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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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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, bank manager, solicitor, professional accountant or other professional adviser.

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

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新鴻基地產發展有限公司

Sun Hung Kai Properties Limited

*(Incorporated in Hong Kong with limited liability)*

*(Stock Code : 16)*

**PROPOSALS FOR  
GENERAL MANDATES TO BUY BACK SHARES AND TO ISSUE SHARES,  
RE-ELECTION OF DIRECTORS AND  
ADOPTION OF NEW SHARE OPTION SCHEME BY  
SMARTONE TELECOMMUNICATIONS HOLDINGS LIMITED  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening the Annual General Meeting to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 4 November 2021 at 12:00 noon is set out on pages 31 to 35 of this circular.

Whether or not you are able to attend the Annual General Meeting in person, please complete the accompanying proxy form in accordance with the instructions printed thereon and return the same to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not later than 12:00 noon on Tuesday, 2 November 2021 or not less than 48 hours before the time for holding any adjourned Annual General Meeting (as the case may be). Completion and delivery of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or at any adjournment thereof if you subsequently so wish.

**PRECAUTIONARY MEASURES FOR THE ANNUAL GENERAL MEETING**

To safeguard the health and safety of attendees and to prevent the spreading of the COVID-19 pandemic, certain precautionary measures will be implemented at the Annual General Meeting including, without limitation:

- (i) compulsory body temperature screening;
- (ii) mandatory wearing of face mask at all times;
- (iii) scanning the "LeaveHomeSafe" venue QR code or registering contact details in written form;
- (iv) submission of health declaration form;
- (v) no refreshments will be provided at the Annual General Meeting; and
- (vi) attendees will be assigned to a designated seating area and the seating capacity will also be limited to ensure social distancing.

Attendees who (a) refuse to comply with any of the precautionary measures referred to in (i) to (iv) above; (b) are subject to any Hong Kong Government prescribed quarantine or have close contact with any person under quarantine; or (c) have any flu-like symptoms may be denied entry to the meeting venue at the absolute discretion of the Company.

**For the health and safety of Shareholders, the Company encourages Shareholders to exercise their right to vote at the Annual General Meeting by appointing the chairman of the Annual General Meeting as their proxy and to return their proxy forms by the time specified above, instead of attending the Annual General Meeting in person.**

*Subject to the development of COVID-19, the Company may implement further procedures and precautionary measures at short notice and may issue further announcement as appropriate. Shareholders should check the Company's website ([www.shkp.com](http://www.shkp.com)) for updates on the latest arrangement of the Annual General Meeting.*

*This circular is made in English and Chinese. In case of any inconsistency, the English version shall prevail.*

4 October 2021

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## DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 4 November 2021 at 12:00 noon or any adjournment thereof;
“Articles of Association”	the articles of association of the Company;
“associate”	has the meaning ascribed thereto in the Listing Rules;
“Board”	the board of Directors;
“Business Day”	in respect of the New SmarTone Share Option Scheme, a day on which the Stock Exchange is open for the trading of securities;
“close associate”	has the meaning ascribed thereto in the Listing Rules;
“Companies Act”	the Companies Act 1981 of Bermuda;
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong;
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong;
“Company”	Sun Hung Kai Properties Limited, a company incorporated in Hong Kong with limited liability under the predecessor Companies Ordinance and whose securities are listed on the main board of the Stock Exchange;
“connected person”	has the meaning ascribed thereto in the Listing Rules;
“core connected person”	has the meaning ascribed thereto in the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Existing SmarTone Share Option Scheme”	the existing share option scheme of SmarTone adopted on 2 November 2011;
“Grantee”	any Participant who accepts the offer of the grant of any Option in accordance with the terms of the New SmarTone Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original Grantee;

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## DEFINITIONS

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“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Issue Mandate”	a general mandate to the Directors to exercise the power of the Company to allot, issue and deal with Shares or to grant options and rights to subscribe for, or to convert securities into, Shares;
“Latest Practicable Date”	20 September 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as may be amended, supplemented or modified from time to time, which are applicable to companies listed on the main board of the Stock Exchange;
“New SmarTone Share Option Scheme”	the share option scheme proposed to be adopted at the SmarTone AGM and to be approved by the Shareholders at the Annual General Meeting, the principal terms of which are summarised in Appendix III to this circular;
“Offer Date”	the Business Day on which the offer of an Option is made to a Participant as determined in accordance with Paragraph 3.2 of Appendix III to this circular;
“Option”	an option to subscribe for SmarTone Shares granted pursuant to the New SmarTone Share Option Scheme;
“Option Period”	a period, in relation to any Option, to be notified by the SmarTone Board to the Grantee, which shall not be more than 10 years from the Offer Date;
“Participant”	any employee, agent, consultant or representative of SmarTone or any of its subsidiaries, including any director of SmarTone or any of its subsidiaries who has made valuable contribution to the growth of the SmarTone Group based on his work experience, industry knowledge, performance, business connections or other relevant factors;
“Scheme Period”	the period of 10 years commencing on the date on which the New SmarTone Share Option Scheme is conditionally adopted by resolution of the SmarTone Shareholders at the SmarTone AGM;

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## DEFINITIONS

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“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	share(s) in the capital of the Company;
“Share Buy-back Mandate”	a general mandate to the Directors to exercise the power of the Company to buy back Shares;
“Share Buy-back Rules”	the Listing Rules and the Takeovers Code;
“Shareholder(s)”	holder(s) of Share(s);
“SmarTone”	SmarTone Telecommunications Holdings Limited, an exempted company incorporated in Bermuda with limited liability, whose shares are listed on the main board of the Stock Exchange (stock code: 315), and also a subsidiary of the Company;
“SmarTone AGM”	the annual general meeting of SmarTone to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Tuesday, 2 November 2021 at 10:00 a.m. or any adjournment thereof;
“SmarTone Auditors”	the auditors for the time being of SmarTone;
“SmarTone Board”	the board of directors of SmarTone (and when such defined term is used in the context of Appendix III to this circular, shall also include any duly authorized committee of the board of SmarTone Directors);
“SmarTone Bye-laws”	the bye-laws of SmarTone (as amended from time to time);
“SmarTone Directors”	the director(s) of SmarTone;
“SmarTone Group”	SmarTone and its subsidiaries;
“SmarTone Share(s)”	ordinary share(s) of HK\$0.10 each (or of such other nominal or par value as shall result from a sub-division or a consolidation of such shares from time to time) in the capital of SmarTone;
“SmarTone Shareholder(s)”	holder(s) of SmarTone Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the price per SmarTone Share at which a Grantee may subscribe for SmarTone Shares on the exercise of an Option as described in Paragraph 4 of Appendix III to this circular, subject to adjustment in accordance with the terms of the New SmarTone Share Option Scheme, but in any event such price shall not be less than the nominal or par value of a SmarTone Share;

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## DEFINITIONS

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“subsidiary”	a company which is for the time being and from time to time a subsidiary of the Company (within the meaning of section 15 of the Companies Ordinance) or of SmarTone (within the meaning of section 15 of the Companies Ordinance or section 86 of the Companies Act), whether incorporated in Hong Kong, Bermuda or elsewhere and as the case may be;
“substantial shareholder”	has the meaning ascribed thereto in the Listing Rules;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs; and
“%”	per cent.



新鴻基地產發展有限公司

Sun Hung Kai Properties Limited

*(Incorporated in Hong Kong with limited liability)*  
*(Stock Code : 16)*

***Executive Directors:***

KWOK Ping-luen, Raymond *(Chairman & Managing Director)*  
WONG Chik-wing, Mike *(Deputy Managing Director)*  
LUI Ting, Victor *(Deputy Managing Director)*  
KWOK Kai-fai, Adam  
KWOK Kai-wang, Christopher  
TUNG Chi-ho, Eric  
FUNG Yuk-lun, Allen  
KWOK Ho-lai, Edward *(Alternate Director to KWOK Ping-luen, Raymond)*

***Registered Office:***

45th Floor  
Sun Hung Kai Centre  
30 Harbour Road  
Hong Kong

***Non-Executive Directors:***

KWAN Cheuk-yin, William  
KWOK Kai-chun, Geoffrey

***Independent Non-Executive Directors:***

YIP Dicky Peter  
WONG Yue-chim, Richard  
LI Ka-cheung, Eric  
FUNG Kwok-lun, William  
LEUNG Nai-pang, Norman  
LEUNG KO May-ye, Margaret  
FAN Hung-ling, Henry  
WU Xiang-dong

***Company Secretary:***

YUNG Sheung-tat, Sandy

4 October 2021

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
GENERAL MANDATES TO BUY BACK SHARES AND TO ISSUE SHARES,  
RE-ELECTION OF DIRECTORS AND  
ADOPTION OF NEW SHARE OPTION SCHEME BY  
SMARTONE TELECOMMUNICATIONS HOLDINGS LIMITED  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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## LETTER FROM THE BOARD

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At the annual general meeting of the Company held on 5 November 2020, resolutions were passed for approving the grant of the Share Buy-back Mandate in accordance with the relevant rules set out in the Share Buy-back Rules and of the Issue Mandate. These general mandates will lapse at the conclusion of the Annual General Meeting unless renewed at that meeting. Ordinary resolutions will therefore be proposed at the Annual General Meeting to renew the Share Buy-back Mandate and the Issue Mandate.

In addition, as the Existing SmarTone Share Option Scheme will expire on 1 November 2021, an ordinary resolution will be proposed at the Annual General Meeting to approve the adoption of the New SmarTone Share Option Scheme.

The purpose of this circular is to provide you with information regarding, inter alia, the Share Buy-back Mandate, the Issue Mandate, the extension of the Issue Mandate, the re-election of Directors and the adoption of the New SmarTone Share Option Scheme.

### **1. SHARE BUY-BACK MANDATE**

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant the Share Buy-back Mandate. The Shares which may be bought back pursuant to the Share Buy-back Mandate are up to 10% of the total number of Shares in issue on the date of passing the resolution approving the Share Buy-back Mandate.

As at the Latest Practicable Date, the total number of Shares in issue was 2,897,780,274 Shares. Assuming that there is no change in the total number of Shares in issue between the period from the Latest Practicable Date and the date of passing the resolution approving the Share Buy-back Mandate, the maximum number of Shares which may be bought back pursuant to the Share Buy-back Mandate will be 289,778,027 Shares.

An explanatory statement as required under the Share Buy-back Rules, giving certain information regarding the Share Buy-back Mandate together with the details of the buy-backs of Shares made by the Company during the six months preceding the Latest Practicable Date (if any), is set out in Appendix I to this circular. Details of the Share Buy-back Mandate are set out in Resolution No.5 in the notice of Annual General Meeting set out on pages 31 to 35 of this circular. The Share Buy-back Mandate will expire upon whichever is the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or by the Laws of Hong Kong to be held; and (iii) the date on which the authority given under the ordinary resolution approving the Share Buy-back Mandate is revoked or varied by an ordinary resolution of the Shareholders.

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## LETTER FROM THE BOARD

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### 2. ISSUE MANDATE

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, grant the Issue Mandate. The Shares or rights to subscribe for, or to convert securities into, Shares which may be allotted and issued pursuant to the Issue Mandate are up to 10% of the total number of Shares in issue on the date of passing the resolution approving the Issue Mandate. In addition, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, approve the extension of the Issue Mandate by adding the number of Shares bought back under the Share Buy-back Mandate, if granted, to the aggregate number of Shares which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the Issue Mandate.

Details of the Issue Mandate and the extension of the Issue Mandate are respectively set out in Resolution No. 6 and Resolution No. 7 in the notice of Annual General Meeting set out on pages 31 to 35 of this circular. The Issue Mandate will expire upon whichever is the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or by the Laws of Hong Kong to be held; and (iii) the date on which the authority given under the ordinary resolution approving the Issue Mandate is revoked or varied by an ordinary resolution of the Shareholders.

### 3. RE-ELECTION OF DIRECTORS

In accordance with Article 103(A) of the Articles of Association, Mr. Wong Chik-wing, Mike, Dr. Li Ka-cheung, Eric, Mrs. Leung Ko May-yee, Margaret, Mr. Wu Xiang-dong, Mr. Kwok Kai-chun, Geoffrey and Mr. Kwok Kai-fai, Adam will retire from office and, being eligible, have offered themselves for re-election at the Annual General Meeting.

Details of the retiring Directors who are proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

In accordance with the nomination policy of the Company, the Nomination Committee of the Company (the “**Nomination Committee**”) has reviewed the biographies of Dr. Li Ka-cheung, Eric, Mrs. Leung Ko May-yee, Margaret and Mr. Wu Xiang-dong, all being Independent Non-Executive Directors of the Company who will be subject to retirement and re-election at the Annual General Meeting (the “**Retiring INEDs**”), and taking into consideration their knowledge, experience, capability and various diversity aspects as set out in the board diversity policy of the Company as well as their contribution to the Company over the years, the Nomination Committee is of the view that the Retiring INEDs will continue to contribute to the Board with their respective perspectives, skills and experience. In addition, none of the Retiring INEDs has any financial or family relationships with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company, which could give rise to a conflict of interests situation or otherwise affect their exercise of independent judgement. The Nomination Committee believes that the Retiring INEDs remain committed to their role as Independent Non-Executive Directors of the Company and will continue to be independent.

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## LETTER FROM THE BOARD

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Dr. Li Ka-cheung, Eric has served the Company for more than nine years during which period he has provided professional advice and insight to the Board with his extensive experience in the accounting industry. He has in-depth understanding of the Group's business and operation and has also demonstrated strong independence by providing impartial views and comments at Board and Board committee meetings during his tenure of office. He has not taken part in the day-to-day management of the Company. The Nomination Committee considered that his long service would not affect his exercise of independent judgment and was satisfied that Dr. Li Ka-cheung, Eric has the required integrity and experience to continue fulfilling the role of an Independent Non-Executive Director.

Furthermore, each of the Retiring INEDs has made a confirmation of independence pursuant to the independence guidelines set out in Rule 3.13 of the Listing Rules.

Taking into consideration the above, the Board is of the view that all the Retiring INEDs are independent. The Board also accepted the nomination by the Nomination Committee and recommended the Retiring INEDs to stand for re-election by the Shareholders at the Annual General Meeting.

In accordance with the Corporate Governance Code as set out in the Listing Rules, the re-election of Dr. Li Ka-cheung, Eric will be subject to a separate resolution to be approved at the Annual General Meeting.

#### **4. ADOPTION OF THE NEW SMARTONE SHARE OPTION SCHEME**

On 2 November 2011, SmarTone adopted the Existing SmarTone Share Option Scheme, which will expire on 1 November 2021. In order to ensure continuity of a share option scheme for SmarTone for staff incentives and rewarding Participants that are valuable to the SmarTone Group, the SmarTone Board proposes to adopt the New SmarTone Share Option Scheme at the SmarTone AGM.

The Company, being the holding company of SmarTone, is required to comply with the relevant requirements of the Listing Rules with respect to the New SmarTone Share Option Scheme.

At the Annual General Meeting, an ordinary resolution will be proposed for the Shareholders to consider and, if thought fit, approve the adoption of the New SmarTone Share Option Scheme. So far as the Directors are aware of, as at the Latest Practicable Date, none of the Shareholders is required to abstain from voting for the said resolution.

The purpose of the New SmarTone Share Option Scheme is to provide incentive to Participants to contribute to the SmarTone Group and/or to enable the SmarTone Group to recruit and/or retain high-calibre employees and attract human resources that are valuable to the SmarTone Group or are expected to contribute to the business development of the SmarTone Group.

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, there was no outstanding options under the Existing SmarTone Share Option Scheme; and the issued share capital of SmarTone comprised 1,110,988,601 SmarTone Shares. Assuming that the issued share capital of SmarTone will remain unchanged from the Latest Practicable Date up to the date of adoption of the New SmarTone Share Option Scheme, the maximum number of SmarTone Shares which may be issued upon exercise of all options to be granted under the New SmarTone Share Option Scheme and any other schemes of SmarTone, if any, in aggregate will be 111,098,860 SmarTone Shares, representing 10% of the SmarTone Shares in issue as at the date of adoption of the New SmarTone Share Option Scheme.

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New SmarTone Share Option Scheme as if they had been granted at the Latest Practicable Date, given that the variables which are crucial for the calculation of the value of such Options cannot be determined. The variables which are crucial for the determination of the value of such Options include the Subscription Price for the SmarTone Shares to be issued upon the exercise of the Options, the timing of the grant of such Options and whether or not such Options, if granted, will be exercised by the Grantees. Thus, the Directors are of the view that the value of the Options that can be granted pursuant to the New SmarTone Share Option Scheme depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical bases and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the Options will not be meaningful and may be misleading to the Shareholders in the circumstances.

Although the New SmarTone Share Option Scheme is not subject to any performance target and does not prescribe any minimum period for which an Option must be held before it can be exercised, the Board believes that:

- (i) the requirement for a minimum Subscription Price (which is summarised in Paragraph 4.1 in Appendix III);
- (ii) the selection criteria prescribed by the scheme rules (which are summarised in Paragraph 3.1 in Appendix III); and
- (iii) the necessary conditions that may be imposed by the SmarTone Board as it thinks fit when offering to grant an Option to any Participant (including specifying specific performance targets),

will serve to protect the value of the SmarTone Shares as well as to achieve the purpose of the New SmarTone Share Option Scheme.

None of the Directors and the SmarTone Directors is a trustee of the New SmarTone Share Option Scheme or has any direct or indirect interest in the trustee of the New SmarTone Share Option Scheme, if any.

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## LETTER FROM THE BOARD

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

- (i) the passing of an ordinary resolution by the SmarTone Shareholders at the SmarTone AGM approving the adoption of the New SmarTone Share Option Scheme;
- (ii) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting approving the adoption of the New SmarTone Share Option Scheme; and
- (iii) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the new SmarTone Shares to be issued pursuant to the exercise of the Options granted under the New SmarTone Share Option Scheme.

An 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 new SmarTone Shares to be issued pursuant to the exercise of the Options to be granted under the New SmarTone Share Option Scheme.

A summary of the principal terms of the New SmarTone Share Option Scheme is set out in Appendix III to this circular. A copy of the New SmarTone Share Option Scheme will be published on the websites of the Company ([www.shkp.com](http://www.shkp.com)) and Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) from 21 October 2021 and up to and including the date of the Annual General Meeting, and will also be available for inspection at the Annual General Meeting.

The Company will comply with the relevant Listing Rules from time to time in force in respect of the New SmarTone Share Option Scheme.

### 5. RECOMMENDATION

The Directors consider that the granting of the Share Buy-back Mandate, the granting and the extension of the Issue Mandate, the re-election of Directors and the adoption of the New SmarTone Share Option Scheme are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

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## LETTER FROM THE BOARD

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### 6. ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting to be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 4 November 2021 at 12:00 noon is set out on pages 31 to 35 of this circular. At the Annual General Meeting, ordinary resolutions will be proposed to approve, inter alia, the Share Buy-back Mandate, the Issue Mandate, the extension of the Issue Mandate, the re-election of Directors and the adoption of the New SmarTone Share Option Scheme.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. The chairman of the Annual General Meeting will exercise his power under Article 73 of the Articles of Association to put each of the resolutions to be proposed at the Annual General Meeting to be voted by way of a poll. The results of the poll will be published on the websites of the Company ([www.shkp.com](http://www.shkp.com)) and Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) pursuant to Rule 13.39(5) of the Listing Rules.

A proxy form for use at the Annual General Meeting is enclosed. It can also be downloaded from the websites of the Company and Hong Kong Exchanges and Clearing Limited. Whether or not you are able to attend the Annual General Meeting in person, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not later than 12:00 noon on Tuesday, 2 November 2021 or not less than 48 hours before the time for holding any adjourned Annual General Meeting (as the case may be). Completion and delivery of the proxy form will not preclude you from attending and voting in person at the Annual General Meeting or at any adjournment thereof if you subsequently so wish.

Yours faithfully,

**KWOK Ping-luen, Raymond**  
*Chairman & Managing Director*

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## APPENDIX I EXPLANATORY STATEMENT FOR SHARE BUY-BACK MANDATE

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The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Share Buy-back Mandate and also constitutes the memorandum under section 239(2) of the Companies Ordinance.

**(a) Listing Rules**

The Listing Rules permit companies with a primary listing on the Stock Exchange to buy back their fully-paid up shares on the Stock Exchange subject to certain restrictions.

**(b) Shareholders' approval**

The Listing Rules provide that all on-market share buy-backs made by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by specific approval of a particular transaction or by a general mandate to the directors of the company to make such buy-backs.

**(c) Exercise of the Share Buy-back Mandate**

As at the Latest Practicable Date, there were 2,897,780,274 Shares in issue. Subject to the passing of the ordinary resolution approving the Share Buy-back Mandate and on the basis that no further Shares are issued and no Shares are bought back prior to the Annual General Meeting, the Company would be allowed under the Share Buy-back Mandate to buy back a maximum of 289,778,027 Shares.

**(d) Reasons for the buy-back of Shares**

The Directors believe that the Share Buy-back Mandate is in the best interests of the Company and the Shareholders. Buy-backs may, depending on the circumstances, result in an increase in net assets per Share and/or earnings per Share. The Directors are seeking the grant of a general mandate to buy back Shares to give the Company the flexibility to do so if and when appropriate. The timing, number, prices and other terms upon which the Shares are bought back will be decided by the Directors at the relevant time having regard to the circumstances then prevailing.

**(e) Source of funds**

Buy-backs must be made out of funds which are legally available for such purpose in accordance with the Articles of Association and the Laws of Hong Kong. It is envisaged that the funds required for any buy-back would be derived from the distributable profits of the Company.

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 for the year ended 30 June 2021 contained in the 2020/21 annual report of the Company) in the event that the proposed Share buy-backs were to be carried out in full at anytime during the proposed buy-back period. However, the Directors do not propose to exercise the Share Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital of the Company or its gearing level.

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**APPENDIX I EXPLANATORY STATEMENT FOR SHARE BUY-BACK MANDATE**

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**(f) Share prices**

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

	<b>Share Prices</b>	
	<b>(per Share)</b>	
	<b>Highest</b>	<b>Lowest</b>
	<i>HK\$</i>	<i>HK\$</i>
<b>2020</b>		
September	103.50	96.65
October	100.90	96.30
November	110.00	97.55
December	106.50	97.75
<b>2021</b>		
January	112.60	99.90
February	125.70	104.60
March	126.00	111.20
April	124.00	115.90
May	121.90	113.50
June	124.30	115.20
July	118.00	111.20
August	114.50	108.90
September (up to the Latest Practicable Date)	111.80	94.50

**(g) Undertaking**

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, the applicable Laws of Hong Kong, and the Articles of Association.

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) currently intends to sell Shares to the Company or its subsidiaries in the event that the Share Buy-back Mandate is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Company is authorised to buy back the Shares.

**(h) The Takeovers Code**

If, as a result of a buy-back of Shares by the Company, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of increase of shareholding interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the register required to be kept by the Company under Section 336 of the SFO or other notification(s) received by the Company (if any), HSBC Trustee (C.I.) Limited ("HSBC Trustee") had certain interests in 1,000,421,008 Shares, in which Madam Kwong Siu-hing was deemed to be interested in 783,240,237 Shares and such interests were therefore duplicated with the interests of HSBC Trustee. In addition, Messrs. Kwok Ping-luen, Raymond, Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward had certain interests in the Shares for the purpose of Part XV of the SFO, of which a total of 556,705,179 Shares were not duplicated with the abovementioned interests of HSBC Trustee and Madam Kwong Siu-hing.

The abovementioned interests, after taking account of duplications of interests, represented approximately 53.74% of the total number of Shares in issue as at the Latest Practicable Date. In the event that the Directors exercise in full the power to buy back Shares under the Share Buy-back Mandate, the abovementioned interests will be increased to approximately 59.71% of the total number of Shares in issue. Such increase will not give rise to any obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code and the number of Shares held by the public will not fall below 25% of the total number of Shares in issue.

**(i) Shares bought back by the Company**

The Company did not buy back any Shares in the six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

The following are the particulars of the retiring Directors proposed to be re-elected at the Annual General Meeting (the “Retiring Directors”):

**Wong Chik-wing, Mike**

MSc(IRE), FHKIS, RPS (BS), JP

*Deputy Managing Director (Age: 65)*

Mr. Wong has been a Deputy Managing Director of the Company since July 2012. He joined the Group in 1981 and has been an Executive Director of the Company since January 1996. He is also a member of the Executive Committee of the Company. Mr. Wong graduated from The Hong Kong Polytechnic University with distinction and holds a Master’s degree in International Real Estate. He is a fellow of The Hong Kong Institute of Surveyors and a registered professional surveyor. Also, he is an Adjunct Professor of both The University of Hong Kong (Department of Real Estate and Construction) and The Hong Kong Polytechnic University (Department of Building and Real Estate). He is currently responsible for planning and development, and project management matters of the Group’s development projects.

As at the Latest Practicable Date, Mr. Wong had personal interests in 497,695 Shares within the meaning of Part XV of the SFO.

For the year ended 30 June 2021, Mr. Wong is entitled to receive a fee of HK\$300,000 for being a Director and other emoluments of approximately HK\$27.64 million.

**Dr. Li Ka-cheung, Eric**

LLD, DSocSc., HonDSocSc (EdUHK), B.A., GBS, OBE, JP

*Independent Non-Executive Director (Age: 68)*

Dr. Li was appointed as a Non-Executive Director of the Company in May 2005. He is currently an Independent Non-Executive Director, the Chairman of the Audit and Risk Management Committee and a member of the Remuneration Committee of the Company. He is also an independent non-executive director and the chairman of the audit committee and the remuneration committee of SmarTone.

Dr. Li is the honorary chairman of Shinewing (HK) CPA Limited. He is also an independent non-executive director of Transport International Holdings Limited, Wong’s International Holdings Limited and China Resources Beer (Holdings) Company Limited. Dr. Li retired as an independent non-executive director of Hang Seng Bank Limited with effect from 27 May 2021.

Dr. Li is a member of the 13th National Committee of the Chinese People’s Political Consultative Conference. He was a former member of the Legislative Council of Hong Kong, the chairman of its Public Accounts Committee, a past president of the Hong Kong Institute of Certified Public Accountants and a former convenor-cum-member of the Financial Reporting Review Panel.

As at the Latest Practicable Date, Dr. Li had family interests in 4,028 Shares within the meaning of Part XV of the SFO.

For the year ended 30 June 2021, Dr. Li is entitled to receive fees of HK\$300,000 for being a Director, HK\$320,000 for being the Chairman of the Audit and Risk Management Committee of the Company and HK\$60,000 for being a member of the Remuneration Committee of the Company. He is also entitled to receive other emoluments in the total sum of HK\$288,000 for being a director and the chairman of the audit committee and the remuneration committee of SmarTone.

**Leung Ko May-yee, Margaret**

SBS, JP

*Independent Non-Executive Director (Age: 69)*

Mrs. Leung has been an Independent Non-Executive Director of the Company since March 2013. She holds a Bachelor's degree in Economics, Accounting and Business Administration from The University of Hong Kong. She was the vice-chairman and the chief executive of Hang Seng Bank Limited, the chairman of Hang Seng Bank (China) Limited, a director of various subsidiaries of Hang Seng Bank Limited, a director of The Hongkong and Shanghai Banking Corporation Limited and the Group General Manager of HSBC Holdings plc prior to her retirement from the HSBC group in June 2012.

Mrs. Leung is currently an independent non-executive director of First Pacific Company Limited and Agricultural Bank of China Limited. In addition, she was an independent non-executive director of Swire Pacific Limited, Hutchison Whampoa Limited, China Construction Bank Corporation, QBE Insurance Group Limited, Hong Kong Exchanges and Clearing Limited and Li & Fung Limited as well as the deputy chairman, managing director and chief executive of Chong Hing Bank Limited.

Mrs. Leung is the vice chairman of the Advisory Committee on Arts Development of the Home Affairs Bureau, a member of the Advisory Committee on Post-office Employment for Former Chief Executives and Politically Appointed Officials and the Public Service Commission of the Government of the Hong Kong Special Administrative Region, a non-ex officio member of The Law Reform Commission of Hong Kong, and a Steward of The Hong Kong Jockey Club. She is also a council member, the treasurer and the chairman of the finance committee, and a member of the human resources policy committee of The University of Hong Kong. Mrs. Leung was the chairman of the board of governors of Hang Seng Management College and Hang Seng School of Commerce, a court member of the Hong Kong Baptist University, and a member of the advisory board and the chairman of the investment committee of the Hong Kong Export Credit Insurance Corporation from 2005 to 2010. She was also a member of the Greater Pearl River Delta Business Council, the advisory committee of the Securities and Futures Commission, the Banking Review Tribunal, and the Independent Commission on Remuneration for Members of the Executive Council and the Legislature, and Officials under the Political Appointment System of the Hong Kong Special Administrative Region, the chairman of the executive committee of The Community Chest of Hong Kong, and a member of the board of directors and the finance committee of the Hospital Authority.

As at the Latest Practicable Date, Mrs. Leung had personal interests in 15,372 Shares within the meaning of Part XV of the SFO.

For the year ended 30 June 2021, Mrs. Leung is entitled to receive a fee of HK\$300,000 for being a Director.

**Wu Xiang-dong**

MBA, M.E., B.E.

*Independent Non-Executive Director (Age: 54)*

Mr. Wu has been an Independent Non-Executive Director of the Company since September 2019. He holds a double Bachelor's degree in Construction Management and Engineering Mechanics, as well as a Master's degree in Municipal Engineering from Tsinghua University and an MBA degree from the University of San Francisco.

Mr. Wu has over 26 years of experience in corporate management and commercial property operation. He is currently a co-chairman, the chief executive officer and the president of China Fortune Land Development Co., Ltd. Mr. Wu was an executive director of China Resources Land Limited ("CRL") for the period from June 2009 to February 2019 and also worked as the executive vice president, the managing director and the chairman of the board of directors of CRL for certain time during such period. He was also an independent director of Yango Group Co., Ltd.

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

For the year ended 30 June 2021, Mr. Wu is entitled to receive a fee of HK\$300,000 for being a Director.

**Kwok Kai-chun, Geoffrey**

BA

*Non-Executive Director (Age: 36)*

Mr. Kwok has been a Non-Executive Director of the Company since December 2018. He holds a Bachelor of Arts degree in Economics from Yale University. Mr. Kwok joined the Group in May 2008 and has participated in managing the hotels and serviced apartments of the Group in Hong Kong and on the mainland. He is a director of a subsidiary in the hotel division of the Group. Prior to joining the Group, he worked in an international investment bank. He is also a director of Empire Group Holdings Limited.

Mr. Kwok is a nephew of Mr. Kwok Ping-luen, Raymond. He is also a grandson of Madam Kwong Siu-hing, who is a substantial shareholder of the Company within the meaning of Part XV of the SFO. Mr. Kwok is a cousin of Messrs. Kwok Kai-fai, Adam, Kwok Kai-wang, Christopher and Kwok Ho-lai, Edward. He is a director of Asporto Limited, which has interests in the shares of the Company and such interests have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

As at the Latest Practicable Date, Mr. Kwok had other interests in 659,001,872 Shares within the meaning of Part XV of the SFO.

For the year ended 30 June 2021, Mr. Kwok is entitled to receive a fee of HK\$300,000 for being a Director.

**Kwok Kai-fai, Adam**

MBA, BSc

*Executive Director (Age: 38)*

Mr. Kwok has been an Executive Director of the Company since December 2014. He is also a member of the Executive Committee of the Company. Mr. Kwok holds a Bachelor of Science degree in Management Science and Engineering from Stanford University and a Master's degree in Business Administration from Harvard Business School. He worked in an international investment bank prior to joining the Group in November 2008, and has substantial experience in corporate finance. He was the project director taking charge of certain key residential and commercial projects of the Group in Hong Kong and the Pearl River Delta region. Since April 2013, he has taken up the overall responsibilities for the property business in Southern China.

In addition, Mr. Kwok is a vice-president of The Real Estate Developers Association of Hong Kong, a member of the Major Sports Events Committee, a member of the International Advisory Council of the Faculty of Business and Economics of The University of Hong Kong, an advisor of Our Hong Kong Foundation and a president of Hong Kong United Youth Association. He is also a standing committee member of the Guangdong Provincial Committee of the Chinese People's Political Consultative Conference, a founder and deputy chairman of Hong Kong Guangdong Youth Association, a standing committee member of All-China Youth Federation, a member of the chairman's committee of Friends of Hong Kong Association Development Foundation and a vice-chairman of Greater Bay Area Homeland Youth Community Foundation.

Mr. Kwok is a nephew of Mr. Kwok Ping-luen, Raymond. He is also a grandson of Madam Kwong Siu-hing, who is a substantial shareholder of the Company within the meaning of Part XV of the SFO. Mr. Kwok is a cousin of Messrs. Kwok Kai-wang, Christopher, Kwok Kai-chun, Geoffrey and Kwok Ho-lai, Edward.

As at the Latest Practicable Date, Mr. Kwok had corporate interests in 32,000 Shares and other interests in 665,008,747 Shares within the meaning of Part XV of the SFO.

For the year ended 30 June 2021, Mr. Kwok is entitled to receive a fee of HK\$300,000 for being a Director and other emoluments of approximately HK\$8.97 million.

Save as disclosed above, all the Retiring Directors did not hold any other directorships in the last three years in any other public companies, the securities of which are listed in Hong Kong or overseas, and do not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company.

All the Directors have not entered into any service contract with the Company. In accordance with the Articles of Association, Directors are subject to retirement and shall be eligible for re-election at the annual general meetings of the Company. For the Non-Executive Directors (including the Independent Non-Executive Directors), they are subject to a term of approximately two years commencing from the date of the annual general meeting at which they are re-elected and expiring at the annual general meeting to be held two years thereafter, and they shall be eligible for re-election for a like term at that annual general meeting upon the expiry of their term of office.

The Directors' fees are proposed by the Board and approved by the Shareholders at the annual general meeting and their other emoluments are subject to review by the Board from time to time pursuant to the power given to it under the Articles of Association with reference to their contribution in terms of time, effort and accomplishments.

Save as disclosed above, there are no other matters concerning the Retiring Directors that need to be brought to the attention of the Shareholders nor any information required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules.

**NEW SMARTONE SHARE OPTION SCHEME**

The following is a summary of the New SmarTone Share Option Scheme. It does not form part of the New SmarTone Share Option Scheme and does not affect the interpretation of it.

**1. Purpose**

- 1.1 The purpose of the New SmarTone Share Option Scheme is to provide incentive to Participants to contribute to the SmarTone Group and/or to enable the SmarTone Group to recruit and/or to retain high-calibre employees and attract human resources that are valuable to the SmarTone Group or are expected to be able to contribute to the business development of the SmarTone Group.

**2. Duration and administration**

- 2.1 Subject to Paragraph 13 and the adoption of the New SmarTone Share Option Scheme becoming unconditional, the New SmarTone Share Option Scheme shall be valid and effective for the Scheme Period, after which period no further Options will be issued, and thereafter for so long as there are outstanding any unexercised Options granted pursuant thereto and in order to give effect to the exercise of any such Options or otherwise as may be required in accordance with the provisions of the New SmarTone Share Option Scheme.
- 2.2 The New SmarTone Share Option Scheme shall be subject to the administration of the SmarTone Board whose decision (save as otherwise provided therein) shall be final and binding on all parties.
- 2.3 The SmarTone Board shall have the power from time to time to make or vary regulations for the administration and operation of the New SmarTone Share Option Scheme, provided that the same are not inconsistent with the provisions of the New SmarTone Share Option Scheme.

**3. Grant of Option**

- 3.1 On and subject to the terms of the New SmarTone Share Option Scheme, the SmarTone Board shall be entitled at any time and from time to time during the Scheme Period to offer to grant to any Participant who, in the absolute discretion of the SmarTone Board, has made a valuable contribution to the growth of the SmarTone Group based on his performance and/or periods of service, or is regarded as valuable to the SmarTone Group based on his work experience, industry knowledge or other relevant factors, or is expected to be able to contribute to the business development of the SmarTone Group based on his business connections or other relevant factors, and subject to such conditions as the SmarTone Board may think fit, an Option to subscribe for such number of SmarTone Shares as the SmarTone Board may determine at the Subscription Price provided that the SmarTone Board shall not offer to grant any Participant an Option if a prospectus is required to be issued in connection with such grant under the Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Companies Act.

- 3.2 An offer of the grant of an Option shall be made to a Participant by letter (the date of which shall be deemed to be the date on which the offer is made), in such form as the SmarTone Board may from time to time determine, specifying, inter alia, the number of SmarTone Shares comprised in the Option, its Option Period and the Subscription Price and requiring the Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the New SmarTone Share Option Scheme. The offer shall be personal to the Participant concerned and not transferable and shall remain open for acceptance by the Participant for a period of 28 days from the Offer Date, provided that no such offer shall be open for acceptance after the expiry of the Scheme Period or after the New SmarTone Share Option Scheme has been terminated in accordance with Paragraph 13.
- 3.3 An Option shall be deemed to have been accepted when the duplicate of the offer letter, comprising acceptance of the Option, duly signed by the Grantee together with a remittance in favour of SmarTone of HK\$1.00 by way of consideration for the grant thereof is received by the secretary of SmarTone within the period referred to in Paragraph 3.2. The remittance shall not be refundable. Once such acceptance is made, the Option shall be deemed to have been granted and to have taken effect from the Offer Date.
- 3.4 Where any offer of the grant of Options is proposed to be made to a director, chief executive or substantial shareholder of SmarTone, or any of their respective associates, such offer must first be approved by the independent non-executive directors of SmarTone (excluding, if applicable, the independent non-executive director who is the Grantee of the Options).
- 3.5 Without prejudice to the generality of Paragraph 3.4, where any offer of the grant of Options is proposed to be made to a substantial shareholder or an independent non-executive director of SmarTone, or any of their respective associates, which would result in the SmarTone Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such offer: (a) representing in aggregate over 0.1% of the SmarTone Shares in issue; and (b) having an aggregate value, based on the closing price of the SmarTone Shares at the date of offer, in excess of HK\$5 million, such offer of grant must first be approved by the SmarTone Shareholders in general meeting. The Grantee, his associates and all core connected persons of SmarTone must abstain from voting in favour at such general meeting. SmarTone must send a circular to the SmarTone Shareholders containing the information required under the Listing Rules.
- 3.6 Any change in the terms of Options granted to a Grantee who is a substantial shareholder or an independent non-executive director of SmarTone, or any of their respective associates, must be approved by the SmarTone Shareholders in general meeting as required under Paragraph 3.5.

**4. Subscription Price**

- 4.1 The Subscription Price shall be determined by the SmarTone Board and notified to a Participant at the time of offer of the Option(s) (subject to any adjustments made pursuant to Paragraph 8) and shall be at least the highest of (a) the closing price of the SmarTone Shares as stated in the Stock Exchange's daily quotations sheets on the Offer Date, which must be a Business Day; (b) the average closing price of the SmarTone Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the Offer Date; and (c) the nominal or par value of the SmarTone Shares.

**5. Exercise of Options**

- 5.1 An Option shall be personal to the Grantee and shall not be assignable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any third party over or in relation to any Option or purport to do any of the foregoing. Any breach of the foregoing shall entitle the SmarTone Board to cancel any outstanding Option, or any part thereof, granted to such Grantee.
- 5.2 An Option may be exercised in whole or in part in the manner provided in Paragraph 5.3 by the Grantee (or, as the case may be, by his legal personal representative(s)) giving notice in writing (or in any other formats acceptable to SmarTone from time to time) to SmarTone stating that the Option is thereby exercised and the number of SmarTone Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the aggregate Subscription Price for the SmarTone Shares in respect of which the notice is given. Within 28 days after receipt of the notice and the remittance and, where appropriate, receipt of the independent financial adviser's or the SmarTone Auditors' confirmation pursuant to Paragraph 8, SmarTone shall allot the relevant number of SmarTone Shares to the Grantee or his legal personal representative(s) credited as fully paid and issue to the Grantee or his legal personal representative(s) share certificate(s) in respect of the SmarTone Shares so allotted.
- 5.3 Subject as hereinafter provided in the New SmarTone Share Option Scheme, the Option may be exercised by the Grantee at any time during the Option Period provided that:
- (a) in the case where the Grantee is an employee (including any director) of SmarTone or a subsidiary of SmarTone and the Grantee ceases to be an employee of SmarTone or the subsidiary of SmarTone by reason of death, retirement or being totally permanently physically or mentally disabled and none of the events which would be a ground for termination of his employment specified in Paragraph 6.1(d)(ii) has occurred, the Grantee or, as the case may be, his legal personal representative(s) shall be entitled until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of 12 months from the date of his ceasing to be an employee of SmarTone or the subsidiary of SmarTone to exercise the Option (to the extent not already exercised) in full or to the extent specified in the notice to exercise such Option;

- (b) if a general offer to acquire SmarTone Shares (whether by takeover offer, merger, privatisation proposal between SmarTone and its members or otherwise but excluding any compromise or arrangement referred to in Paragraph 5.3(d)) is made to all the holders of SmarTone Shares (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror) and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, the Grantee (or his legal personal representative(s)) shall be entitled to exercise the Option (to the extent not already exercised) at any time until whichever is the earlier of the date of expiry of the Option Period or the last day of the period of 14 days (or such longer period as the SmarTone Board shall decide) after the date on which the offer becomes or is declared unconditional, after which the Option shall lapse;
- (c) if notice is duly given of a general meeting of SmarTone at which a resolution will be proposed for the voluntary winding up of SmarTone, every Option shall be exercisable in whole or in part (but so that any exercise hereunder shall only be valid if, at the time of such notice, the Option shall not have lapsed and determined in accordance with the provisions of the New SmarTone Share Option Scheme) not later than two Business Days (excluding any period(s) of closure of SmarTone's share registers) prior to the proposed meeting or such time as shall be notified by SmarTone, after which all Options shall, to the extent that they have not been exercised, thereupon lapse and determine; and
- (d) if under section 99 of the Companies Act a compromise or arrangement between SmarTone and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of SmarTone or its amalgamation with any other company or companies, SmarTone shall give notice thereof to all Grantees on the same date as it despatches the notice which is sent to each member or creditor of SmarTone summoning the meeting to consider such a compromise or arrangement, and thereupon each Grantee (or where permitted his personal representatives) may forthwith but no later than five Business Days (excluding any period(s) of closure of SmarTone's share registers) prior to the proposed meeting or such time as shall be notified by SmarTone be entitled to exercise his Option, after which all Options shall lapse except insofar as previously exercised under this Paragraph 5.3(d). SmarTone may thereafter require each Grantee to transfer or otherwise deal with the SmarTone Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as may be as would have been the case had such SmarTone Shares been subject to such compromise or arrangement.

- 5.4 Unless otherwise determined by the SmarTone Board and specified in the offer letter (as referred to in Paragraph 3.2) at the time of offer, there is neither any performance target that needs to be achieved by the Grantee before an Option can be exercised nor any minimum period for which an Option must be held before the Option can be exercised.
- 5.5 The SmarTone Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the SmarTone Bye-laws for the time being in force and will rank *pari passu* in all respects with the fully paid SmarTone Shares in issue on the date of allotment or, if that date falls on a day when the register of members of SmarTone is closed, the first day of the reopening of the register of members with such SmarTone Shares being so registered in the register of members and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment other than any dividend or other distribution previously declared or recommended or resolved to be paid or made with respect to a record date which shall be on or before the date of allotment.
- 5.6 A SmarTone Share issued upon the exercise of an Option shall not carry voting rights until the registration of the Grantee (or any other person) as the holder thereof.
- 5.7 All allotments and issues of SmarTone Shares will be subject to any necessary consents under any relevant enactments or regulations for the time being in force in Hong Kong or elsewhere and it shall be the responsibility of the Grantee to comply with any requirements to be fulfilled in order to obtain or obviate the necessity for any such consent.

## **6. Lapse of Option**

- 6.1 An Option shall lapse automatically (to the extent not already exercised) on the earliest of:
- (a) the expiry of the Option Period;
  - (b) the expiry of any of the other periods referred to in Paragraph 5.3(a), 5.3(b) or 5.3(d);
  - (c) subject to Paragraph 5.3(c), the date of commencement of the winding-up of SmarTone;

- (d) in the case where the Grantee is an employee (including any director) of SmarTone or any subsidiary of SmarTone and he ceases to be an employee of SmarTone or the relevant subsidiary of SmarTone:
- (i) by reason of the Grantee's resignation, whether or not in accordance with the provisions of his service contract, the last actual working day of the Grantee with SmarTone or the relevant subsidiary of SmarTone (whether salary is paid in lieu of notice or not);
  - (ii) by reason of the Grantee being dismissed by SmarTone or the relevant subsidiary of SmarTone on any one or more of the grounds that he has been guilty of misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or (if so determined by the SmarTone Board) on any other ground which an employer would be entitled to terminate his employment under common law or pursuant to any applicable laws or under the Grantee's service contract with SmarTone or the relevant subsidiary of SmarTone, the day on which the Grantee ceases to be an employee of SmarTone or the relevant subsidiary of SmarTone or the day on which the employer serves notice to dismiss the Grantee, whichever is the earlier; or
  - (iii) by reason of the Grantee being dismissed by SmarTone or the relevant subsidiary of SmarTone other than termination of his employment on one or more of the grounds specified in Paragraph 6.1(d)(ii), the last actual working day of the Grantee with SmarTone or the relevant subsidiary of SmarTone (whether salary is paid in lieu of notice or not);

(For the purposes of this Paragraph 6.1(d), a Grantee shall not be regarded as ceasing to be an employee of SmarTone or a subsidiary of SmarTone and shall continue to be an employee of SmarTone or a subsidiary of SmarTone if he is transferred to a different position of employment with SmarTone or a subsidiary of SmarTone, as the case may be.)

- (e) in the case where the Grantee is an agent, consultant or representative of SmarTone or any subsidiary of SmarTone, the date on which such person ceases to be an agent, consultant or representative of SmarTone or any subsidiary of SmarTone;
- (f) where the Grantee commits a breach of Paragraph 5.1, the date on which the SmarTone Board exercises SmarTone's right to cancel the Option.

**7. Maximum number of SmarTone Shares available for subscription**

- 7.1 The total number of SmarTone Shares which may be issued upon exercise of all options to be granted under the New SmarTone Share Option Scheme and any other share option schemes of SmarTone must not in aggregate exceed 10% of the SmarTone Shares in issue as at the date of approval of the New SmarTone Share Option Scheme by the SmarTone Shareholders.
- 7.2 SmarTone may seek approval by the SmarTone Shareholders in general meeting for refreshing the 10% limit under the New SmarTone Share Option Scheme. However, the total number of SmarTone Shares which may be issued upon exercise of all options to be granted under all of the New SmarTone Share Option Scheme and any other share option schemes of SmarTone under the limit as refreshed must not exceed 10% of the SmarTone Shares in issue as at the date of approval of the limit. SmarTone must send a circular to the SmarTone Shareholders containing the information required under the Listing Rules.
- 7.3 SmarTone may seek separate approval by the SmarTone Shareholders in general meeting for granting Options beyond the 10% limit provided the Options in excess of the limit are granted only to Participants specifically identified by SmarTone before such approval is sought. SmarTone must send a circular to the SmarTone Shareholders containing the information required under the Listing Rules.
- 7.4 The limit on the number of SmarTone Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the New SmarTone Share Option Scheme and any other share option schemes of SmarTone must not exceed 30% of the SmarTone Shares in issue from time to time.
- 7.5 If SmarTone conducts a consolidation or subdivision of SmarTone Shares after the 10% limit has been approved by the SmarTone Shareholders in general meeting, the maximum number of SmarTone Shares that may be issued upon exercise of all options to be granted under the New SmarTone Share Option Scheme and any other share option schemes of SmarTone under the 10% limit as a percentage of the total number of SmarTone Shares in issue at the date immediately before and after such consolidation or subdivision shall be the same.

7.6 The maximum entitlement of each Participant under the New SmarTone Share Option Scheme is that the total number of SmarTone Shares issued and to be issued upon exercise of the Options granted to such Participant (including both exercised and outstanding Options) in any 12-month period shall not exceed 1% of the SmarTone Shares in issue. Where any further offer of the grant of Options to a Participant would result in the SmarTone Shares issued and to be issued upon exercise of all options granted and to be granted to such Participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further offer representing in aggregate over 1% of the SmarTone Shares in issue, such further offer of grant must be separately approved by the SmarTone Shareholders in general meeting with such Participant and his close associates (or his associates if the Participant is a connected person) abstaining from voting. SmarTone must send a circular to the SmarTone Shareholders containing the information required under the Listing Rules.

## **8. Reorganisation of capital structure**

8.1 In the event of any alteration in the capital structure of SmarTone (whilst any Option remains exercisable) arising from capitalisation of profits or reserves, rights issue, consolidation, sub-division or reduction of the share capital of SmarTone, or otherwise howsoever in accordance with legal requirements and requirements of the Stock Exchange excluding any alteration on the capital structure of SmarTone as a result of an issue of SmarTone Shares as consideration in respect of a transaction, such corresponding adjustments (if any) shall be made in:

- (a) the number of SmarTone Shares subject to the New SmarTone Share Option Scheme;
- (b) the number of SmarTone Shares subject to outstanding Options;
- (c) the Subscription Price in relation to each outstanding Option; and
- (d) the method of exercise of the Options,

provided that the proportion of issued share capital of SmarTone to which the Grantee is entitled after the adjustment is the same as that to which he was entitled prior to the adjustment and that no such adjustments shall be made the effect of which would be to enable any SmarTone Share to be issued at less than its nominal or par value. In respect of any adjustment required by this Paragraph 8, other than any made on a capitalisation issue, an independent financial adviser or the SmarTone Auditors must also confirm to the SmarTone Board in writing that the adjustments satisfy the foregoing proviso.

8.2 If there has been any adjustment in the capital structure of SmarTone as referred to in Paragraph 8.1, SmarTone shall within 28 days after receipt of confirmation of the independent financial adviser or the SmarTone Auditors as referred to in Paragraph 8.1, inform the Grantee of such adjustment and of any adjustment to be made in accordance with the independent financial adviser's or the SmarTone Auditors' confirmation obtained by SmarTone for such purposes.

## **9. Share capital**

9.1 The exercise of any Option shall be subject to the SmarTone Shareholders in general meeting approving any necessary increase in the authorised share capital of SmarTone. Subject thereto the SmarTone Board shall make available sufficient authorised but unissued share capital of SmarTone to meet subsisting requirements in connection with the exercise of Options.

## **10. Disputes**

10.1 The decision of the SmarTone Board in any dispute arising in connection with the New SmarTone Share Option Scheme (whether as to the number of SmarTone Shares which form the subject of an Option, the amount of the Subscription Price or otherwise) shall be final and binding on the Grantees, subject to the prior receipt of a statement in writing from the independent financial adviser or the SmarTone Auditors if so required by Paragraph 8.1.

## **11. Cancellation**

11.1 Where it is desired that any Options granted but not exercised should be cancelled, the SmarTone Board may effect such cancellation in a manner that complies with any legal requirements for such cancellation.

## **12. Alteration of the New SmarTone Share Option Scheme**

12.1 Subject to Paragraphs 12.2, 12.4, 12.5, 12.6 and 12.7, the New SmarTone Share Option Scheme may be altered in any respect by resolution of the SmarTone Board without first obtaining SmarTone Shareholders' approval given by resolution passed at a general meeting.

12.2 No such alteration as referred to in this Paragraph 12 shall operate to affect adversely the terms of issue of any Option granted or offered to any Participant for acceptance prior to such alteration, except in the case of an alteration affecting all Options, with the written consent or sanction of such number of Grantees as shall together hold Options in respect of not less than three fourths in nominal or par value of all SmarTone Shares which form the subject of such Options.

12.3 A meeting of Grantees for the purposes of considering a resolution to sanction an alteration, as envisaged in Paragraph 12.2, may be convened by the SmarTone Board and to any such meeting all the provisions of the SmarTone Bye-laws as to general meetings of SmarTone Shareholders shall apply, mutatis mutandis, as though the Options concerned were a class of shares forming part of the capital of SmarTone.

12.4 The provisions of the New SmarTone Share Option Scheme as to:

- (a) the definitions of “Grantee” and “Option Period” and “Participant” and “Scheme Period”; and
- (b) the provisions of Paragraphs 1.1, 2.1, 3, 4, 5, 6, 7, 8, 11 and this Paragraph 12 and Paragraph 13,

shall not be altered to the advantage of the Participants except with the prior sanction of a resolution of the SmarTone Shareholders in general meeting.

12.5 Any alterations to the terms and conditions of the New SmarTone Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by the SmarTone Shareholders in general meeting, except where the alterations take effect automatically under the existing terms of the New SmarTone Share Option Scheme.

12.6 The amended terms of the New SmarTone Share Option Scheme or the Options must comply with the relevant requirements of Chapter 17 of the Listing Rules (in its current form or as amended from time to time).

12.7 Any change to the authority of the SmarTone Directors in relation to any alteration to the terms of the New SmarTone Share Option Scheme under Paragraph 12.1 must be approved by the SmarTone Shareholders in general meeting.

### **13. Termination**

13.1 SmarTone may at any time terminate the operation of the New SmarTone Share Option Scheme by way of a resolution passed at a general meeting of the SmarTone Shareholders or at a meeting of the SmarTone Board except that all Options granted prior to such termination and not then exercised shall continue to be valid and exercisable subject to and in accordance with the New SmarTone Share Option Scheme.

**14. Miscellaneous**

- 14.1 The New SmarTone Share Option Scheme shall not form part of any contract of employment, agency, consultancy or representation between SmarTone or any subsidiary of SmarTone (as the case may be) and any Participant and the rights and obligations of any Participant under the terms of his office, employment, agency, consultancy or representation shall not be affected by his participation in the New SmarTone Share Option Scheme or any right which he may have to participate in it and the New SmarTone Share Option Scheme shall afford such a Participant no additional rights to compensation or damages in consequence of the termination of such office, employment, agency, consultancy or representation for any reason.
- 14.2 The New SmarTone Share Option Scheme shall not confer on any person any legal or equitable rights (other than those constituting the Options themselves) against SmarTone directly or indirectly or, other than in relation to the rights attached to the Options themselves, give rise to any cause of action at law or in equity against SmarTone.
- 14.3 A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the grant or exercise of the Option. SmarTone shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his participation in the New SmarTone Share Option Scheme.
- 14.4 A Grantee shall pay all taxes and discharge all other liabilities to which he may become subject as a result of his participation in the New SmarTone Share Option Scheme or the exercise of any Option.
- 14.5 The New SmarTone Share Option Scheme and all Options granted hereunder shall be governed by and construed in accordance with the Laws of Hong Kong.

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## NOTICE OF ANNUAL GENERAL MEETING

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新鴻基地產發展有限公司

Sun Hung Kai Properties Limited

*(Incorporated in Hong Kong with limited liability)*

*(Stock Code : 16)*

**NOTICE IS HEREBY GIVEN** that the Forty-ninth Annual General Meeting of the shareholders of Sun Hung Kai Properties Limited (the “**Company**”) will be held at 53rd Floor, Sun Hung Kai Centre, 30 Harbour Road, Hong Kong on Thursday, 4 November 2021 at 12:00 noon for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and auditor for the year ended 30 June 2021.
2. To declare a final dividend.
3. To re-elect the retiring Directors and to fix the Directors’ fees.
4. To re-appoint Deloitte Touche Tohmatsu as auditor and to authorise the Board of Directors to fix its remuneration.

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

5. “**THAT:**
  - (a) subject to paragraph (b) of this Resolution, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to buy back shares of the Company be and is hereby generally and unconditionally approved;
  - (b) the aggregate number of shares which may be bought back on The Stock Exchange of Hong Kong Limited or any other stock exchange recognised for this purpose by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited under The Codes on Takeovers and Mergers and Share Buy-backs pursuant to the approval in paragraph (a) above shall not exceed ten per cent of the aggregate number of shares of the Company in issue at the date of passing this Resolution (subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this Resolution), and the said approval shall be limited accordingly; and
  - (c) for the purpose 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;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by its articles of association or by the Laws of Hong Kong to be held; and
  - (iii) the revocation or variation of the authority given to the Directors of the Company under this Resolution by the passing of an ordinary resolution by the shareholders in general meeting.”
6. **“THAT:**
- (a) subject to paragraph (c) of this Resolution, the exercise by the Directors of the Company during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares of the Company and to make or grant offers, agreements, options and rights to subscribe for, or to convert securities into, shares of the Company, which might require the exercise of such power, be and is hereby generally and unconditionally approved;
  - (b) the approval in paragraph (a) of this Resolution shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements, options and rights to subscribe for, or to convert securities into, shares of the Company, which might require the exercise of such power after the end of the Relevant Period;
  - (c) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or a right to convert securities into shares of the Company or otherwise) by the Directors of the Company pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue or (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company, shall not exceed the aggregate of:
    - (aa) ten per cent of the aggregate number of shares of the Company in issue at the date of passing this Resolution (subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this Resolution), plus;
    - (bb) (if the Directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of shares of the Company bought back by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to ten per cent of the aggregate number of shares of the Company in issue at the date of passing this Resolution (subject to adjustment in the case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this Resolution)), and the said approval shall be limited accordingly; and

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## NOTICE OF ANNUAL GENERAL MEETING

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(d) for the purpose 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 its articles of association or by the Laws of Hong Kong to be held; and
- (iii) the revocation or variation of the authority given to the Directors of the Company under this Resolution by the passing of an ordinary resolution by the shareholders in general meeting.

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

- 7. “**THAT** the Directors of the Company be and are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of the resolution set out as Resolution No. 6 in the notice convening this Meeting in respect of the number of shares of the Company referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”
- 8. “**THAT** the new share option scheme of SmarTone Telecommunications Holdings Limited (a subsidiary of the Company) (a copy of which is tabled at this Meeting and initialled by the chairman of this Meeting for identification purpose) be and is hereby approved.”

By order of the Board  
**YUNG Sheung-tat, Sandy**  
*Company Secretary*

Hong Kong, 4 October 2021

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## NOTICE OF ANNUAL GENERAL MEETING

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Notes:

1. To safeguard the health and safety of attendees and to prevent the spreading of the COVID-19 pandemic, certain precautionary measures will be implemented at the Annual General Meeting including, without limitation:
  - (i) compulsory body temperature screening;
  - (ii) mandatory wearing of face mask at all times;
  - (iii) scanning the "LeaveHomeSafe" venue QR code or registering contact details in written form;
  - (iv) submission of health declaration form;
  - (v) no refreshments will be provided at the Annual General Meeting; and
  - (vi) attendees will be assigned to a designated seating area and the seating capacity will also be limited to ensure social distancing.

Attendees who (a) refuse to comply with any of the precautionary measures referred to in (i) to (iv) above; (b) are subject to any Hong Kong Government prescribed quarantine or have close contact with any person under quarantine; or (c) have any flu-like symptoms may be denied entry to the meeting venue at the absolute discretion of the Company.

Subject to the development of COVID-19, the Company may implement further procedures and precautionary measures at short notice and may issue further announcement as appropriate. Shareholders should check the Company's website ([www.shkp.com](http://www.shkp.com)) for updates on the latest arrangement of the Annual General Meeting.

2. Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by poll. The chairman of the Annual General Meeting will exercise his power under Article 73 of the Company's articles of association (the "**Articles of Association**") to put each of the above resolutions to be proposed at the Annual General Meeting to be voted by way of a poll.
3. Any shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint one or more proxies to attend and, on a poll, vote instead of him. A proxy need not be a shareholder of the Company. **For the health and safety of shareholders, the Company encourages shareholders to exercise their right to vote at the Annual General Meeting by appointing the chairman of the Annual General Meeting as their proxy and to return their proxy forms by the time specified below, instead of attending the Annual General Meeting in person.**

To be valid, a proxy form, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not later than 12:00 noon on Tuesday, 2 November 2021 or not less than 48 hours before the time for holding any adjourned Annual General Meeting (as the case may be).

4. (i) The record date for ascertaining shareholders' entitlement to attend and vote at the Annual General Meeting will be Thursday, 4 November 2021. The register of members of the Company will be closed from Monday, 1 November 2021 to Thursday, 4 November 2021, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, shareholders must lodge all transfer documents accompanied by the relevant share certificates (together the "**Share Transfer Documents**") for registration not later than 4:30 p.m. on Friday, 29 October 2021.

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## NOTICE OF ANNUAL GENERAL MEETING

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- (ii) *The record date for ascertaining shareholders' entitlement to the proposed final dividend will be Wednesday, 10 November 2021, during which the register of members of the Company will be closed and no transfer of shares will be registered. In order to establish entitlements to the proposed final dividend, shareholders must lodge the Share Transfer Documents for registration not later than 4:30 p.m. on Tuesday, 9 November 2021.*
- (iii) *The Share Transfer Documents shall be lodged for registration with Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.*
5. *With reference to Resolution No. 3 above, Mr. Wong Chik-wing, Mike, Dr. Li Ka-cheung, Eric, Mrs. Leung Ko May-ye, Margaret, Mr. Wu Xiang-dong, Mr. Kwok Kai-chun, Geoffrey and Mr. Kwok Kai-fai, Adam will retire from office at the Annual General Meeting and, being eligible, have offered themselves for re-election.*

*The requisite details of the above retiring Directors seeking re-election at the Annual General Meeting are set out in Appendix II to the circular of the Company dated 4 October 2021.*

*All the Directors of the Company have not entered into any service contract with the Company. In accordance with the Articles of Association, Directors are subject to retirement and shall be eligible for re-election at the annual general meetings of the Company. For the Non-Executive Directors (including the Independent Non-Executive Directors), they will be subject to a term of approximately two years commencing from the date of the annual general meeting at which they are re-elected and expiring at the annual general meeting to be held two years thereafter, and they shall be eligible for re-election for a like term at that annual general meeting upon the expiry of their term of office.*

6. *With reference to Resolution No. 3 above, the proposed fees payable to the Chairman, the Vice Chairman and each of the other Directors for the year ending 30 June 2022 are HK\$320,000, HK\$310,000 and HK\$300,000 respectively, provided that such offices have been appointed and in the case of Directors who have not held such offices for a complete year, the fees payable will be a pro rata amount based on the duration of the offices held.*
7. *With reference to Resolution Nos. 5, 6 and 7 above, the Directors wish to state that they have no immediate plans to buy back any existing shares or to issue any new shares (other than pursuant to the exercise of share options granted or to be granted by the Company, if any) pursuant to the relevant mandates.*
8. *In relation to Resolution No. 8 above, the principal terms of the new share option scheme of SmarTone Telecommunications Holdings Limited are set out in Appendix III to the circular of the Company dated 4 October 2021.*
9. *If a black rainstorm warning signal is in force or a tropical cyclone warning signal no. 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon on the day of the Annual General Meeting, the Annual General Meeting will be adjourned. The Company will publish an announcement on its website ([www.shkp.com](http://www.shkp.com)) and the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) to notify shareholders of the date, time and venue of the adjourned meeting.*

*Shareholders should decide on their own whether they would attend the Annual General Meeting under bad weather conditions having regard to their own situations and, if they choose to do so, they are advised to exercise care and caution.*

*This notice is made in English and Chinese. In case of any inconsistency, the English version shall prevail.*