽⁴⁾
	22.8.2023	E	60,000	—	—	—	60,000	81.050	22.8.2024 – 21.8.2033 ⁽³⁾
Mr Peter David Sullivan	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030 ⁽⁴⁾
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031 ⁽⁴⁾
	22.8.2023	E	60,000	—	—	—	60,000	81.050	22.8.2024 – 21.8.2033 ⁽³⁾
Mr Johannes-Gerhard Hesse	19.6.2017	E	135,000	—	—	—	135,000	36.300	19.6.2018 – 18.6.2027 ⁽⁴⁾
	14.3.2018	E	100,000	—	—	—	100,000	47.900	14.3.2019 – 13.3.2028 ⁽⁴⁾
	20.5.2019	E	97,000	—	—	—	97,000	51.080	20.5.2020 – 19.5.2029 ⁽⁴⁾
	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030 ⁽⁴⁾
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031 ⁽⁴⁾
22.8.2023	E	60,000	—	—	—	60,000	81.050	22.8.2024 – 21.8.2033 ⁽³⁾	
Mr Robert Hinman Getz	15.5.2020	E	75,000	—	—	—	75,000	65.250	15.5.2021 – 14.5.2030 ⁽⁵⁾
	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030 ⁽⁴⁾
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031 ⁽⁴⁾
	22.8.2023	E	60,000	—	—	—	60,000	81.050	22.8.2024 – 21.8.2033 ⁽³⁾
Ms Virginia Davis Wilmerding	19.8.2021	E	29,500	—	—	—	29,500	167.200	19.8.2022 – 18.8.2031 ⁽⁴⁾
	22.8.2023	E	60,000	—	—	—	60,000	81.050	22.8.2024 – 21.8.2033 ⁽³⁾

Share Options (continued)

Share option holders	Date of share options granted	Share option scheme category	Outstanding at beginning of the period	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at end of the period	Subscription price HK\$	Exercise period
Directors (continued)									
Ms Caroline Christina Kracht	22.8.2023	E	60,000	—	—	—	60,000	81.050	22.8.2024 – 21.8.2033 ⁽³⁾
Mr Joseph Galli Jr (resigned effective from May 20, 2024)	22.8.2023	E	750,000	—	—	—	750,000	81.050	20.5.2025 – 21.8.2033 ⁽⁹⁾
Prof Roy Chi Ping Chung GBS BBS JP ⁽¹⁰⁾ (retired after the conclusion of the annual general meeting of the Company held on May 10, 2024)	17.3.2017	D	150,000	—	—	—	150,000	32.100	17.3.2018 – 16.3.2027
	14.3.2018	E	100,000	—	—	—	100,000	47.900	14.3.2019 – 13.3.2028
	20.5.2019	E	97,000	—	—	—	97,000	51.080	20.5.2020 – 19.5.2029
	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031
	22.8.2023	E	60,000	—	—	—	60,000	81.050	22.8.2024 – 21.8.2033
Total for directors			19,751,000	—	(750,000)	—	19,001,000		
Employees	17.3.2017	D	50,000	—	(40,000)	—	10,000	32.100	17.3.2018 – 16.3.2027 ⁽⁴⁾
	14.3.2018	E	150,000	—	—	—	150,000	47.900	14.3.2019 – 13.3.2028 ⁽⁴⁾
	20.5.2019	E	194,000	—	—	—	194,000	51.080	20.5.2020 – 19.5.2029 ⁽⁴⁾
	22.12.2020	E	94,000	—	—	—	94,000	105.500	22.12.2021 – 21.12.2030 ⁽⁴⁾
	22.11.2023	E	250,000	—	—	—	250,000	81.480	22.11.2024 – 21.11.2033 ⁽⁴⁾
Total for employees			738,000	—	(40,000)	—	698,000		
Total for all categories			20,489,000	—	(790,000)	—	19,699,000		

Notes:

- The number of shares that may be issued in respect of share options granted under Scheme D is 117,281,565, representing approximately 6.40% of the issued shares of the Company as at June 30, 2024. The total number of shares available for issue in respect of which share options may be granted under Scheme D is 150,505,065 shares, which represented approximately 8.21% of the issued shares of the Company as at June 30, 2024.
- Since the adoption of Scheme E on May 19, 2017, no share options was granted to any service provider of the Company and therefore the number of shares that may be issued to service providers remained at 18,347,979 shares throughout the period. The number of shares that may be issued in respect of share options and awarded shares granted under Scheme E and the 2018 Share Award Scheme is 161,451,294, representing approximately 8.81% of the issued shares of the Company as at June 30, 2024. The total number of shares available for issue in respect of which share options may be granted under Scheme E are 183,479,794 shares, which represented (i) approximately 10.01% of the issued shares of the Company as at June 30, 2024; and (ii) approximately 10.01% of the issued shares of the Company as at the date of this Interim Report. The number of share options available for grant under the amended and restated rules of Scheme E remained at 183,479,794 throughout the period.
- 100% of the share options granted be vested on the 1st anniversary of the date of grant.
- 50% of the share options granted be vested on the 1st anniversary of the date of grant and the remaining 50% be vested on the 2nd anniversary of the date of grant.
- Three equal batches of share options be vested on the 1st anniversary, 2nd anniversary and 3rd anniversary of the date of grant respectively.
- 33.00%, 33.00% and 34.00% be vested on the 1st anniversary, 2nd anniversary and 3rd anniversary of the date of grant respectively.
- 33.20%, 33.40% and 33.40% be vested on the 1st anniversary, 2nd anniversary and 3rd anniversary of the date of grant respectively.
- 33.30%, 33.30% and 33.40% be vested on the 1st anniversary, 2nd anniversary and 3rd anniversary of the date of grant respectively.
- The Board has exercised its discretion under Scheme E to amend the vesting of the share options granted to Mr Joseph Galli Jr that 50% of the share options granted be vested on May 20, 2025 and the remaining 50% be vested on December 31, 2025, and to extend the exercise period as stated in the table above correspondingly.
- The Board has exercised its discretion under Scheme E to extend the exercise period as stated in the table above, of which the vesting of the share options remains the same as detailed in the “Share Options” section in the Company’s 2023 Annual Report.
- The Company had 19,699,000 shares options outstanding, which represented approximately 1.07% of the issued shares of the Company as at June 30, 2024. No share option was granted, cancelled or lapsed during the period. None of the grants of share options to any participants is in excess of the 1% individual limit.
- The group recognized a total expenses of US\$4,749,000 (2023: US\$3,256,000) for the six-month period ended June 30, 2024 in relation to share options granted by the Company.
- The number of shares that may be issued in respect of share awards granted under 2018 Share Award Scheme (details are set out in the “Share Award Scheme” section) and share options granted under Scheme E during the period divided by the weighted average number of shares in issue for the period is 0.09%.
- The weighted average closing prices of the Company’s shares immediately before various dates during the six-month period ended June 30, 2024 and the six-month period ended June 30, 2023 on which the share options was exercised were HK\$100.02 (2023: HK\$81.33) respectively.

Save as disclosed above, no other person was granted share options for the six-month period ended June 30, 2024.

Arrangements to Purchase Shares or Debentures

Other than as disclosed above and for satisfying the awarded shares granted under the Company's share award scheme (details of which are set out in this Interim Report), at no time during the period was the Company, or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and neither the directors or the chief executive, nor any of their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right.

Director's Interests in Transactions, Arrangements and Contracts of Significance

No transactions, arrangements and contracts of significance, to which the Company, or any of its subsidiaries, was a party and in which a director or a connected entity of a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

Directors' Indemnities

Pursuant to the Company's Articles of Association, every director of the Company shall be entitled to be indemnified out of the assets and profits of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance) which he/she may sustain or incur in or about the execution of the duties of his/her office. The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Company.

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the period.

Equity-linked Agreements

Other than as disclosed above and for satisfying the awarded shares granted under the Company's share award scheme (details of which are set out in this Interim Report), the Group has not entered into any equity-linked agreements during the period.

Share Award Scheme

The Board has one share award scheme in operation, namely the 2018 Share Award Scheme. Following the expiry of the previous share award scheme adopted in 2008, the 2018 Share Award Scheme was first adopted with effect from January 17, 2018 (the “2018 Adoption Date”), and was subsequently amended and restated on May 12, 2023 (the “Share Award Scheme Amendment Date”), and shall be terminated on the earlier of the 10th anniversary of the 2018 Adoption Date or such date of early termination as determined by the Board.

The purpose of the 2018 Share Award Scheme is to recognize the contributions by Eligible Persons as defined below and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. A summary of the principal terms of the 2018 Share Award Scheme is set out below:

Any employee, officer or Director (including, without limitation, any Executive, Non-executive or Independent Non-executive Director) of any member of the Group (the “Eligible Person”) will be entitled to participate. Unless terminated earlier by the Board in accordance with the scheme rules, the effective term of the 2018 Share Award Scheme is 10 years commencing on the adoption date of the scheme provided that no contribution to the trust will be made by the Company on or after the 10th anniversary date of the adoption date of the scheme. Details of the 2018 Share Award Scheme were announced by the Company on its adoption date.

The Board may, from time to time, at their absolute discretion select any individual as an Eligible Person for participation in the scheme (the “Selected Grantee”) and determine the number of shares to be awarded. The relevant number of shares awarded will either be purchased by the trustee of the scheme on the market or new shares will be subscribed for by the trustee at the cost of the Company and be held in trust until they are vested on the first anniversary of the relevant date of grant (or such longer period as the Board may determine). Upon acceptance of the share awards, no payment is required. When a Selected Grantee has satisfied all vesting conditions specified by the Board (which may include performance targets), the trustee will upon the Company’s instruction transfer the relevant vested shares together with the income derived therefrom (net of accrued interest) to the Selected Grantee.

According to the scheme rules as amended and restated on May 12, 2023, the scheme limits of the 2018 Share Award Scheme have been amended that the Board shall not make any further award of awarded shares which will result in the number of shares awarded by the Board under the 2018 Share Award Scheme and any other share scheme(s) of the Company would represent in excess of 10.00% of the total issued share capital of the Company as at the Share Award Scheme Amendment Date. Where any grant of awarded shares to a Selected Grantee under the 2018 Share Award Scheme would result in shares issued and to be issued in respect of all share options or awarded shares granted to such person (excluding any share options and awarded shares lapsed in accordance with the terms of the 2018 Share Award Scheme or any other share scheme(s) of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over 1.00% of the total issued share capital of the Company as at the Share Award Scheme Amendment Date, such grant of awarded shares must be separately approved by the shareholders in a general meeting with such Selected Grantee and his/her close associates (or his/her associates if the Selected Grantee is a connected person of the Company) abstaining from voting. Without prejudice to the above, where any grant of awarded shares or share options to a Director (other than an Independent Non-executive Director) or chief executive of the Company, or any of their respective associates would result in the shares issued and to be issued in respect of all awarded shares and share options granted (excluding any awarded shares or share options lapsed in accordance with the terms of the 2018 Share Award Scheme or any other share scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.10% of the total issued share capital of the Company as at the Share Award Scheme Amendment Date, such grant of awarded shares must be approved by the shareholders in a general meeting with such Selected Grantee, his/her associates and all core connected persons of the Company abstaining from voting at such general meeting. Without prejudice to the above, where any grant of awarded shares under the 2018 Share Award Scheme and share options and awarded shares to be granted under any other share scheme(s) of the Company to an Independent Non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the shares issued and to be issued in respect of all share options and awarded shares granted (excluding any share options and awarded shares lapsed in accordance with the terms of the 2018 Share Award Scheme or any other share scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.10% of the total issued share capital of the Company as at the Share Award Scheme Amendment Date, such grant of awarded shares must be approved by the shareholders in a general meeting with such Selected Grantee, his/her associates and all core connected persons of the Company abstaining from voting at such general meeting. The total issued share capital of the Company as at the Share Award Scheme Amendment Date was 1,834,797,941 shares.

Notwithstanding that the 2018 Share Award Scheme does not stipulate that any awarded shares offered must be subject to any performance target or clawback mechanism, the Directors or the Remuneration Committee (as the case may be) have the authority to establish performance targets and/or clawback mechanisms in relation to the granting of awarded shares. The Board is of the view that the flexibility granted to the

Directors to specify appropriate conditions, restrictions and/or limitations on a case-by-case basis in their absolute discretion when offering and/or vesting awarded shares to Selected Grantees could provide a more meaningful and functional means to achieve the purpose of the 2018 Share Award Scheme (whether as recognition of past contribution or as incentive to motivate, retain or attract suitable talents) in light of the particular circumstances of each offer of awarded shares. General factors that the Board may take into account for imposing performance targets and clawback mechanisms include, but are not limited to the Group's level and the individual's level. The Board or the Remuneration Committee (as the case may be) will carefully assess whether performance targets, if any, are satisfied before vesting of awarded shares.

Since the 2018 Adoption Date and up to June 30, 2024, a total of 15,730,500 shares had been awarded under the 2018 Share Award Scheme, representing 0.86% of the issued share capital of the Company as at the Share Award Scheme Amendment Date. Recognition of share-based payment expenses under the 2018 Share Award Scheme during the period was US\$25,417,000. During the period ended June 30, 2024, a total of 1,634,500 shares had been awarded under the 2018 Share Award Scheme to three Directors of the Company, representing 0.09% of the issued share capital of the Company as at the Share Award Scheme Amendment Date. The total payout, including related expenses, amounted to US\$21,249,000. In addition, during the period ended June 30, 2024, 212,500 shares were transferred to a Director and a Selected Grantee upon vesting under the 2018 Share Award Scheme. As at June 30, 2024, details of the awarded shares granted under the 2018 Share Award Scheme of the Company were as follows:

Share awards holders	Date of Award	Share award scheme category	Number of awarded shares	Number of awarded shares					As at June 30, 2024	Vesting Period	Closing price at the Date of Award (HK\$)	Purchase price (HK\$)
				As at January 1, 2024	Awarded during the period	Vested during the period	Lapsed during the period	As at June 30, 2024				
Directors												
Mr Horst Julius Pudwill	21.3.2018	2018	500,000	—	—	—	—	—	15.3.2019 – 15.3.2022	47.00	30.29	
	20.5.2019	2018	300,000	—	—	—	—	—	20.5.2020 – 20.5.2022	50.20	28.15	
	21.12.2020	2018	1,000,000	—	—	—	—	—	21.12.2020 – 21.12.2021	107.00	44.55	
	30.12.2021	2018	300,000	—	—	—	—	—	3.4.2023 – 30.12.2023	154.90	115.13	
	22.12.2023	2018	125,000	125,000	—	—	—	125,000	22.12.2026	92.50	111.23	
	2.4.2024	2018	55,500	—	55,500	—	—	55,500	2.4.2025 – 2.4.2027	104.80	97.12	
Mr Stephan Horst Pudwill	21.3.2018	2018	50,000	—	—	—	—	—	15.3.2019 – 15.3.2022	47.00	30.29	
	21.12.2020	2018	100,000	—	—	—	—	—	21.12.2020 – 21.12.2021	107.00	44.55	
	30.12.2021	2018	50,000	—	—	—	—	—	30.12.2022 – 30.12.2023	154.90	115.13	
	22.12.2023	2018	75,000	75,000	—	—	—	75,000	22.12.2026	92.50	111.23	
Mr Kin Wah Chan	21.3.2018	2018	50,000	—	—	—	—	—	15.3.2019 – 15.3.2022	47.00	30.29	
	21.12.2020	2018	100,000	—	—	—	—	—	21.12.2020 – 21.12.2021	107.00	44.55	
	30.12.2021	2018	50,000	—	—	—	—	—	30.12.2022 – 30.12.2023	154.90	115.13	
	22.12.2023	2018	75,000	75,000	—	—	—	75,000	22.12.2026	92.50	111.23	
Mr Chi Chung Chan	21.3.2018	2018	50,000	—	—	—	—	—	15.3.2019 – 15.3.2022	47.00	30.29	
	21.12.2020	2018	100,000	—	—	—	—	—	21.12.2020 – 21.12.2021	107.00	44.55	
	30.12.2021	2018	50,000	—	—	—	—	—	30.12.2022 – 30.12.2023	154.90	115.13	
	22.12.2023	2018	75,000	75,000	—	—	—	75,000	22.12.2026	92.50	111.23	
Mr Camille Jojo	2.1.2019	2018	10,000	—	—	—	—	—	2.1.2019	41.10	28.15	
	20.5.2019	2018	150,000	—	—	—	—	—	20.5.2020 – 20.5.2022	50.20	38.30	
	3.1.2020	2018	12,500	—	—	—	—	—	3.1.2020	64.70	44.62	
	21.12.2020	2018	10,000	—	—	—	—	—	21.12.2021 – 21.12.2022	107.00	44.55	
	31.12.2020	2018	10,500	—	—	—	—	—	31.12.2020	110.60	49.67	
	30.12.2021	2018	18,000	—	—	—	—	—	30.12.2021 – 30.12.2022	154.90	115.13	
	30.12.2022	2018	11,000	—	—	—	—	—	30.12.2022	87.10	142.95	
	22.12.2023	2018	12,500	12,500	—	—	—	12,500	22.12.2026	92.50	111.23	
	2.4.2024	2018	500,000	—	500,000	—	—	500,000	2.4.2025 – 2.4.2027	104.80	97.12	

Share Award Scheme (continued)

Share awards holders	Date of Award	Share award scheme category	Number of awarded shares	Number of awarded shares					Vesting Period	Closing price at the Date of Award (HK\$)	Purchase price (HK\$)
				As at January 1, 2024	Awarded during the period	Vested during the period	Lapsed during the period	As at June 30, 2024			
Directors (continued)											
Mr Peter David Sullivan	21.12.2020	2018	10,000	—	—	—	—	—	21.12.2021 – 21.12.2022	107.00	44.55
	30.12.2021	2018	12,500	—	—	—	—	—	30.12.2022	154.90	115.13
	22.12.2023	2018	12,500	12,500	—	—	—	12,500	22.12.2024	92.50	111.23
Mr Johannes-Gerhard Hesse	21.12.2020	2018	10,000	—	—	—	—	—	21.12.2021 – 21.12.2022	107.00	44.55
	30.12.2021	2018	12,500	12,500	—	(12,500)	—	—	2.5.2024 ⁽⁷⁾	154.90	115.13
	22.12.2023	2018	12,500	12,500	—	—	—	12,500	22.12.2024	92.50	111.23
Mr Robert Hinman Getz	21.12.2020	2018	10,000	5,000	—	—	—	5,000	N/A ⁽⁸⁾	107.00	44.55
	30.12.2021	2018	12,500	12,500	—	—	—	12,500	N/A ⁽⁹⁾	154.90	115.13
	22.12.2023	2018	12,500	12,500	—	—	—	12,500	22.12.2024	92.50	111.23
Ms Virginia Davis Wilmerding	30.12.2021	2018	12,500	12,500	—	—	—	12,500	N/A ⁽¹⁰⁾	154.90	115.13
	22.12.2023	2018	12,500	12,500	—	—	—	12,500	22.12.2024	92.50	111.23
Ms Caroline Christina Kracht	22.12.2023	2018	12,500	12,500	—	—	—	12,500	22.12.2024	92.50	111.23
Mr Joseph Galli Jr ⁽⁴⁾ (resigned effective from May 20, 2024)	21.3.2018	2018	514,000	—	—	—	—	—	15.3.2019 – 15.3.2022	47.00	30.29
	3.1.2020	2018	1,000,000	1,000,000	—	—	—	1,000,000	On or about 1.1.2025	64.70	44.38
	21.12.2020	2018	1,000,000	—	—	—	—	—	21.12.2020	107.00	44.55
	4.3.2021	2018	1,000,000	—	—	—	—	—	4.3.2021	121.40	80.25
	4.3.2021	2018	1,000,000	1,000,000	—	—	—	1,000,000	On or about 1.1.2025	121.40	80.25
	31.12.2021	2018	1,000,000	1,000,000	—	—	—	1,000,000	On or about 1.1.2025	155.20	121.14
	3.3.2022	2018	1,000,000	—	—	—	—	—	3.3.2022	136.10	130.19
	3.3.2022	2018	1,000,000	—	—	—	—	—	23.3.2023	136.10	130.19
	30.12.2022	2018	1,000,000	1,000,000	—	—	—	1,000,000	On or about 1.1.2025	87.10	142.95
	22.12.2023	2018	1,000,000	1,000,000	—	—	—	1,000,000	22.12.2024	92.50	111.23
Prof Roy Chi Ping Chung	5.1.2024	2018	1,000,000	—	1,000,000	—	—	1,000,000	On or about 5.1.2025	86.80	103.48
	2.4.2024	2018	79,000	—	79,000	—	—	79,000	2.4.2025	104.80	97.12
GBS BBS JP (retired after the conclusion of the annual general meeting of the Company held on May 10, 2024)	21.12.2020	2018	10,000	—	—	—	—	—	21.12.2021 – 21.12.2022	107.00	44.55
	30.12.2021	2018	12,500	—	—	—	—	—	30.12.2022	154.90	115.13
	22.12.2023	2018	12,500	12,500	—	—	—	12,500	10.5.2025 ⁽¹¹⁾	92.50	111.23
Total for directors		14,610,500	5,480,000	1,634,500	(12,500)	—	7,102,000				
Employees	20.5.2019	2018	1,100,000	200,000	—	(200,000)	—	—	20.5.2020 – 20.5.2024	50.20	45.30
	21.12.2020	2018	10,000	—	—	—	—	—	20.5.2021	107.00	44.55
	21.12.2020	2018	10,000	—	—	—	—	—	30.7.2021	107.00	44.55
Total for employees		1,120,000	200,000	—	(200,000)	—	—				
Total for all categories		15,730,500	5,680,000	1,634,500	(212,500)	—	7,102,000				

Notes:

- (1) All the awarded shares are purchased on-market. All awarded shares were granted to Directors only during the period ended June 30, 2024. No share awards were cancelled or lapsed during the period ended June 30, 2024.
- (2) At the end of the period, the average fair value per share is HK\$100.93. The average fair value of the awarded shares is based on the average purchase cost.
- (3) During the reporting period, a total of 902,500 shares were purchased at an aggregate consideration of US\$11,444,000 for satisfying the awards granted pursuant to the 2018 Share Award Scheme.
- (4) As to the agreement for the separate 5,000,000 awarded shares to be granted to Mr Joseph Galli Jr between 2020 to 2024 in five equal tranches (i.e. 1,000,000 awarded shares per year) provided the Company meets certain performance criteria each year, all tranches were awarded to Mr Galli on January 3, 2020, March 4, 2021, December 31, 2021, December 30, 2022 and January 5, 2024 respectively. These shares are scheduled to vest to Mr Galli on or about January 5, 2025. The above mentioned performance criteria are set out in the “Remuneration Committee” section in the Company’s 2023 Corporate Governance Report.
As to the agreement for the 5,000,000 shares might be granted subject to, inter alia, the achievement of performance criteria (i.e. reaching a specific EBIT target each year) for the years between 2022 to 2026 respectively, the 1,000,000 shares for 2022 were awarded to Mr Galli on March 3, 2022 and vested on March 23, 2023. The 1,000,000 shares for the year 2023 were awarded to Mr Galli on December 22, 2023 and will be vested on 1st anniversary of the date of award. Due to his resignation with effect from May 20, 2024, the awards of the remaining 3,000,000 shares were lapsed as a result and no further shares will be granted to Mr Galli. The above mentioned performance criteria are set out in the “Remuneration Committee” section in the Company’s 2023 Corporate Governance Report.
- (5) The performance targets of the awarded shares granted in 2023 to Executive Directors are generally assessed at two respective levels, namely the individual level and the Group’s level. None of the awarded shares granted in 2023 to the Non-executive Director and the Independent Non-executive Directors are subject to any performance targets assessment by the Company.
- (6) The performance targets of the awarded shares granted in the period ended June 30, 2024 to Executive Directors are generally assessed at two respective levels, namely the individual level and the Group’s level.
- (7) The Board has exercised its discretion under the scheme rules to amend the vesting date of the 12,500 shares which were awarded to Mr Johannes-Gerhard Hesse from December 30, 2022 to May 2, 2024.
- (8) The Board has exercised its discretion under the scheme rules to amend the vesting date of the 5,000 shares which were awarded to Mr Robert Hinman Getz from December 21, 2022 to upon his cessation as a director of the Company.
- (9) The Board has exercised its discretion under the scheme rules to amend the vesting date of the 12,500 shares which were awarded to Mr Robert Hinman Getz from December 30, 2022 to upon his cessation as a director of the Company.
- (10) The Board has exercised its discretion under the scheme rules to amend the vesting date of the 12,500 shares which were awarded to Ms Virginia Davis Wilmerding from December 30, 2022 to upon her cessation as a director of the Company.
- (11) Pursuant to the scheme rules of 2018 Share Award Scheme, the vesting date of the 12,500 shares which were awarded to Prof Roy Chi Ping Chung GBS BBS JP has been amended from December 22, 2024 to May 10, 2025, i.e. the expiry of a period of 12 months commencing from the date of his retirement.

The closing price of the Company’s shares immediately before the various dates on which the share awards were granted ranged from HK\$87.65 to HK\$106.10 during the period ended June 30, 2024. The fair value of awarded shares at the date of grant during the period ended June 30, 2024 was ranged from HK\$97.12 to HK\$103.48.

The weighted average closing price of the Company’s shares immediately before the various dates on which the share awards were vested during the period ended June 30, 2024 was HK\$107.24. The number of shares that may be issued in respect of share awards granted under the 2018 Share Award Scheme and the share options granted under Scheme E (details are set out in the “Share Options” section) during the period ended June 30, 2024 divided by the weighted average number of shares in issue for the year is 0.09%.

Share Award Scheme (continued)

The number of shares available for grant under the amended and restated rules of the 2018 Share Award Scheme remained at 183,479,794 throughout the period. The total number of shares available for issue under the 2018 Share Award Scheme is 183,479,794, which represents (i) approximately 10.01% of the issued share capital of the Company as at June 30, 2024; and (ii) approximately 10.01% of the issued share capital of the Company as at the date of this Interim Report. The number of shares that may be issued in respect of share awards granted under the 2018 Share Award Scheme and the share options granted under Scheme E is 161,451,294, representing approximately 8.81% of the issued share capital of the Company as at June 30, 2024.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (employee share-based compensation reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognized in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the employee share-based compensation reserve.

When the trustee purchases the Company's shares on the open market, the consideration paid, including any directly attributable incremental costs, is presented as shares held for share award scheme and deducted from total equity. No gain or loss is recognized on the transactions of the Company's own shares.

When the trustee transfers the Company's shares to grantees upon vesting, the related costs of the granted shares vested are reversed from shares held under the share award scheme. Accordingly, the related expense of the granted shares vested is reversed from the employee share-based compensation reserve. The difference arising from this transfer is debited/credited to retained profits. At the end of the reporting period, the Group revises its estimate of the number of shares that are expected to ultimately vest. The impact of the revision of the estimate, if any, is recognized in profit or loss with a corresponding adjustment to the employee share-based compensation reserve.

The fair value of the share award is estimated based on the share price of the Company on date of purchase/grant.

None of the share awards granted under the 2018 Share Award Scheme before January 1, 2023 were subject to any performance-based targets or clawback mechanisms except for those granted to Mr Joseph Galli Jr as detailed in Note (4) in the "Share Award Scheme" section. The Remuneration Committee is of the view that these are justifiable as all such decisions were (i) made before the corresponding new requirements under Chapter 17 of the Listing Rules became effective on January 1, 2023 and within the authority and discretion of the Board as stipulated under the rules of the 2018 Share Award Scheme; and (ii) aligned with the purpose of the 2018 Share Award Scheme as a recognition and reward of the grantee's contributions to the Group's continuing operation and development and which in turn is beneficial to the shareholders and the Company as a whole from a business sustainability and stability perspective.

Save as disclosed above, no other person was granted share awards for the period ended June 30, 2024.

Substantial Shareholders' Interests

As at June 30, 2024, the interests and short positions of the following persons, other than directors and chief executive of the Company, in the shares, underlying shares and debentures of the Company which have been disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO have been recorded in the register kept by the Company pursuant to section 336 of the SFO:

Name	Total interests in shares	(L/S/LP)*	Approximate aggregate percentage of interests
JPMorgan Chase & Co. ⁽¹⁾	201,757,469	(L)	11.01%
	4,611,300	(S)	0.25%
	132,005,884	(LP)	7.20%
The Bank of New York Mellon Corporation ⁽²⁾	111,213,350	(L)	6.07%
	38,990,635	(S)	2.13%
	70,510,811	(LP)	3.85%
The Capital Group Companies, Inc. ⁽³⁾	165,134,262	(L)	9.01%

* (L/S/LP) represents (Long position/Short position/Lending pool)

Notes:

(1) The following is a breakdown of the interests in shares in the Company held by JPMorgan Chase & Co.:

Name	Remarks	Total interests in shares				Approximate percentage of interests
		Direct interests	(L/S/LP)*	Deemed interests	(L/S/LP)*	
JPMorgan Chase & Co.	(1a)	—	—	201,757,469	(L)	11.01%
		—	—	4,611,300	(S)	0.25%
		—	—	132,005,884	(LP)	7.20%
JPMorgan Asset Management (Taiwan) Limited	(1b)	239,500	(L)	—	—	0.01%
55I, LLC	(1b)	865	(L)	—	—	0.00%
J.P. Morgan SE	(1b)	24,993	(L)	—	—	0.00%
J.P. MORGAN MARKETS LIMITED	(1b)	500	(L)	—	—	0.00%
J.P. Morgan Securities LLC	(1b)	5,477,505	(L)	—	—	0.30%
		168,792	(S)	—	—	0.01%
JPMORGAN ASSET MANAGEMENT (UK) LIMITED	(1b)	2,839,500	(L)	—	—	0.15%
J.P. Morgan Investment Management Inc.	(1b)	44,790,718	(L)	—	—	2.44%
JPMorgan Asset Management (Japan) Limited	(1b)	170,200	(L)	—	—	0.01%
J.P. Morgan Trust Company of Delaware	(1b)	50,000	(L)	—	—	0.00%
JPMorgan Chase Bank, National Association	(1b)	136,494,685	(L)	—	—	7.45%
JPMorgan Asset Management (Asia Pacific) Limited	(1b)	3,066,500	(L)	—	—	0.17%
		8,584,603	(L)	—	—	0.47%
J.P. MORGAN SECURITIES PLC	(1b)	4,442,508	(S)	—	—	0.24%
		17,900	(L)	—	—	0.00%
J.P. Morgan Private Wealth Advisors LLC	(1b)	—	—	3,476,200	(L)	0.19%
JPMorgan Asset Management (Asia) Inc.	(1b)	—	—	51,107,283	(L)	2.79%
JPMorgan Chase Holdings LLC	(1b)	—	—	56,653,188	(L)	3.09%
—		—	168,792	(S)	0.01%	
55 Institutional Partners, LLC	(1b)	—	—	865	(L)	0.00%
J.P. Morgan International Finance Limited	(1b)	—	—	8,609,596	(L)	0.47%
		—	—	4,442,508	(S)	0.24%
JPMorgan Chase Bank, National Association	(1b)	—	—	8,609,596	(L)	0.47%
		—	—	4,442,508	(S)	0.24%
J.P. MORGAN FINANCIAL INVESTMENTS LIMITED	(1b)	—	—	500	(L)	0.00%
J.P. Morgan Broker-Dealer Holdings Inc.	(1b)	—	—	5,477,505	(L)	0.30%
		—	—	168,792	(S)	0.01%
JPMORGAN ASSET MANAGEMENT INTERNATIONAL LIMITED	(1b)	—	—	2,839,500	(L)	0.15%
J.P. MORGAN CAPITAL HOLDINGS LIMITED	(1b)	—	—	8,584,603	(L)	0.47%
		—	—	4,442,508	(S)	0.24%

Substantial Shareholders' Interests (continued)

Notes: (continued)

Remarks:

- (1a) JPMorgan Chase & Co. is listed on New York Stock Exchange. The capacity of JPMorgan Chase & Co. in holding the 201,757,469 shares of long position, 4,611,300 shares of short position and 132,005,884 shares of lending pool respectively was as controlled corporation.
- (1b) JPMorgan Asset Management (Taiwan) Limited, 55I, LLC, J.P. Morgan SE, J.P. MORGAN MARKETS LIMITED, J.P. Morgan Securities LLC, JPMORGAN ASSET MANAGEMENT (UK) LIMITED, J.P. Morgan Investment Management Inc., JPMorgan Asset Management (Japan) Limited, J.P. Morgan Trust Company of Delaware, JPMorgan Chase Bank, National Association, JPMorgan Asset Management (Asia Pacific) Limited, J.P. MORGAN SECURITIES PLC, J.P. Morgan Private Wealth Advisors LLC, JPMorgan Asset Management (Asia) Inc., JPMorgan Asset Management Holdings Inc., JPMorgan Chase Holdings LLC, 55 Institutional Partners, LLC, J.P. Morgan International Finance Limited, JPMorgan Chase Bank, National Association, J.P. MORGAN FINANCIAL INVESTMENTS LIMITED, J.P. Morgan Broker-Dealer Holdings Inc., JPMORGAN ASSET MANAGEMENT INTERNATIONAL LIMITED and J.P. MORGAN CAPITAL HOLDINGS LIMITED were all directly or indirectly owned by JPMorgan Chase & Co. and by virtue of the SFO, JPMorgan Chase & Co. was deemed to be interested in the shares held by these subsidiaries.
- (2) The following is a breakdown of the interest in shares in the Company held by The Bank of New York Mellon Corporation:

Name	Remarks	Total interests in shares				Approximate percentage of interests
		Direct interests	(L/S/LP)*	Deemed interests	(L/S/LP)*	
The Bank of New York Mellon Corporation	(2a)	—	—	111,213,350	(L)	6.07%
		—	—	38,990,635	(S)	2.13%
		—	—	70,510,811	(LP)	3.85%
The Bank of New York Mellon	(2b)	111,135,865	(L)	—	—	6.06%
		38,990,635	(S)	—	—	2.13%
BNY Mellon, National Association	(2b)	74,930	(L)	—	—	0.00%
B.N.Y. Holdings (Delaware) Corporation	(2b)	—	—	2,555	(L)	0.00%
BNY Mellon Trust of Delaware	(2b)	2,555	(L)	—	—	0.00%

Remarks:

- (2a) The Bank of New York Mellon Corporation is listed on New York Stock Exchange. The capacity of The Bank of New York Mellon Corporation in holding the 111,213,350 shares of long position, 38,990,635 shares of short position and 70,510,811 shares of lending pool respectively was as controlling corporation.
- (2b) The Bank of New York Mellon, BNY Mellon, National Association, B.N.Y. Holdings (Delaware) Corporation and BNY Mellon Trust of Delaware were all directly or indirectly owned by The Bank of New York Mellon Corporation and by virtue of the SFO, The Bank of New York Mellon Corporation was deemed to be interested in the shares held by these subsidiaries.
- (3) The following is a breakdown of the interest in shares in the Company held by The Capital Group Companies, Inc.:

Name	Remarks	Total interests in shares				Approximate percentage of interests
		Direct interests	(L/S/LP)*	Deemed interests	(L/S/LP)*	
The Capital Group Companies, Inc.	(3a)	—	—	165,134,262	(L)	9.01%
Capital Research and Management Company	(3b)	162,352,762	(L)	—	—	8.86%
		—	—	2,781,500	(L)	0.15%
Capital Group International, Inc.	(3b)	—	—	2,781,500	(L)	0.15%
Capital International Limited	(3b)	312,000	(L)	—	—	0.02%
Capital International Sarl	(3b)	703,000	(L)	—	—	0.04%
Capital International, Inc.	(3b)	1,713,000	(L)	—	—	0.09%
Capital Group Investment Management Private Limited	(3b)	53,500	(L)	—	—	0.00%

Remarks:

- (3a) The capacity of The Capital Group Companies, Inc. in holding the 165,134,262 shares of long position was as controlled corporation.
- (3b) Capital Research and Management Company, Capital Group International, Inc., Capital International Limited, Capital International Sarl, Capital International, Inc. and Capital Group Investment Management Private Limited were all directly or indirectly owned by The Capital Group Companies, Inc. and by virtue of the SFO, The Capital Group Companies, Inc. was deemed to be interested in the shares held by these subsidiaries.

Save as disclosed above, no other person was interested in or had a short position in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of the Part XV of the SFO as at June 30, 2024.

Compliance with the Corporate Governance Code of the Listing Rules

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with all the code provisions of the Corporate Governance Code set out in Appendix C1 of the Listing Rules throughout the six-month period ended June 30, 2024, save that none of the Directors are appointed for a specific term since they are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company. Under Article 107(A) of the Articles of Association of the Company, one-third of the Board must retire by rotation at each annual general meeting of the Company, and if eligible, offer themselves for re-election.

Compliance with the Model Code of the Listing Rules

The provisions of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules (the "Model Code") has been adopted by the Board. In response to the specific enquiries made, all Directors have confirmed that they have fully complied with the required standards as set out in the Model Code during the six-month period ended June 30, 2024.

The Company has also adopted another code of conduct on terms no less onerous than the Model Code that applies to securities transactions of all relevant employees who may be in possession of unpublished price sensitive information in relation to the Company (the "Code for Securities Transactions by Relevant Employees"). During the period, no incident of non-compliance was noted by the Company.

Both the Model Code and the Code for Securities Transactions by Relevant Employees have been published on the Company's website (www.ttigroup.com).

Change in Directors' Emoluments

Mr Andrew Philip Roberts was appointed as an Independent Non-executive Director and a member of the Audit Committee with effect from January 1, 2024 and May 1, 2024 respectively, and will be entitled to the Board fee and the Audit Committee fee which has been fixed by the Board.

Review of Accounts

Disclosure of financial information in this report complies with Appendix D2 of the Listing Rules. The Audit Committee has reviewed this report with the Company's independent auditor, Deloitte Touche Tohmatsu, and the senior management of the Group, the accounting principles and practices adopted by the Group and the internal controls and financial reporting matters. The Board acknowledges its responsibility for the preparation of the accounts of the Group.

Purchase, Sales or Redemption of Securities

Other than 902,500 shares of the Company purchased on-market by the trustee for satisfying the awarded shares granted under the Company's share award scheme (details of which are set out in the "Share Award Scheme" section), a total of 2,500,000 ordinary shares were bought back by the Company during the period at prices ranging from HK\$86.00 to HK\$105.00 per share. Among these shares bought back by the Company, 2,000,000 shares were settled and cancelled during the period and 500,000 shares were cancelled on July 3, 2024. The consideration paid by the Company for such buy-backs of the shares of approximately US\$30,960,000 was charged to the retained profits.

The shares bought back were cancelled and accordingly the issued share capital of the Company was reduced. The buy-backs of the Company's shares during the period were effected by the Directors pursuant to the mandate granted by shareholders at the previous annual general meeting of the Company, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company.

Except as disclosed above, neither the Company nor any of its subsidiaries has, during the period, purchased, sold or redeemed any listed securities of the Company.

By order of the Board
Horst Julius Pudwill
 Chairman

Hong Kong
 August 6, 2024