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Wai Chi Holdings Company Limited

偉志控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1305)

**PROPOSED ADOPTION OF SHARE AWARD SCHEME
AND
PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
TERMINATION OF EXISTING SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

All capitalised terms used in this circular shall have the meanings ascribed to them in the section headed “Definitions” of this circular.

A notice convening the extraordinary general meeting of the Company to be held at 11th Floor, 52 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Monday, 19 December 2022 at 11:00 a.m. is set out on pages 34 to 36 of this circular. Whether or not you propose to attend the meeting, you are requested to read the notice of EGM and to complete the form of proxy enclosed in this circular in accordance with the instructions printed thereon and return the same to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the meeting, or any adjourned meeting should you so wish.

1 December 2022

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PRECAUTIONARY MEASURES FOR THE EGM

In view of the ongoing COVID-19 pandemic and requirements for prevention and control of its spread, the Company will implement the following precautionary measures at the EGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every attending Shareholder, proxy and other attendees at the entrance of the EGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into, or be requested to leave, the EGM venue.
- (ii) All attendees are requested to wear surgical face masks at the EGM venue at all times, and to maintain a safe distance with other attendees where possible.
- (iii) To the extent permitted under applicable laws and regulations, any person who does not comply with the measures above may be denied entry into, or be required to leave, the EGM venue.
- (iv) No refreshments will be served, and there will be no corporate gifts, at the EGM.

Shareholders should carefully consider the risk of attending the EGM, including their own personal circumstances. In the interest of all stakeholders' health and safety, the Company reminds all Shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. As an alternative, by completing and signing the form of proxy in accordance with the instructions printed thereon, the Shareholders may appoint the chairman of the EGM as their proxies to attend and vote on the relevant resolutions at the EGM instead of attending the EGM or any adjourned meeting in person.

The form of proxy for use in connection with the EGM is enclosed with this circular. The form of proxy is also published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<https://www.waichiholdings.com>). If you are not a registered Shareholder (if your Shares are held via banks, brokers, custodians or the Hong Kong Securities Clearing Company Limited), you should consult directly with your banks or brokers or custodians (as the case may be) to assist you in the appointment of proxy.

DEFINITIONS

In this circular, unless the context requires otherwise, the expressions as stated below will have the following meanings:

“Adoption Date”	being the date on which the Share Award Scheme and the Share Option Scheme are adopted by the resolutions of the Shareholders at the EGM
“Amended Rules”	the amendments to the Listing Rules relating to share schemes of listed issuer, which will take effect on 1 January 2023 pursuant to the Consultation Conclusions
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Award”	an award of Awarded Shares by the Board to Selected Employee(s) pursuant to the Share Award Scheme
“Awarded Share(s)”	in respect of a Selected Employee, such number of Shares determined by the Board for grant of an Award and such Shares can be:– <ol style="list-style-type: none">i. new Shares issued by the Company at par for the Selected Employee;ii. existing Shares purchased by the Trustee on the market; oriii. Returned Shares or Further Shares awarded under the Share Award Scheme
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday or a Sunday or public holiday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is issued in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business
“close associate(s)”	has the meaning ascribed to it in the Listing Rules
“Company”	Wai Chi Holdings Company Limited (偉志控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Stock Exchange
“connected person”	shall have the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Consultation Conclusions”	Consultation Conclusions on Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers and Housekeeping Rule Amendment published by the Stock Exchange in July 2022
“Corporate Governance Code”	Appendix 14 “Corporate Governance Code” to the Listing Rules
“Date of Grant”	the date on which an Option Certificate is issued by the Company pursuant to a resolution of the Board provided that such issue shall not be later than seven (7) days after the end of the period of acceptance pursuant to the Share Option Scheme
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held and convened for the purpose of considering and, if thought fit, approving, among other things, the adoption of the Share Award Scheme and the Share Option Scheme and the termination of the Existing Share Option Scheme
“Eligible Participant”	any executive, employee, director (including non-executive director and independent non-executive director) of the Company or any of its subsidiaries
“Employee(s)”	any employee (including without limitation any director) of the Company or of any Subsidiary (including any person who is granted Award(s) under the Share Award Scheme as an inducement to enter into employment contract with the Company or any Subsidiary)
“Excluded Employee”	any Employee who is resident in a place where (i) the settlement of the Reference Amount and the award of the Awarded Shares and/or the award of the Returned Shares and/or vesting or transfer of Shares pursuant to the term of the Share Award Scheme is not permitted under the laws and regulations of such place or (ii) where in the view of the Board or the Trustee (as the case may be) compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude the Employee, in each case as determined by the Board in its absolute discretion
“Existing Share Option Scheme”	the existing share option scheme approved and adopted by the Company on 27 October 2014

DEFINITIONS

“Further Shares”	Shares purchased by the Trustee out of cash income or net proceeds of sale of non-cash or non-scrip distributions declared and distributed by the Company in respect of Shares held upon the Trust
“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 PRC
“Independent Third Party(ies)”	party(ies) who is/are independent of the Company and its connected person(s)
“inside information”	has the meaning ascribed to it under the Listing Rules and as defined in the SFO
“Latest Practicable Date”	29 November 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Committee”	the listing committee of the board of directors of the Stock Exchange for the purpose of the listing on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer”	an offer to grant an Option pursuant to the Share Option Scheme
“Option”	an option or right to subscribe for Shares pursuant to the Share Option Scheme
“Option Certificate”	a certificate issued to an Eligible Participant upon the grant of any Option to him, in such form as the Board may from time to time determine
“Option Holder”	any Eligible Participant who accepts an Offer in accordance with the terms of the Share Option Scheme or (where the context so permits) a person who is entitled to any such Option by operation of law or otherwise in consequence of the death of the original Option Holder
“Option Period”	the period within which an Option may be exercised by the Option Holder under the Share Option Scheme, commencing from the Date of Grant and ending on such date as the Board may determine in granting the Option but in any event not exceeding ten (10) years from the Date of Grant

DEFINITIONS

“Option Price”	<p>the price per Share payable on the exercise of an Option as-determined by the Board and shall at least be the highest of:</p> <ul style="list-style-type: none">(i) the nominal value of the Shares;(ii) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the date of Offer, which shall be a Business Day; and(iii) the average closing price of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five Business Days immediately preceding the date of Offer; or (where applicable) such price as from time to time adjusted pursuant to the Share Option Scheme
“Reference Amount”	<p>the sum of (i) the closing price of a Share as at the Reference Date multiplied by the number of Awarded Shares and (ii) the related purchase expenses (including for the time being, if any, the brokerage fee, stamp duty, SFC transaction levy, Stock Exchange trading fee and investor compensation levy) and such other necessary expenses required for the completion of the purchase of all the Awarded Shares</p>
“Reference Date”	<p>the date of final approval by the Board of the total number of Shares to be awarded to the Selected Employees in a single occasion pursuant to the Share Award Scheme</p>
“Refreshment”	<p>The refreshing of the Scheme Limit as approved by the Shareholders in general meeting in accordance with the relevant rules under the Listing Rules</p>
“Related Income”	<p>all income derived from a Share held upon the Trust in the form of the Shares (including but not limited to, the Further Shares, and any bonus Shares and scrip Shares received in respect of the Share)</p>
“Relevant Event”	<p>any variation in the share capital of the Company arising from any capitalisation issue, reduction, sub-division or consolidation of share capital of the Company, any rights issue of any share capital of the Company by way of capitalisation of profits or reserves or in connection with an open offer to the Shareholders (except where Shares are issued as consideration or part consideration in a transaction)</p>

DEFINITIONS

“Residual Cash”	being cash remaining in the Trust Fund in respect of an Awarded Share (including interest income derived from deposit maintained with licensed banks in Hong Kong, cash income and sale proceeds which have not been applied in the acquisition of Further Shares)
“Returned Share”	such Awarded Shares and Related Income of the relevant Awarded Shares which are referable to a Selected Employee and which are not vested in accordance with the terms of the Share Award Scheme, or forfeited in accordance with the terms of the Share Award Scheme, or such Shares that are deemed to be Returned Shares
“Scheme Limit”	the total number of Shares which may be issued upon exercise of all Options and Awards to be granted under the Share Option Scheme, the Share Award Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue as at the date of approval of the Share Option Scheme and the Share Award Scheme
“Selected Employee(s)”	Employee(s) (other than any Excluded Employee(s)) whom the Board may, from time to time, at its absolute discretion select for participation in the Share Award Scheme
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	fully paid ordinary shares of HK\$0.01 each in the capital of the Company
“Share Award Scheme”	the share award scheme proposed to be adopted by the Company, in its present form or as amended from time to time
“Share Option Scheme”	the share option scheme proposed to be adopted by the Company, in its present form or as amended from time to time
“Shareholder(s)”	holder(s) of Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	an amount equal to the Option Price multiplied by the relevant number of Shares in respect of which the Option is exercised

DEFINITIONS

“Subsidiary(ies)”	shall have the meaning ascribed to it under the Listing Rules
“substantial shareholder”	shall have the meaning ascribed to it under the Listing Rules
“Total Lapse”	an event of each of the Selected Employee has been guilty of misconduct, or has been convicted of any criminal offence involving his/her integrity or honesty, or could no longer make any contribution to the growth and development of the Group for any reason whatsoever, as the Board may at its absolute discretion determine
“Trust”	the trust constituted by the Trust Deed to support and facilitate the operation of the Share Award Scheme
“Trust Deed”	a trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time)
“Trustee”	a professional trustee to be appointed by the Company to hold the Shares (and the Related Income, if any) on trust for the benefit of the Selected Employee under the Share Award Scheme pursuant to the terms of the relevant Trust Deed, who is an Independent Third Party
“Vesting Date”	the first anniversary date of the Reference Date or Date of Grant (as the case may be), or in case such date is not a Business Day, the Business Day immediately thereafter
“%”	per cent.

LETTER FROM THE BOARD



Wai Chi Holdings Company Limited 偉志控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1305)

Executive Directors:

Mr. Chen Chung Po (*Chairman*)

Ms. Luk Fong

Ms. Yiu Kwan Yu

Mr. Chen Wei Wu

Ms. Yong Jian Hui

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent non-executive Directors:

Mr. Au Yeung Tin Wah

Mr. Chen Kwok Wang

Mr. Ho Chi Wai

Principal Place of Business in Hong Kong:

6th Floor, Liven House

63 King Yip Street

Kwun Tong

Kowloon

Hong Kong

1 December 2022

To the Shareholders,

Dear Sir or Madam,

**PROPOSED ADOPTION OF SHARE AWARD SCHEME
AND
PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
TERMINATION OF EXISTING SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the announcements of the Company dated 13 September 2022 and 29 November 2022 in relation to, among other things, the proposed adoption of the Share Award Scheme and the Share Option Scheme and the proposed termination of the Existing Share option Scheme.

LETTER FROM THE BOARD

The purpose of this circular is to provide the Shareholders with, among other things, further information regarding (i) the adoption of the Share Award Scheme; (ii) the adoption of the Share Option Scheme; (iii) the termination of the Existing Share Option Scheme; and (iv) the notice of the EGM.

ADOPTION OF SHARE AWARD SCHEME

The Board is of the view that granting of equity incentives is an effective instrument to encourage, retain and attract talents of significant importance to the future business development of the Group. Therefore, the Company recognises the needs to have in place incentive mechanisms by way of share awards to support the long-term development of the Group. On 13 September 2022, the Board has resolved to propose the adoption of the Share Award Scheme. The purposes and objectives of the Share Award Scheme are to recognise the contributions by certain Employees and give incentives thereto 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.

The Board is of the view that the Share Award Scheme and the Share Option Scheme are two essential pillars in a comprehensive system of parallel incentive mechanism for employees, and the two share schemes do complement each other in terms of added motivation, increased flexibility and enhanced effectiveness in the Group's continuing efforts to motivate and energise its personnel, as well as to reward and retain outstanding employees. The Awarded Shares under the Share Award Scheme and the Options under the Share Option Scheme are inherently different in nature. Whereas a Selected Employee under the Share Award Scheme is not required to pay any price to subscribe for the Awarded Shares upon their vesting, an Option Holder is required to pay the Subscription Price to subscribe for the Shares when exercising the Options under the Share Option Scheme. Hence, the Option Holders must have immediately available funds for the payments of the Subscription Prices. In addition, since the values of the Options would be reduced if the market prices of the Shares decline, the significance of Options as a favoured and an accepted means to provide incentives to the Option Holders will also diminish accordingly. On the other hand, the Award of Awarded Shares may be less affected by Share price moves and may not incur further costs. As such, the Board believes that the adoption of the Share Award Scheme will provide the Company with an additional tool which is more thrifty, flexible and effective in rewarding the Group's employees for their contributions to the Group.

The Share Award Scheme will constitute a share scheme involving the grant of new Shares for the purposes of the Amended Rules. Therefore, the Company will voluntarily put forward the resolution regarding the adoption of the Share Award Scheme for the Shareholders' approval at the EGM. The Share Award Scheme will take effect on the date of its adoption at the EGM and is conditional upon: (i) the passing of the resolution by the Shareholders at the EGM to approve and adopt the Share Award Scheme and to authorise the Board to grant Awards under the Share Award Scheme and to allot and issue Shares in respect of such Awards under the Share Award Scheme; (ii) the passing of the resolution by the Shareholders at the EGM to approve the termination of the Existing Share Option Scheme; and (iii) the Listing Committee granting approval of the listing of, and permission to deal in, any Shares which may fall to be allotted and issued in respect of any Award to be granted under the Share Award Scheme.

LETTER FROM THE BOARD

Explanation of the rules of the Share Award Scheme

A summary of the rules of the Share Award Scheme is set out in Appendix I to this circular. This serves as a summary of the rules of the Share Award Scheme but does not constitute the full rules of the same.

Subject to the rules of the Share Award Scheme and the requirements of the Listing Rules, the Board may, from time to time at its absolute discretion, select any Employee for participation in the Share Award Scheme as a Selected Employee, with due regard to, without limitation, the Board's opinion as to that Employee's contribution and/or future contribution to the development and growth of the Group. The Board shall determine the number of Awarded Shares to be awarded to the respective Selected Employee by (i) issuing new Shares (to be) subscribed by the Trustee; or (ii) purchasing existing Shares by the Trustee in the open market as directed by the Board at the prevailing market price (subject to such maximum price as may be from time to time prescribed by the Board), with other related matters as expressly provided under the Share Award Scheme, in accordance with the rules of the Share Award Scheme, the Listing Rules, and other applicable laws and regulations. No performance target is attached to the Share Award Scheme. The Vesting date is the first anniversary date of the Reference Date. Furthermore, the Company has established a clawback mechanism to cancel the Awards granted to any Selected Employee if the Selected Employee has committed any serious misconduct or breach of the Company's policies, rules or regulations or made any material misstatement(s) in the Company's financial statements. It is believed that by providing the Board with the discretion to grant Award to Selected Employees in aforesaid flexible terms, the Group will be in a better position to attract and retain such Employee to continue serving the Group whilst at the same time provide them with further incentive for their contribution to the Group, and thereby, to achieve the purpose of the Share Award Scheme.

ADOPTION OF SHARE OPTION SCHEME

The Board is of the view that granting of equity incentives is an effective instrument to encourage, retain and attract talents of significant importance to the future business development of the Group. Therefore, the Company recognises the needs to have in place incentive mechanisms by way of share option to support the long-term development of the Group. In view of (i) adopting the Amended Rules for the Company's Share Option Scheme; and (ii) the expiration of the Existing Share Option Scheme on 25 October 2024, the Board proposes to take the opportunity to adopt the Share Option Scheme and terminate the Existing Share Option Scheme. On 29 November 2022, the Board has resolved to propose the adoption of the Share Option Scheme. The purposes and objectives of the Share Option Scheme are to recognise and acknowledge the contributions of the Eligible Participants to the Group by granting Options to them as incentives or rewards thereto 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.

The Share Option Scheme will take effect on the date of its adoption at the EGM and is conditional upon: (i) the passing of the resolutions by the Shareholders to approve and adopt the Share Option Scheme and to authorise the Board to grant Options under the Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Option; (ii) the passing of the resolution by the Shareholders at the EGM to approve the termination of the Existing Share Option Scheme; and (iii) the Listing Committee granting approval to the listing of, and permission to deal in, any Shares which may fall to be allotted and issued pursuant to the exercise of any Option to be granted under the Share Option Scheme. Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be issued upon the exercise of the Options granted under the Share Option Scheme. The Share Option Scheme does not have a trustee.

LETTER FROM THE BOARD

Explanation of the rules of the Share Option Scheme

A summary of the rules of the Share Option Scheme is set out in the Appendix II to this circular. This serves as a summary of the rules of the Share Option Scheme but does not constitute the full rules of the same.

The exercise price of the Options granted under the Share Option Scheme shall be a price solely determined by the Board subject to a minimum amount set out in the rules of the Share Option Scheme. No performance target is attached to the Share Option Scheme. The Vesting date is the first anniversary date of the Date of Grant. The Company has not established a clawback mechanism in the Share Option Scheme to recover or withhold the Options granted to any Option Holder in the event that any Option Holder has committed any serious misconduct or breach of the Company's policies, rules or regulations or made any material misstatement(s) in the Company's financial statements. It is believed that by providing the Board with the discretion to offer Option to the Eligible Participant in aforesaid flexible terms, the Group will be in a better position to attract and retain such Eligible Participant to continue serving the Group whilst at the same time provide them with further incentive for their continual contribution to the Group, and thereby, to achieve the purpose of the Share Option Scheme.

Value of the Options

It is not practicable to state the value of all the Options that can be granted pursuant to the Share Option Scheme as if they had been granted on the Latest Practicable Date as a number of factors crucial for the calculation of the value of Options cannot be determined. Such factors include the Subscription Price, exercise period, any vesting period and any other terms and conditions that the Board may impose with respect to the Options. Therefore, at this stage, any calculation of the value of the Options as at the Latest Practicable Date based on the large number of speculative assumptions would not be meaningful and would be misleading to the Shareholders.

TERMINATION OF EXISTING SHARE OPTION SCHEME

The Existing Share Option Scheme was adopted by the Company on 27 October 2014 and is valid and effective for a period of 10 years commencing from the date of its adoption, and will expire on 25 October 2024. According to the terms of the Existing Share Option Scheme, the Company may by an ordinary resolution in general meeting terminate the operation of the Existing Share Option Scheme, and in such event no further options can be granted under the Existing Share Option Scheme.

In view of (i) adopting the Amended Rules for the Company's Share Option Scheme; and (ii) the expiration of the Existing Share Option Scheme on 25 October 2024, the Board proposes to take the opportunity to adopt the Share Option Scheme and terminate the Existing Share Option Scheme. The provisions of the Existing Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior to its termination or otherwise as may be required in accordance with the provisions of the Existing Share Option Scheme. Options granted prior to such termination shall continue to be valid and exercisable in accordance with the rules of the Existing Share Option Scheme.

LETTER FROM THE BOARD

As at the Latest Practicable Date, there were a total of 4,710,000 options granted by the Company but not yet exercised or lapsed under the Existing Share Option Scheme. The table below shows a breakdown of options granted by the Company but not yet exercised or lapsed under the Existing Share Option Scheme as at the Latest Practicable Date:

Name of grantee	Number of options granted	Date of grant	Exercise price, vesting period and exercise period
Mr. Chen Chung Po	800,000	28 June 2022	HK\$1.49 per Share, exercisable from the date immediately following the expiry of twelve-months vesting period from the date of grant up to and inclusive of 27 June 2032
Ms. Yiu Kwan Yu	400,000	28 June 2022	
Ms. Yong Jian Hui	400,000	28 June 2022	
Mr. Chen Wei Wu	200,000	28 June 2022	
Other 24 grantees	<u>2,910,000</u>	28 June 2022	
Total	<u><u>4,710,000</u></u>		

The Board confirms that prior to the EGM, they will not grant any further option under the Existing Share Option Scheme.

DOCUMENT ON DISPLAY

A copy of the rules of the Share Award Scheme and the Share Option Scheme will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the EGM and the rules of the Share Award Scheme and the Share Option Scheme will be made available for inspection at the EGM.

EXTRAORDINARY GENERAL MEETING

A notice convening the EGM is set out on pages 34 to 36 of this circular. All resolutions to be proposed at the EGM will be voted on by poll. Only the Shareholders are entitled to attend and vote at the EGM.

A proxy form for the EGM is enclosed with this circular. Whether or not you intend to be present at the EGM, you are advised to complete the proxy form and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for the EGM. The completion and delivery of a proxy form will not preclude you from attending or voting in person at the EGM or any adjourned meeting thereof should you so wish, and in such case, the form of proxy submitted by you shall be deemed to be revoked.

To the best of the knowledge, belief and information of the Directors having made all reasonable enquiries, as none of the Shareholders or their associates would have any interest in the Share Award Scheme, the Share Option Scheme and the Existing Share Option Scheme, no Shareholder would be required to abstain from voting in favour of the resolutions relating to the proposed adoption of the Share Award Scheme and the Share Option Scheme and the proposed termination of the Existing Share Option Scheme at the EGM.

LETTER FROM THE BOARD

For determination of the entitlement to attend and vote at the EGM, the transfer books and register of members of the Company will be closed from Thursday, 15 December 2022 to Monday, 19 December 2022, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for attending and voting at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Wednesday, 14 December 2022.

An announcement will be made by the Company following the conclusion of the EGM to inform you of the results of the EGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, include 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.

RECOMMENDATION

The Board (including the independent non-executive Directors) are of the opinion that the proposed adoption of the Share Award Scheme and the Share Option Scheme and proposed termination of the Existing Share Option Scheme are in the interest of the Company and the Shareholders as a whole. Accordingly, the Board recommends that the Shareholders should vote in favour of the relevant resolutions to be proposed at the EGM.

For and on behalf of the Board of
Wai Chi Holdings Company Limited
Chen Chung Po
Chairman

The following is a summary of the rules of the Share Award Scheme to be adopted at the EGM. It does not form part of, nor is it intended to be part of the Share Award Scheme. The Directors reserve the right at any time prior to the EGM to make such amendments to the Share Award Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects of the summary in this Appendix I.

PURPOSES AND OBJECTIVES

The purposes and objectives of the Share Award Scheme are to recognise the contributions by certain Employees and give incentives thereto 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. No performance target is attached to the Share Award Scheme.

DURATION

The Share Award Scheme shall be valid and effective for a term of 10 years commencing from the Adoption Date. The Share Award Scheme is subject to the early termination which is determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Employee.

ADMINISTRATION

The Share Award Scheme shall be subject to the administration of the Board in accordance with the rules of the Share Award Scheme, the relevant Trust Deed and all applicable laws and regulations. The Company will appoint the Trustee to assist with the administration and vesting of the Awards granted pursuant to the Share Award Scheme, and the Trustee will hold the Awarded Shares (and the Related Income, if any) on trust for the benefit of the Selected Employee under the Share Award Scheme pursuant to the terms of the relevant Trust Deed. The Awarded Shares, once issued to the Selected Employees upon the Vesting Date, will rank pari passu to all other Shares in issue at that time.

A Selected Employee shall ensure that the acceptance, vesting and the holding of any Awarded Shares under the Share Award Scheme and the exercise of all rights attaching thereto are valid and comply with all laws, legislation, regulations, rules or codes including all applicable exchange control, fiscal and other laws to which he is subject. The Board may, as a condition precedent of making an Award, require a Selected Employee to produce such evidence as it may reasonably require for such purpose. There is no additional amount payable on application or acceptance of the Award.

GRANT OF AWARDS TO SELECTED EMPLOYEES

Subject to the rules of the Share Award Scheme and the requirements of the Listing Rules, the Board may, from time to time at its absolute discretion, select any Employee for participation in the Share Award Scheme as a Selected Employee, with due regard to, without limitation, the Board's opinion as to that Employee's contribution and/or future contribution to the development and growth of the Group.

Selected Employee include any Employee (including without limitation any director) of the Company or of any Subsidiary (including any person who is granted Award(s) under the Share Award Scheme as an inducement to enter into employment contract with the Company or any Subsidiary) whom the Board may, from time to time, at its absolute discretion select for participation in the Share Award Scheme.

The basis of eligibility of any of the Select Employees shall be determined by the Board from time to time. In assessing the eligibility of any Selected Employees, the Board will consider all relevant factors as appropriate, including, among others, (i) length of service of the Selected Employee; (ii) experience of the Selected Employee on the Group's business; (iii) amount of contribution the Selected Employee has made or is likely to make towards the success of the Group; and (iv) such other factors as the Board may at its discretion consider appropriate.

The Board shall determine the number of Awarded Shares to be awarded to the respective Selected Employee by (i) issuing new Shares (to be) subscribed by the Trustee; or (ii) purchasing existing Shares by the Trustee in the open market as directed by the Board at the prevailing market price (subject to such maximum price as may be from time to time prescribed by the Board), with other related matters as expressly provided under the Share Award Scheme, in accordance with the rules of the Share Award Scheme, the Listing Rules, and other applicable laws and regulations. The Company shall procure sufficient funds by internal resources of the Company to the Trustee so that the Trustee can satisfy its obligations in connection with the purchase or subscription of Shares and other purposes set out in the relevant Trust Deed.

PROCUREMENT OF AWARDED SHARES

The Board may from time to time cause to be paid the Reference Amount to the Trustee by way of settlement as directed by the Board which shall constitute part of the trust fund of the Trust, for the purchase or subscription (as the case may be) of Shares and other purposes set out in the relevant Trust Deed.

In case the grant of Awarded Share(s) involves the allotment and issue of new Shares to the Trustee, such issue and allotment of new Shares shall only be made upon the fulfilment of the following conditions:

- i. the Company having obtained the Shareholders' approval pursuant to the rules of the Share Award Scheme;
- ii. the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the new Shares which may be allotted and issued by the Company to the Trustee pursuant to the Share Award Scheme; and
- iii. the allotment and issue of new Shares being within the Scheme Limit and any other limit (if any) specified under the Listing Rules from time to time.

VESTING OF AWARDED SHARES

The Awarded Shares (and Related Income, if any) held by the Trustee upon the Trust and which are referable to a Selected Employee shall vest in accordance with the conditions as the Board may determine at its absolute discretion or is deemed to have vested pursuant to the rules of the Share Award Scheme. The Vesting date is the first anniversary date of the Reference Date. The Trustee shall transfer the relevant Awarded Shares (and Related Income, if any) to such Selected Employee on the relevant Vesting Date, subject to the receipt by the Trustee of (a) transfer documents prescribed by the Trustee and duly signed by the Selected Employee, and (b) a written confirmation from the Company that all vesting conditions have been fulfilled.

In respect of a Selected Employee who died or retired at his/her normal retirement date or earlier by agreement with the Company or the Subsidiary at any time prior to the Vesting Date, all the Awarded Shares and the Related Income of a Selected Employee shall be deemed to be vested on the day immediately prior to his/her death or retirement at his/her normal retirement date or earlier by agreement with the Company or the Subsidiary as the Award granted to a Selected Employee is to recognise his/her past contribution to the Group and no performance target is attached to the Share Award Scheme.

ADJUSTMENT TO THE NUMBER OF AWARDED SHARES

Upon the occurrence of any Relevant Event, the number of Awarded Shares may be adjusted in a manner as determined by the Board (having received a statement in writing from the independent financial adviser or the auditor of the Company that in their opinion the adjustments proposed satisfy the requirements set out in Rule 17.03(13) of the Listing Rules). The adjustment must give the Selected Employees the same proportion of the Awarded Shares, rounded to the nearest whole share, as that to which he was previously entitled prior to such adjustments.

CLAWBACK MECHANISM

In the event that any Selected Employee has committed any serious misconduct or breach of the Company's policies, rules or regulations or made any material misstatement(s) in the Company's financial statements,

- i. the Board shall not select such an Employee for participation in the Scheme as a Selected Employee so that no Award shall be granted to such an Employee;
- ii. in case the Board has already selected an Employee as a Selected Employee, the Board or the Trustee shall not grant any Award to such Selected Employee and the Selected Employee will cease to be a Selected Employee. If an Award has already been granted to a Selected Employee, the Award granted to a Selected Employee shall automatically lapse and be cancelled forthwith and the Awarded Shares and Related Income of such Award shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the Share Award Scheme; and

- iii. after the Awarded Shares and Related Income held by the Trustee upon the Trust and which are referable to a Selected Employee have been vested in that Selected Employee, the Board or the Trustee will not recover the vested Awarded Shares and/or Related Income from that Selected Employee.

LAPSE AND CANCELLATION OF AWARD

The Award granted to a Selected Employee shall automatically lapse and be cancelled forthwith and the Awarded Shares and Related Income of such Award shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the Share Award Scheme, in the event that:

- i. the Selected Employee ceases to be an Employee;
- ii. the Subsidiary by which a Selected Employee is employed ceases to be a subsidiary of the Company (or of a member of the Group);
- iii. any of the vesting conditions upon an Award to the relevant Selected Employee as determined by the Board on the Reference Date were not fulfilled;
- iv. an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation and reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to successor company);
- v. the Selected Employee has been guilty of misconduct, or has been convicted of any criminal offence involving his integrity or honesty, or could no longer make any contribution to the growth and development of the Group for any reason whatsoever, as the Board may at its absolute discretion determine;
- vi. the Selected Employee is found to be an Excluded Employee; or
- vii. the Selected Employee fails to return duly executed transfer documents prescribed by the Trustee for the relevant Awarded Shares and the Related Income within the stipulated period.

The Awards lapsed in accordance with the terms of the Share Award Scheme will not be regarded as utilised for the purpose of calculating the Scheme Limit.

Any Award granted under the Share Award Scheme shall be personal to the Selected Employee to whom it is made and shall not be assignable and no Selected Employee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to either the Reference Amount or the Awarded Shares referable to him pursuant to such Award or the Related Income or any of the Returned Shares under the Share Award Scheme. Any breach of the foregoing by any Selected Employee shall entitle the Company to cancel the Award made to such Selected Employee, and the Board shall notify the Trustee in writing accordingly. The Awards cancelled will be regarded as utilised for the purpose of calculating the Scheme Limit.

RETURNED SHARES

The Trustee shall hold the Returned Shares exclusively for the benefit of all or one or more of the Selected Employees (excluding any Excluded Employee), whether or not the awardee is a Selected Employee at the time of Award, as the Trustee in its reasonable discretion shall at any time determine, after having taken into consideration recommendation of the Board. When Returned Shares have been awarded, the Trustee shall notify the Board accordingly. The Board shall designate an individual as a duly authorized person who has authority to act on behalf of the Board to receive the notification from or supply information to or give consent to the Trustee as mentioned herein and below and inform the Trustee of such person.

RESTRICTIONS ON THE TIME OF GRANT OF AWARDS

The Company may not grant any Awards after inside information has come to its knowledge until (and including) the trading day after it has announced the information. In particular, the Award may not be granted during the period commencing one month immediately before the earlier of (i) the date of the Board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement. No Award may be granted during any period of delay in publishing a results announcement.

OTHER RESTRICTIONS

No payment shall be made to the Trustee and no instructions to acquire Shares shall be given to the Trustee under the Share Award Scheme where any Director is in possession of unpublished inside information in relation to the Company or where dealings by the Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

AWARD TO A DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY OR ANY OF THEIR RESPECTIVE ASSOCIATES AND A CONNECTED PERSON

Any grant of the Awards to a Director, chief executive or substantial shareholder of the Company or any of their respective associates under the Share Award Scheme must be approved by independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Award(s)), and the Company shall also fulfil the requirements under the Corporate Governance Code and the Listing Rules.

Where any grant of Awards (excluding grant of Options) to a Director (other than an independent non-executive Director) or chief executive of the Company or any of their associates would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the Share Award Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the relevant class of Shares in issue, such further grant of Awards must be approved by the Shareholders in general meeting in accordance with the relevant rules under the Listing Rules. In the circumstance described above, the Company must send a circular to the Shareholders in accordance with the relevant requirements under the Listing Rules. The grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.

Where any grant of Options or Awards 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 Options and Awards granted (excluding any Options or Awards lapsed in accordance with the terms of the Share Option Scheme or this Share Award Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the relevant class of Shares in issue, such further grant of Awards must be approved by the Shareholders in general meeting in accordance with the relevant rules and E.1.9 of the Corporate Governance Code under the Listing Rules. In the circumstance described above, the Company must send a circular to the Shareholders in accordance with the relevant requirements under the Listing Rules. The grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.

Any Award proposed to be made to a connected person shall be subject to compliance by the Company of the applicable laws, rules and regulations including all relevant requirements under Chapter 14A of the Listing Rules, where applicable.

TRANSFERABILITY OF AWARD AND RIGHTS ATTACHING TO THE AWARD

Subject to the rules of the Share Award Scheme, any Award made hereunder shall be personal to the Selected Employee to whom it is made and shall not be assignable and no Selected Employee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to either the Reference Amount or the Awarded Shares referable to him pursuant to such Award or the Related Income or any of the Returned Shares under the Share Award Scheme.

A Selected Employee shall only have a contingent interest in the relevant Awarded Shares and the Related Income which are referable to him subject to the vesting of such Shares. A Selected Employee shall have no right in the Residual Cash or any of the Returned Shares. A Selected Employee has no right to give instruction to the Trustee in respect of the Awarded Shares and the Related Income, and such other properties of the Trust.

The Selected Employee shall have no right, benefit or interest in any Awarded Shares unless and until the Trustee has vested the legal and beneficial ownership of such Awarded Shares in the Selected Employee.

The Trustee shall not exercise the voting rights in respect of any Shares held under the Trust and the Trustee holding unvested Shares under the Share Award Scheme, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

SCHEME LIMIT

The total number of Shares which may be issued upon exercise of all Awards and Options to be granted under the Share Award Scheme, the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue as at the date of approval of the Share Award Scheme (the "**Scheme Limit**"), unless further Shareholders' approval has been obtained pursuant to the rules of the Share Award Scheme, provided that Awards lapsed in accordance with the terms of the Share Award Scheme will not be regarded as utilised for the purpose of calculating the Scheme Limit. As at the Latest Practicable Date, the total number of Shares in issue is 216,825,000 Shares. Assuming (i) the passing of the proposed ordinary resolution approving the Scheme Limit at the EGM; and (ii) no change in the total number of Shares in issue between the Latest Practicable Date and the Adoption Date, the Scheme Limit will be 21,682,500 Shares. The Board shall not make any further Award which will result in that the number of Shares awarded by the Board under the Share Award Scheme would represent in excess of the Scheme Limit.

If the Company conducts a share consolidation or subdivision after the Scheme Limit has been approved in general meeting, the maximum number of shares that may be issued in respect of all Options and Awards to be granted under the Share Option Scheme and the Share Award Scheme, as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole share.

The Company may seek approval by its Shareholders in general meeting for Refreshment of the Scheme Limit under the Schemes after three years from the Adoption Date or the date of the Shareholders' approval for the last Refreshment (as the case may be) in accordance with the relevant rules in the Listing Rules. Any Refreshment within any three year period must be approved by the Shareholders in general meeting, provided that (i) any controlling shareholders of the Company and their associates (or if there is no controlling shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution(s) at the general meeting; and (ii) the Company shall comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules. The aforesaid requirement on Refreshment does not apply if the Refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Limit (as a percentage of the relevant class of Shares in issue) upon Refreshment is the same as the unused part of the Scheme Limit immediately before the issue of securities, rounded to the nearest whole Share. The total number of Shares which may be issued in respect of all Options and Awards to be granted under the Share Option Scheme and the Share Award Scheme under the Scheme Limit as refreshed shall not exceed 10% of the relevant class of Shares in issue as at the date of approval of the refreshed Scheme Limit (the "**Refreshment Approval Date**"). The Company shall send a circular to its Shareholders containing the number of Options and Awards that were already granted under the existing Scheme Limit, and the reason for the Refreshment in accordance with the relevant requirements under the Listing Rules.

The Company may seek separate approval by its Shareholders in general meeting for granting Options or Awards beyond the Scheme Limit, provided that the Options or Awards in excess of the Scheme Limit are granted only to Selected Employee specifically identified by the Company before such approval is sought. The Company shall send a circular to the Shareholders containing the name of each Selected Employee who may be granted such Award in accordance with the relevant requirements under the Listing Rules. The number and terms of Awards to be granted to such Selected Employee must be fixed before the Shareholders' approval.

The maximum number of the shares which may be awarded to a Selected Employee under the Share Award Scheme in any 12-month period up to and including the date of such grant shall not exceed 1% of the issued share capital of the Company as at the Adoption Date or the Refreshment Approval Date (as the case may be). If any grant of Award to an individual Selected Employee would result in the Shares issued and to be issued in respect of all Options and Awards granted to such Selected Employee (excluding any Options and Awards lapsed in accordance with the terms of the Share Option Scheme and the Share Award Scheme respectively) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of the Shares in issue, such grant must be separately approved by the Shareholders in general meeting with such Selected Employee and his/her close associates (or associates if the Selected Employee is a connected person) abstaining from voting. In such case, the Company shall send a circular to the Shareholders in accordance with the relevant requirements under the Listing Rules.

ALTERATION OF THE SHARE AWARD SCHEME

The Share Award Scheme may be altered in any respect by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Selected Employee. No alteration shall be made to the terms and conditions of the Share Award Scheme which are of a material nature or to the matters set out in rule 17.03 of the Listing Rules to the advantage of Selected Employees unless such alteration is approved by the Shareholders in general meeting.

Any change to the terms of Award granted to the Selected Employee must be approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be). The amended terms of the Share Award Scheme must still comply with the relevant requirements of Chapter 17 of the Listing Rules. Any change to the authority of the Directors to alter the terms of the Share Award Scheme must be approved by the Shareholders in general meeting.

TERMINATION OF THE SHARE AWARD SCHEME

The Share Award Scheme shall terminate on the earlier of (i) the 10th anniversary date of the Adoption Date; or (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Employee under the Share Award Scheme; or (iii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation and reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to successor company).

Upon termination of the Share Award Scheme, (i) all the Awarded Shares and the Related Income shall become vested on the Selected Employee so referable on such date of termination save in respect of the Total Lapse, subject to receipt by the Trustee of the transfer documents prescribed by the Trustee and duly executed by the Selected Employee within the period stipulated by the Trustee; (ii) Returned Shares and such non-cash income remaining in the Trust Fund shall be sold by the Trustee, within 20 Business Days (on which the trading of the Shares has not been suspended) of receiving notice of such termination of the Share Award Scheme (or such longer period as the Board may otherwise determine); and (iii) Residual Cash, net proceeds, of sale referred to in the rules of the Share Award Scheme and other funds remaining in the Trust (after making appropriate deductions in respect of all actual and proper disposal costs, liabilities and expenses in accordance with the Trust Deed) shall be remitted to the Company forthwith after the sale. For the avoidance of doubt, the Trustee may not transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than its interest in the proceeds of sale of such Shares. For the avoidance of doubt, the temporary suspension of the granting of any Award shall not be construed as a decision to terminate the operation of the Share Award Scheme.

MISCELLANEOUS

The Share Award Scheme and all Awards granted hereunder shall be governed by and construed in accordance with the Listing Rules and the laws of Hong Kong in force from time to time.

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

1. PURPOSES AND OBJECTIVES

The objective of this Share Option Scheme is to recognise and acknowledge the contributions of the Eligible Participants to the Group by granting Options to them as incentives or rewards thereto 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. No performance target is attached to the Share Option Scheme.

2. CONDITIONS, DURATION AND ADMINISTRATION

2.1 The Share Option Scheme is conditional upon:

- (a) the passing of the necessary resolutions by the Shareholders to approve and adopt the rules of the Share Option Scheme; and
- (b) the Listing Committee granting the approval of the listing of, and permission to deal in, any Shares which may fall to be allotted and issued pursuant to the exercise of any Option to be granted under the Share Option Scheme.

2.2 If the aforesaid conditions are not satisfied within 30 days from the date on which the Share Option Scheme is adopted by the Board (the “**Effective Date**”):

- (a) the Share Option Scheme shall forthwith determine;
- (b) any Option granted or agreed to be granted pursuant to the Share Option Scheme and any Offer shall forthwith lapse and be of no effect; and
- (c) no person shall be entitled to any rights or benefits or be under any obligation under or in respect of the Share Option Scheme, or any outstanding Offer or Option.

2.3 Subject to rules of the Share Option Scheme, the Share Option Scheme shall be valid and effective for a period commencing on the Effective Date and expiring at 5:00 p.m. on the Business Day preceding the tenth anniversary of the Effective Date, after which no further Options may be granted but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect.

2.4 The Share Option Scheme shall be subject to the administration of the Board whose decision (save as otherwise provided herein) shall be final and binding on all parties.

3. GRANT OF OPTIONS

- 3.1 On and subject to the terms of the Share Option Scheme, the Board may during the period of the Share Option Scheme at its absolute discretion (subject to any conditions as it may think fit) offer to an Eligible Participant an Option to subscribe at the Option Price for such number of Shares as the Board may determine, save and except that
- (a) in addition to the Shareholders' approval set out in rules of the Share Option Scheme, any grant of Options to a Director, chief executive or substantial shareholder of the Company or any of their respective associates under the Share Option Scheme must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is proposed to be an Option Holder); and
 - (b) where any grant of Options to a substantial shareholder of the Company or an independent non-executive Director or any of their respective associates would result in the Shares issued and to be issued in respect of all Options and Awards granted (excluding any Options and Awards lapsed in accordance with the terms of the Share Option Scheme and the Share Award Scheme) to such person in the period of twelve (12) consecutive months up to and including the Date of Grant representing in aggregate over 0.1% of the Shares in issue,

such further grant of Options must be approved by the Shareholders in general meeting in accordance with the relevant rules and E.1.9 of the Corporate Governance Code under the Listing Rules. In the circumstances described in above, the Company must send a circular to the Shareholders in accordance with the relevant requirements under the Listing Rules. The grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting. The Company must comply with the requirements under rules 13.40, 13.41 and 13.42.

- 3.2 For so long as the Shares are listed on the Stock Exchange,
- (a) no Offer shall be made after any inside information has come to the knowledge of the Company until such inside information has been published in accordance with the requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of:
 - (i) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (ii) the deadline for publishing of an announcement of the Company's results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement, no Offer may be made.

- (b) No Option may be granted during any period of delay in publishing a results announcement.
 - (c) the Directors must not make any Offer to an Eligible Participant who is a Director during the periods or times in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) of the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.
- 3.3 Eligible Participants include any executive, employee, director (including non-executive director and independent non-executive director) of the Company or any of its subsidiaries. The eligibility of any of the Eligible Participants to an Offer shall be determined by the Board from time to time on the basis of the Board’s opinion as to his/her contribution and/or future contribution to the development and growth of the Group. In assessing the eligibility of any Eligible Participants, the Board will consider all relevant factors as appropriate, including, among others, (i) length of service of the Eligible Participant; (ii) experience of the Eligible Participant on the Group’s business; (iii) amount of contribution the Eligible Participant has made or is likely to make towards the success of the Group; and (iv) such other factors as the Board may at its discretion consider appropriate.
- 3.4 Subject to the rules of the Share Option Scheme, the Board may at its discretion, when making an Offer, impose any conditions, restrictions or limitations in relation thereto as it may think fit.
- 3.5 An Eligible Participant to whom any Option is granted is not required to achieve any performance target before any exercise of his/her Option.

4. SCHEME LIMIT

- 4.1 The total number of Shares which may be issued upon exercise of all Options and Awards to be granted under the Share Option Scheme, the Share Award Scheme and any other schemes of the Group shall not in aggregate exceed 10% of the Shares in issue as at the date of approval of the Share Option Scheme (the “**Scheme Limit**”), unless further Shareholders’ approval has been obtained pursuant to rules of the Share Option Scheme, provided that Options lapsed in accordance with the terms of the Share Option Scheme will not be regarded as utilised for the purpose of calculating the Scheme Limit. As at the Latest Practicable Date, the total number of Shares in issue is 216,825,000 Shares. Assuming (i) the passing of the proposed ordinary resolution approving the Scheme Limit at the EGM; and (ii) no change in the total number of Shares in issue between the Latest Practicable Date and the Adoption Date, the Scheme Limit will be 21,682,500 Shares.
- 4.2 The Company conducts a share consolidation or subdivision after the Scheme Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Options and all Awards to be granted under the Share Option Scheme and the Share Award Scheme, as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

- 4.3 The Company may seek approval by its Shareholders in general meeting for Refreshment of the Scheme Limit under the Share Option Scheme after three (3) years from the Effective Date or the date of the Shareholders' approval for the last Refreshment (as the case may be) in accordance with the relevant rules in the Listing Rules. Any Refreshment within any three (3) year period must be approved by the Shareholders in general meeting, provided that (i) any controlling shareholders of the Company and their associates (or if there is no controlling shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution(s) at the general meeting; and (ii) the Company shall comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules. The aforesaid requirement on Refreshment does not apply if the Refreshment is made immediately after an issue of securities by the Company to its Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Limit (as a percentage of the relevant class of Shares in issue) upon Refreshment is the same as the unused part of the Scheme Limit immediately before the issue of securities, rounded to the nearest whole Share.
- 4.4 The total number of Shares which may be issued in respect of all Options and Awards to be granted under the Share Option Scheme, the Share Award Scheme and any other schemes of the Group under the Scheme Limit as refreshed shall not exceed 10% of the relevant class of Shares in issue as at the date of approval of the refreshed Scheme Limit (the "**Refreshment Approval Date**"). The Company shall send a circular to its Shareholders containing the number of Options and Awards that were already granted under the existing Scheme Limit, and the reason for the Refreshment in accordance with the relevant requirements under the Listing Rules.
- 4.5 The Company may seek separate approval by its Shareholders in general meeting for granting Options beyond the Scheme Limit, provided that the Options in excess of the Scheme Limit are granted only to Eligible Participant specifically identified by the Company before such approval is sought. The Company shall send a circular to the Shareholders containing the name of each Eligible Participant who may be granted such Option, the number and terms of the Options to be granted to each Eligible Participant, the purpose of granting Options to the Eligible Participants with an explanation as to how the terms of the Options serve such purpose and other relevant requirements under the Listing Rules. The number and terms of Options to be granted to such Eligible Participant must be fixed before the Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Option Price under Rule 17.03E of the Listing Rules.

- 4.6 The maximum number of Shares of which Options may be granted to an Eligible Participant under the Share Option Scheme in any 12-month period up to and including the date of such grant shall not exceed one per cent. (1%) of the issued share capital of the Company as at the Effective Date or the Refreshment Approval Date (as the case may be). Where any grant of Option to an individual Eligible Participant would result in the Shares issued and to be issued in respect of all Options and Awards granted to such Eligible Participant (excluding any Options and Awards lapsed in accordance with the terms of the Share Option Scheme and the Share Award Scheme, respectively) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the relevant class of Shares in issue, such grant must be separately approved by Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. In such case, the Company shall send a circular to the Shareholders containing the identity of each Eligible Participant who may be granted such Option, the number and terms of the Options to be granted to each Eligible Participant (and those previously granted to such participant in the 12-month period), the purpose of granting Options to the Eligible Participants with an explanation as to how the terms of the Options serve such purpose and other relevant requirements under the Listing Rules. The number and terms of Options to be granted to such Eligible Participant must be fixed before the Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Option Price under Rule 17.03E of the Listing Rules.

5. ACCEPTANCE OF OFFERS OF OPTIONS

- 5.1 Offers shall be open for acceptance, in whole or in part, in a board lot of dealing in Shares on the Stock Exchange or an integral multiple thereof and in writing received by any of the Directors or the secretary of the Company until 5:00 p.m. on the date specified in the Offer provided that no such Offer shall be open for acceptance after the expiry of the period of the Share Option Scheme or after the Share Option Scheme has been terminated in accordance with the provisions hereof. The Company shall on the Date of Grant issue Option Certificates under the common seal of the Company in such form as the Board may from time to time determine.
- 5.2 An Option shall be personal to the Option Holder and shall not be transferable or assignable. No Option Holder shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any other person over or in relation to any Option, except for the transmission of an Option on the death of the Option Holder to his/her personal representative(s) on terms of the Share Option Scheme. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such Option Holder without incurring any liability on the part of the Company.
- 5.3 Offers not accepted within the period referred to in rules of the Share Option Scheme shall lapse.
- 5.4 An amount of HK\$1.00 is payable by an Eligible Participant on acceptance of an Offer to the Company within 28 days from the Offer Date.

6. RIGHT OF EXERCISE

- 6.1 Subject to the following paragraphs of these rules, Options may be exercised by an Eligible Participant (or in the case of his/her death, his/her personal representative(s)), in whole or in part, at any time during the Option Period except that no Option may be exercised until the expiry of 12 months vesting period after the Date of Grant.
- 6.2 If an Option Holder ceases to be an Eligible Participant during any relevant Option Period:
- (a) by reason of ill health, injury, disability or death (all evidenced to the satisfaction of the Directors), or because his/her employing company ceases to be a member of the Group, then any outstanding Offer to him/her shall lapse and he/she or his/her personal representative(s) (as the case may be) may exercise all his/her Options within a period of six (6) months of such ill-health, injury, disability, death or cessation, failing which such Options shall lapse and determine at the end of the relevant period;
 - (b) by reason of retirement in accordance with his/her contract of employment or upon expiration of his/her contract of employment or term of directorship, then any outstanding Offer to him/her shall lapse and he/she may exercise all his/her Options within six (6) months after he/she so retires or expiration of his/her contract of employment or term of directorship, failing which such Options shall lapse and determine at the end of the relevant period; and
 - (c) by reason of voluntary resignation other than by reason of the circumstances set out in rules of the Share Option Scheme or by termination of his/her employment in accordance with the termination provisions of his/her contract of employment by his/her employing company, then any outstanding Offer to him/her shall lapse and all his/her Options shall lapse and determine on the date of the resignation or termination;

provided always that in each case the Board may in its absolute discretion decide that such Options shall not so lapse or determine subject to such conditions or limitations as the Board may decide.

- 6.3 Subject to rules of the Share Option Scheme, the Option Period shall not be extended and, on expiry of the Option Period, all rights in respect of an Option shall terminate, except in so far as there has been an effective exercise of that Option prior thereto and the Company has not discharged all its duties under the Share Option Scheme in relation to the exercise. No Option may be exercised after the expiry of the Option Period.

7. TAKEOVER, RIGHTS ISSUE, OPEN OFFER, SCRIP DIVIDEND SCHEME, ETC

If, in consequence of any general offer made to the Shareholders (being an offer made in the first instance on a condition such that, if it is satisfied, the offeror will have control of the Company) or otherwise, any person shall have obtained control of the Company then the Board shall as soon as practicable thereafter notify every Option Holder accordingly and each Option Holder shall, subject to rules of the Share Option Scheme, be entitled at any time within the period of one month after control has been obtained to exercise any Option in whole or in part, and to the extent that it has not been exercised, any Option and any outstanding Offer shall upon the expiry of such one month period cease and determine; provided that if, during such one month period, any person becomes entitled to exercise rights of compulsory acquisition of Shares pursuant to section 88(1) of the Companies Law and gives notice in writing to any Shareholders that he/she intends to exercise such rights, the Options shall, subject to rules of the Share Option Scheme, be and remain exercisable until one month from the date of such notice and, to the extent that they have not been exercised, shall thereupon cease and determine, and any outstanding Offer shall lapse.

8. EXERCISE OF OPTIONS

8.1 Save as provided in rules of the Share Option Scheme, Options may be exercised in whole or in part at any time during the Option Period. In order for the exercise of an Option to be effective, the secretary of the Company must, prior to the expiry of the Option Period, have received:

- (a) a written notice (which may be endorsed on the Option Certificates) exercising the Option, signed by or on behalf of the Option Holder and specifying the number of Shares in respect of which the Option is being exercised;
- (b) Option Certificates sufficient to cover the number of Shares in respect of which the Option is being exercised; and
- (c) payment in full by cheque, banker's draft or cashier's order of the Subscription Price.

Unless otherwise agreed between the Company and the Option Holder, Shares in respect of an Option shall be issued within fourteen (14) days of the date upon which exercise of an Option becomes effective (being the date of such receipt).

8.2 Save as provided in rules of the Share Option Scheme no Option shall be capable of exercise in part (other than to the full extent outstanding) except in amounts or multiples, subject to adjustment on the occurrence of any Relevant Event, of board lots for Shares as for the time being traded on the Stock Exchange.

- 8.3 A Share to be allotted and issued upon the exercise of an Option shall not carry voting rights until the registration of the Option Holder (or any other person nominated by the Option Holder) as the holder thereof in the register of members of the Company. If under the terms of a resolution passed or an announcement made by the Company prior to the date of exercise of an Option becoming effective in the manner referred to in rules of the Share Option Scheme, a dividend or other distribution is to be or is proposed to be paid or made to the Shareholders by reference to a record date prior to the date of entry of such Option Holder in the register of members of the Company, the Shares to be allotted and issued upon the exercise will not rank for such dividend or distribution. Subject as aforesaid, Shares allotted and issued upon the exercise of an Option shall rank *pari passu* in all respects with the Shares in issue on the date of the entry of such Option Holder in the register of members of the Company including in respect of those rights arising on a liquidation of the Company.
- 8.4 All allotments and issues of Shares will be subject to the Articles and any necessary consents under any relevant enactments or regulations for the time being in force in Hong Kong, the Cayman Islands and any other relevant jurisdictions and it shall be the responsibility of the Option Holder to comply with any requirements to be fulfilled in order to obtain or obviate the necessity for any consent. The Company shall not be responsible for any failure by the Option Holder to obtain any such consent or for any tax or other liability to which the Option Holder may become subject as a result of his/her participation in the Share Option Scheme.
- 8.5 If the number of Shares to which Option Certificates lodged under rules of the Share Option Scheme relate, exceeds the number of Shares comprised in the notice of exercise thereof, the Company shall provide an Option Certificate in relation to the balance to the Option Holder.
- 8.6 The Company shall use all reasonable endeavours to procure that Shares to be issued upon the exercise of an Option shall, upon the issue thereof (or as soon thereafter as reasonably practicable), become listed on the Stock Exchange and on those stock exchanges upon which Shares already in issue are listed.
- 8.7 Any Options granted but not exercised may be cancelled subject to approval by the relevant Option Holders. Issuance of new Options to the same Option Holder may only be made by the Company if there are unissued Options available under the Share Option Scheme (excluding the cancelled Options) within the Scheme Limit or the Scheme Limit as refreshed pursuant to rules of the Share Option Scheme and in compliance with the terms of the Share Option Scheme. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Limit.

9. ADJUSTMENTS

- 9.1 Upon the occurrence of any Relevant Event, the number or nominal amount of Shares comprised in each Option and/or the Option Price thereunder and/or the limit in rules of the Share Option Scheme may be adjusted in any manner as the Board (having received a statement in writing from the Auditors or an approved independent financial adviser, acting as experts and not as arbitrators, that in their opinion the adjustments proposed satisfy the requirements set out in the Note to Rule 17.03(13) of the Listing Rules and/or the rules, requirements and guidelines issued by the Stock Exchange from time to time) may deem appropriate provided always that:
- (a) no increase shall be made in the aggregate Subscription Price relating to any Option;
 - (b) any adjustments should give an Option Holder the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, as that to which he was previously entitled prior to such adjustments;
 - (c) no adjustments shall be made which will enable a Share to be issued at less than its nominal value; and
 - (d) where the Relevant Event arises from an issue of Shares, reference herein to Options shall include references to Options that have been exercised prior to the date of the adjustment in respect of Shares which pursuant to rules of the Share Option Scheme do not rank and are not entitled to participate in the issue.
- 9.2 Notice of any adjustments shall be given to the Option Holders by the Company, which may, but need not, call in Option Certificates for endorsement or replacement.
- 9.3 For the avoidance of doubt, the issue of securities as consideration in a transaction shall not be regarded as a Relevant Event and consequently no adjustment shall be required as a result thereof.

10. LAPSE OF OPTION

- 10.1 An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:
- (a) the expiry of the Option Period;
 - (b) the date on which the Option Holder commits a breach of rules of the Share Option Scheme;
 - (c) the expiry of the periods referred to in rules of the Share Option Scheme;

- (d) the date an effective resolution being passed for the voluntary winding up of the Company as provided under rules of the Share Option Scheme; and
- (e) subject to the compromise or arrangement being sanctioned by the court and becoming effective, the expiry of the period referred to rules of the Share Option Scheme.

11. VARIATIONS AND TERMINATION

11.1 Subject to rules of the Share Option Scheme, the Board may from time to time in its absolute discretion waive or amend any of the rules of the Share Option Scheme as it deems desirable, provided that, except with the prior sanction of the Company in general meeting, no alteration shall be made to the terms and conditions of the Share Option Scheme which are of a material nature or no alterations to any of the rules relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Option Holders (present or future) or Eligible Participants unless such alteration is approved by Shareholders in general meeting, including without limitation:

- (a) the definition of “Eligible Participant”;
- (b) the total amount of Shares subject to the Share Option Scheme;
- (c) the maximum entitlement for any Eligible Participant under the Share Option Scheme;
- (d) the Option Period;
- (e) the Option Price and the basis for determining the same;
- (f) the voting, dividend, transfer and other rights, including those arising on a liquidation of the Company, attaching to the Shares and to any Options (if appropriate);
- (g) the Share Option Scheme Period;
- (h) rules relating to adjustment to the Subscription Price;
- (i) rules relating to adjustment to the number or amount of Shares subject to Options already granted; and
- (j) rules relating to adjustment to the Share Option Scheme on the occurrence of a Relevant Event.

11.2 No amendments to the Share Option Scheme shall be made which would have the effect of abrogating or altering adversely any of the subsisting rights of Option Holders except with any consent on their part as would be required under the provisions of the Articles if the Options constituted a separate class of share capital and if the provisions applied mutatis mutandis thereto.

- 11.3 The Company by an ordinary resolution in general meeting may at any time terminate the operation of the Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the rules of the Share Option Scheme.
- 11.4 Any change to the terms of Options granted to the Eligible Participant must be approved by the Board, the remuneration committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the remuneration committee, the independent non-executive directors and/or the Shareholders (as the case may be). The amended terms of the Share Option Scheme must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- 11.5 Any alteration to the authority of the Board to alter the terms of the Share Option Scheme must be approved by the Shareholders of the Company in general meeting.
- 11.6 The Company has not established a clawback mechanism in the Share Option Scheme to recover or withhold the Options granted to any Option Holder in the event that any Option Holder has committed any serious misconduct or breach of the Company's policies, rules or regulations or made any material misstatement(s) in the Company's financial statements.

12. GOVERNING LAW, ETC

- 12.1 The Share Option Scheme shall operate subject to the Articles and any applicable law.
- 12.2 The Share Option Scheme and all Options granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.

NOTICE OF EGM



Wai Chi Holdings Company Limited 偉志控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1305)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an extraordinary general meeting (the “**EGM**”) of Wai Chi Holdings Company Limited (the “**Company**”) will be held at 11th Floor, 52 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Monday, 19 December 2022 at 11:00 a.m. for the following purposes:

1. To consider and, if thought fit, pass with or without modifications the following resolution as ordinary resolution of the Company

“THAT:

- (a) To approve and adopt the rules of the share award scheme pursuant to which the Company intends to recognise the contributions by certain employees and give incentives thereto 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 by providing them with the opportunity to own the shares of the Company (the “**Shares**”), a copy of which marked “A” is produced to the meeting and for the purpose of identification signed by the chairman of this meeting thereof (the “**Share Award Scheme**”), subject to and conditional upon the Listing Committee (the “**Listing Committee**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval to the listing of and permission to deal in the Shares to be issued pursuant to the vesting or exercise of any awards granted under the Share Award Scheme;
- (b) To authorise the board of directors of the Company (the “**Board**”) to grant awards of Shares pursuant to the Share Award Scheme and to allot and issue Shares, direct and procure the professional trustee to be appointed by the Company to (i) assist with the administration, exercise and vesting of awarded Shares; and (ii) transfer Shares and otherwise deal with Shares granted pursuant to the Share Award Scheme as and when they vest or are exercised (as the case may be) and subject to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”); and

NOTICE OF EGM

- (c) To authorise the Board to modify and/or amend the Share Award Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Award Scheme relating to modification and/or amendment and the requirements of the Listing Rules.”
2. To consider and, if thought fit, pass with or without modifications the following resolution as ordinary resolution of the Company

“THAT:

- (a) To approve and adopt the rules of the share option scheme pursuant to which the Company intends to recognise the contributions by certain employees and give incentives thereto 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 by providing them with the opportunity to acquire the Shares, a copy of which marked “B” is produced to the meeting and for the purpose of identification signed by the chairman of this meeting thereof (the “**Share Option Scheme**”), subject to and conditional upon the Listing Committee granting approval to the listing of and permission to deal in the Shares which may fall to be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme;
 - (b) To authorise the Board to administer the Share Option Scheme under which share options will be granted to the eligible participants (as defined in the Share Option Scheme) who are eligible under the Share Option Scheme to subscribe for Shares, including but not limited to determining and granting the options in accordance with the terms of the Share Option Scheme and the requirement of the Listing Rules; and
 - (c) To authorise the Board to modify and/or amend the Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Option Scheme relating to modification and/or amendment and the requirements of the Listing Rules.”
3. To consider and, if thought fit, pass with or without modifications the following resolution as ordinary resolution of the Company

“THAT the Company’s existing share option scheme adopted on 27 October 2014 (the “**Existing Share Option Scheme**”) be and is hereby terminated upon the Share Option Scheme becoming unconditional and effective such that thereafter no further options shall be offered under the Existing Share Option Scheme (without prejudice to the rights and benefits of and attached to any outstanding options which have been granted under the Existing Share Option Scheme prior to the date of the passing of this resolution.”

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

“**THAT** the aggregated number of Shares to be allotted and issued by the Company for the purpose of the Share Award Scheme and Share Option Scheme pursuant to the resolutions numbered 1 and 2 above, together with any issue of Shares upon exercise of all Awards and Options to be granted under the Share Award Scheme, the Share Option Scheme and any other share schemes of the Group, shall not in aggregate exceed 10% of the Shares in issue as at the date of passing of this resolution.”

For and on behalf of the Board of
Wai Chi Holdings Company Limited
Chen Chung Po
Chairman

1 December 2022

Notes:

1. All resolutions at the extraordinary general meeting will be taken by poll pursuant to the Listing Rules and the results of the poll will be published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and on the website of the Company at www.waichiholdings.com in accordance with the Listing Rules.
2. A member of the Company entitled to attend and vote at the extraordinary general meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy can vote on a poll. A proxy need not be a member of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
3. Where there are joint holders of a Share, any one of such joint holders may vote, either in person or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the extraordinary general meeting, the vote of the senior holder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
4. A form of proxy for use at the meeting is enclosed. In order to be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited at the office of the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the extraordinary general meeting or any adjournment thereof.
5. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the extraordinary general meeting or any adjournment thereof, and in such event, the authority of the member's proxy shall be deemed to be revoked.
6. For the purpose of determining members who are qualified for attending the extraordinary general meeting, the register of members of the Company will be closed from Thursday, 15 December 2022 to Monday, 19 December 2022, both days inclusive, during which no transfer of Shares will be effected. In order to qualify for attending the extraordinary general meeting, all transfer of Shares, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 14 December 2022.
7. As at the date of this notice, the executive Directors of the Company are Mr. Chen Chung Po (Chairman and Chief Executive Officer), Ms. Luk Fong, Ms. Yiu Kwan Yu, Mr. Chen Wei Wu and Ms. Yong Jian Hui; and the independent non-executive Directors are Mr. Au Yeung Tin Wah, Mr. Chen Kwok Wang and Mr. Ho Chi Wai.