

Corporate Governance Report

The Company is committed to high standard corporate governance to enhance shareholders' interests and promote sustainable development. A quality board of directors (the "Board") with balanced skills, experience and diversity of perspectives is vital to the Company for effective risk management, internal controls and leadership, as well as transparency and accountability to all shareholders. The Board reviews codes of conducts, policies and practices, corporate governance framework and disclosure of this Corporate Governance Report, from time to time, to improve the Company's corporate governance practices in respect of the latest developments on all applicable laws, rules and regulations.

Compliance with the Corporate Governance Code

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with all the code provisions of the Corporate Governance Code set out in Appendix C1 (formerly known as Appendix 14) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") (the "Corporate Governance Code") throughout the year ended December 31, 2023, save that none of the Directors are appointed for a specific term since they are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company (the "Articles"). Under Article 107(A) of the Articles, one-third of the Board must retire by rotation at each annual general meeting of the Company, and if eligible, offer themselves for re-election.

Corporate Governance Policy

Corporate governance is essential in maintaining sustainability. The Board continuously monitors, reviews and develops the policies and practices of corporate governance to ensure the compliance of the laws, rules and regulatory requirements governing the Group as well as the Articles. The Board performs the corporate governance function through, but not limited to, the following:

- monitor and review the Directors' and the senior management's training and continuous professional development.
- monitor and review compliance of the Corporate Governance Code.

- review and monitor the compliance of the Model Code for Securities Transactions by Directors, the Code for Securities Transactions by Relevant Employees and other codes of conduct of the Company.
- review the disclosure set out in this Corporate Governance Report.

Board of Directors

Roles and Responsibilities

The Board is collectively responsible for leading, supervising and creating directions and strategies for the affairs of the Group with an effective corporate governance framework to strive for long term success of the Company. The Board is also responsible for ensuring ongoing effective communication with shareholders and engagement with key stakeholders. The principal responsibilities of the Board include, but are not limited to, the following:

- consider matters covering appointment of Directors, senior management and external auditors, major acquisitions and disposals, as well as other significant operational matters.
- review and monitor risks and changes in local and international business communities in order to enhance shareholders' value.
- oversee and evaluate the Company's financial performance and operations through determination of the annual budget and continuous review of performance results.
- develop, review and monitor the policies and practices on corporate governance of the Company.
- review and develop overall mid-term and long-term strategies, objectives and directions of the Company.

The Board continuously monitors the delegation to Board Committees and senior management of the Group with specific functions and clear instructions as well as reservation for the Board's decision and consideration of specifically identified matters. The Board reviews regularly the formal written procedures adopted by the Company for the governance of delegation and reservation of responsibilities of the Board.

Board Composition

As at the date of this report, the Board consists of six Group Executive Directors, one Non-executive Director and six Independent Non-executive Directors. An analysis of the current composition of the Board of the Company is set out below:

Group Executive Directors

- Mr Horst Julius Pudwill (Chairman)
- Mr Stephan Horst Pudwill (Vice Chairman)
- Mr Joseph Galli Jr (Chief Executive Officer)
- Mr Kin Wah Chan (Operations Director)
- Mr Chi Chung Chan (Group Chief Financial Officer)
- Mr Camille Jojo (re-designated from Non-executive Director to Executive Director with effect from December 1, 2023)

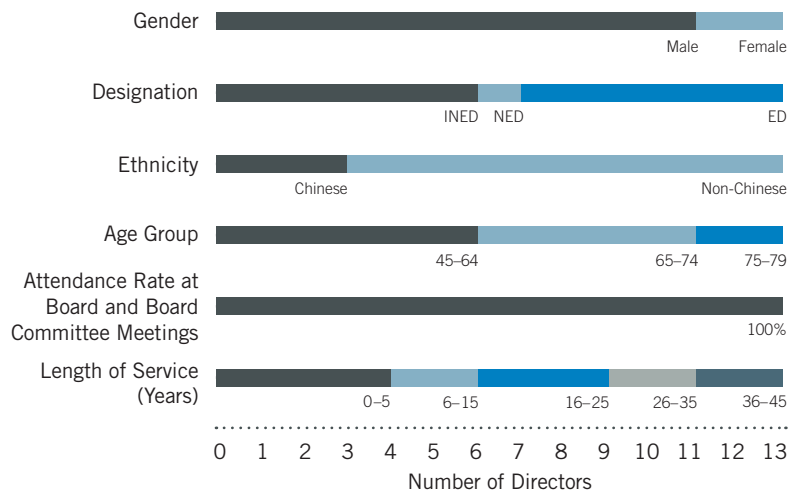
Non-executive Director

- Prof Roy Chi Ping Chung GBS BBS JP

Independent Non-executive Directors

- Mr Peter David Sullivan
- Mr Johannes-Gerhard Hesse
- Mr Robert Hinman Getz
- Ms Virginia Davis Wilmerding
- Ms Caroline Christina Kracht
- Mr Andrew Philip Roberts (appointed with effect from January 1, 2024)

Biographical details and relevant relationships of the members of the Board are set out on pages 58 to 63 of this annual report. A list of Directors and their roles and functions are published on the Company's website (www.ttigroup.com) and the Stock Exchange's website (www.hkexnews.hk).



Both the management of the Board and the day-to-day management are important to the Company's success and sustainability. The roles of Chairman and Chief Executive Officer of the Company have been segregated and clearly distinguished in order to promote balance of power, authority and accountability.

The roles of Chairman comprise, but are not limited to, the following:

- enhance effective communication with shareholders and encourage that the views of shareholders are communicated to the Board as a whole.
- oversee and ensure sound practices and procedures.
- ensure all Directors are properly briefed on issues arising at Board meetings and always receive clear, accurate and reliable information in a timely manner.
- lead the Board to perform its responsibilities and act in the best interests of the Company, and ensure the Board works effectively.
- encourage all Directors to make full and active contributions to the Board's affairs to enhance the performance of the Board's responsibilities.

The roles of Chief Executive Officer comprise, but are not limited to, the following:

- enhance the global sales potential of the Company's strong brand portfolio and facilitate the integration of acquisitions, if any.
- take the lead to oversee the global management team in the Group's daily operations.
- oversee or lead the Company's strategic initiatives and management strategies.

To ensure the Board performs effectively and enhances its diversity, appointment of directors is recommended by the Nomination Committee for approval by the Board. By considering the expertise, skills and experience of candidates for directorship, the Nomination Committee makes recommendations to the Board in order to achieve the effective balance and diversity of the Board. Directors are aware that they must be able to contribute sufficient time and attention to the affairs of the Company before accepting their appointment. A formal and detailed orientation is provided for each newly appointed Director to ensure proper understanding of duties and responsibilities of Directors under the Listing Rules, the Articles, and related ordinances and relevant regulatory requirements of Hong Kong. Every newly appointed Director must obtain legal advice from the solicitors of the Company advising on Hong Kong law as regards the requirements under the Listing Rules that are applicable to him/her as Director of the Company. Presentations by external professionals and senior executives of the Company are also provided to ensure a proper understanding of the Company's business and operations. In accordance with the Articles and the Listing Rules, Directors are subject to retirement by rotation at least once every three years. Any Directors appointed to fill a casual vacancy would be subject to election by shareholders at the next annual general meeting after their appointment.

The Board treasures a culture of openness and independent views as key elements to effectiveness. Independent Non-executive Directors and Non-executive Directors form a majority of the Board, and the Independent Non-executive Directors represent over one-third of the Board as at the date of this report. The Company has complied with Rule 3.10 of the Listing Rules in relation to the requirement of Independent Non-executive Directors. All Independent Non-executive Directors meet the guidelines for assessing independence set out in Rule 3.13 of the Listing Rules. The Company has received annual confirmations of independence from each of the Independent Non-executive Directors and they are all still considered to be independent.

The Board has arranged appropriate Directors' and Officers' liability insurance to indemnify the Directors and Officers of the Group for liabilities arising out of corporate activities. The coverage and the sum insured under the policy are reviewed annually.

Directors' Continuous Professional Development

The Company provides regular updates, written materials and training to all Directors on relevant laws, rules and regulations to make sure they are aware of the current trends in the commercial and regulatory environment in which the Company conducts its business. In order to ensure that the Directors' contribution to the Board remains informed and relevant, the Directors are encouraged to participate in various professional development programs such as seminars, webcasts and relevant reading materials, especially in relation to compliance requirements to develop and refresh their knowledge and skills and the latest updates on the relevant rules and regulations.

All Directors participate in continuous professional development as set out in code provision C.1.4 of the Corporate Governance Code. According to the records of training provided by each Director to the Company, the training received by the Directors in 2023 is summarized in the following table:

	Type of Continuous Professional Development Programme		
	Updates on business operations, laws, rules and regulations or corporate governance matters	Updates on directors' roles, functions and duties	Updates on accounting, financial or other professional skills
Group Executive Directors			
Mr Horst Julius Pudwill	√	√	
Mr Stephan Horst Pudwill	√	√	
Mr Joseph Gallii Jr	√	√	
Mr Kin Wah Chan	√	√	√
Mr Chi Chung Chan	√	√	√
Mr Camille Jojo	√	√	√
Non-executive Director			
Prof Roy Chi Ping Chung GBS BBS JP	√	√	√
Independent Non-executive Directors			
Mr Peter David Sullivan	√	√	
Mr Johannes-Gerhard Hesse	√	√	√
Mr Robert Hinman Getz	√	√	
Ms Virginia Davis Wilmerding	√	√	√
Ms Caroline Christina Kracht	√	√	√

Compliance with the Codes for Securities Transactions

The provisions of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 (formerly known as Appendix 10) of the Listing Rules (the "Model Code") has been adopted by the Board. In response to the specific enquiries made, all Directors have confirmed that they have fully complied with the required standards as set out in the Model Code during the year ended December 31, 2023.

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

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

Board Meetings

The Board focuses on the Company's strategies and values for on-going sustainability, success and growth of the Group.

The Company held regular Board meetings, where at least four Board meetings are scheduled in a year with more frequent meetings as and when required. In 2023, six Board meetings were held and the attendance records of each Director are set out in the section headed "Board, Board Committee and General Meetings in 2023" at the end of this report.

Board meeting, Board Committee meeting and Annual General Meeting dates for 2024 were agreed upon at the Board meeting held in August 2023 in order to ensure maximum attendance of Directors and to facilitate the effectiveness of the Board. The meeting agenda is drawn up by the Chairman in consultation with members of the Board to propose any other matters for inclusion in the agenda. Minutes of the Board and Board Committee meetings with sufficient details of matters and concerns discussed are prepared and maintained by the Company Secretary of the Company (the "Company Secretary"), which are sent to the Directors for comments and records. The Company Secretary keeps Board records in safe custody of which are available for inspection by the Directors.

Clear, accurate and reliable information are provided to all Directors in a timely manner to facilitate informed decisions of the Board. Furthermore, all related materials with sufficient details in relation to the Board's issues are accessible to all Directors. To enhance understanding of the business of the Group and Directors' responsibilities under statute and at common law, all Directors are provided with briefings and professional development training as necessary. The Company Secretary provides full support to the Directors in order to ensure Board procedures and all applicable laws, rules and regulations are followed. Directors are also provided with access to senior management of the Group upon request, as well as to independent professional advice on performing their duties at the Company's expenses.

Board Committees

The Board has established three Board Committees, namely the Audit Committee, the Nomination Committee and the Remuneration Committee, to delegate various responsibilities of the Board. Each of these Board Committees has specific written terms of reference which deal clearly with their authority and duties and have been published on the Company's website (www.ttigroup.com) and the Stock Exchange's website (www.hkexnews.hk).

The Directors continuously review the diversity and effectiveness of the Board. To ensure independent views and inputs are available to the Board, Independent Non-executive Directors form the majority of all Board Committees. With active participation and regular attendance of Independent Non-executive Directors, independent insights and opinions are encouraged to be contributed and expressed at the Board Committee meetings. The Board oversees and monitors the delegated authorities and responsibilities through regular reporting by the Board Committees in relation to their activities involved and recommendations and decisions made. The attendance records of each Board Committee are set out in the section headed "Board, Board Committee and General Meetings in 2023" at the end of this report.

Audit Committee

The Audit Committee is chaired by Mr Peter David Sullivan with other members being Mr Johannes-Gerhard Hesse, Mr Robert Hinman Getz and Ms Caroline Christina Kracht (who has been appointed as a member of Audit Committee with effect from March 1, 2023). On December 1, 2023, Mr Camille Jojo has been re-designated from a Non-executive Director to an Executive Director and ceased to be a member of the Audit Committee. As at the date of this report, all members are Independent Non-executive Directors. The Company has complied with Rule 3.21 of the Listing Rules in relation to the requirement of the Audit Committee.

The Audit Committee plays an important role in risk management and internal control aspects. The Audit Committee aims to review and monitor the effectiveness of the risk management and internal control systems to ensure the compliance with the Group's obligations under the Listing Rules and other applicable laws and regulations. The Audit Committee oversees the completeness and integrity of the financial statements of the Company and takes ad hoc responsibilities which may be delegated by the Board from time to time. The Audit Committee is also directly responsible on behalf of the Board for the oversight of the performance of the Company's external auditors, the assessment of the independence and qualifications of the external auditors, the selection, oversight and remuneration of the Company's external auditors and the maintenance of an appropriate relationship with the external auditors.

The Audit Committee held four meetings in 2023 and performed duties summarized below:

- review and assist to maintain the effectiveness of risk management and internal control systems of the Group.
- review and monitor the scope, extent and effectiveness of the internal audit function of the Group.
- review and make recommendations to the Board for the approval of the interim and annual financial statements of the Group.
- monitor and review the Group's accounting principles and practices, financial reporting matters and significant financial matters.
- oversee the relationship between the Company and the external auditors, assess the performance of the external auditors and recommend the re-appointment of the external auditors.
- review the audit and non-audit services provided by the external auditors.
- take up responsibilities delegated by the Board to handle ad hoc matters and to consider various matters to improve the Board's communication.

Nomination Committee

The Nomination Committee is chaired by Mr Horst Julius Pudwill (Chairman of the Board) with the other members being Mr Johannes-Gerhard Hesse, Mr Robert Hinman Getz and Ms Virginia Davis Wilmerding. All members except Mr Horst Julius Pudwill are Independent Non-executive Directors.

The Board recognizes the benefits of board diversity and realizes increasing diversity is vital in maintaining an effective board. The Board should have a balance of skills, experience and diversity of perspectives appropriate for the requirements of the business of the Group in order to effectively discharge its function. The Nomination Committee aims to ensure a fair and transparent process of Board appointments, and in particular, to assist the Board to identify suitably qualified candidates and make recommendations for consideration of the Board and shareholders. When considering suitable Director candidates, the Nomination Committee considers factors including, but not limited to, ethics, integrity, personal skills, professional knowledge and industry experience, as well as the ability to contribute sufficient time and attention to the Board in their recommendations.

The Nomination Committee held two meetings in 2023. The work performed by the Nomination Committee in 2023, with sufficient resources provided by the Company and/or independent professional advice when necessary, included:

- assess the independence of the Independent Non-executive Directors.
- review the Nomination Policy and the Board Diversity Policy.
- make recommendations to the Board on relevant matters relating to the retirement and re-election of the Directors at the 2023 Annual General Meeting.
- review the size, composition and structure of the Board regularly.
- make recommendations to the Board on potential Director candidates based on various relevant factors.

The Board currently has two female Directors out of the thirteen Directors with balanced skills, experience and diversity of perspectives to enhance the Company's business and values. The Group has also taken, and continues to take, steps to promote diversity at all levels of its workforce. Opportunities for employment, training and career development are equally opened to all eligible employees without discrimination. Gender ratio in the workforce of the Company can be found in the "Environmental, Social and

Governance Report" ("ESG Report") which will be published separately. The ESG Report forms part of this report. The Board has adopted the Board Diversity Policy in August 2013, which is published on the Company's website (www.ttigroup.com). Widening diversity at the Board level is essential for sustainable development of the Group and the Board considers that the current gender diversity in respect of the Board taking into account the Group's business model and industry-wide practice and specific needs of the Company is satisfactory. The Nomination Committee would consider various perspectives and measurable objectives, including, but not limited to, age, gender, professional experience, educational background, cultural and length of service while reviewing the composition of the Board with an aim to promote gender diversity culture and avoid a single gender Board. The ultimate decision will be based on merit and contribution that the Directors and any selected candidates will bring to the Board. An analysis of the current Board composition based on these objective criteria is set out on page 65 of this report.

Remuneration Committee

The Remuneration Committee is chaired by Mr Robert Hinman Getz with the other members of the Committee being Mr Peter David Sullivan and Ms Virginia Davis Wilmerding (who has been appointed as a member of the Remuneration Committee with effect from March 1, 2023). On December 1, 2023, Mr Camille Jojo has been re-designated from a Non-executive Director to an Executive Director and ceased to be a member of the Remuneration Committee. As at the date of this report, all members of the Remuneration Committee are Independent Non-executive Directors.

The Remuneration Committee develops and administers fair and transparent procedures for setting policy on the overall human resources strategy of the Group, including those related to the remuneration of the Group's Directors and senior management. The Remuneration Committee is responsible for recommending the remuneration packages of Directors of the Group taking into account their merit, competence and qualifications, individual performance, the Company's operating results and return to shareholders, and considering relevant market practices. The Remuneration Committee consults the Executive Chairman regarding the remuneration packages for the Chief Executive Officer (CEO) and other Executive Directors and makes recommendations to the Board on the remuneration packages of Executive Directors, including, without limitation, base salaries, incentive payments and grants of share awards and share options. The Remuneration Committee also makes recommendations to the Board on the remuneration of Non-executive Directors and Independent Non-executive Directors. The Remuneration Committee reports directly to the Board on its decisions or recommendations.

The Remuneration Committee held four meetings in 2023 and performed, among other work, the following:

- review and make recommendations on the existing Remuneration Policy for Directors and senior management.
- review and update the peer group used to assess the competitiveness of Executive Director remuneration.
- assess the Executive Directors’ performance and remuneration packages.
- recommend pay packages for Executive Directors and CEO to the full Board.
- review and approve material matters in relation to the share schemes adopted by the Company, including, without limitation, the approval of the grant of share awards under the 2018 Share Award Scheme and the review of the rules and operation of the Company’s share schemes against the backdrop of the latest amendments to Chapter 17 of the Listing Rules.

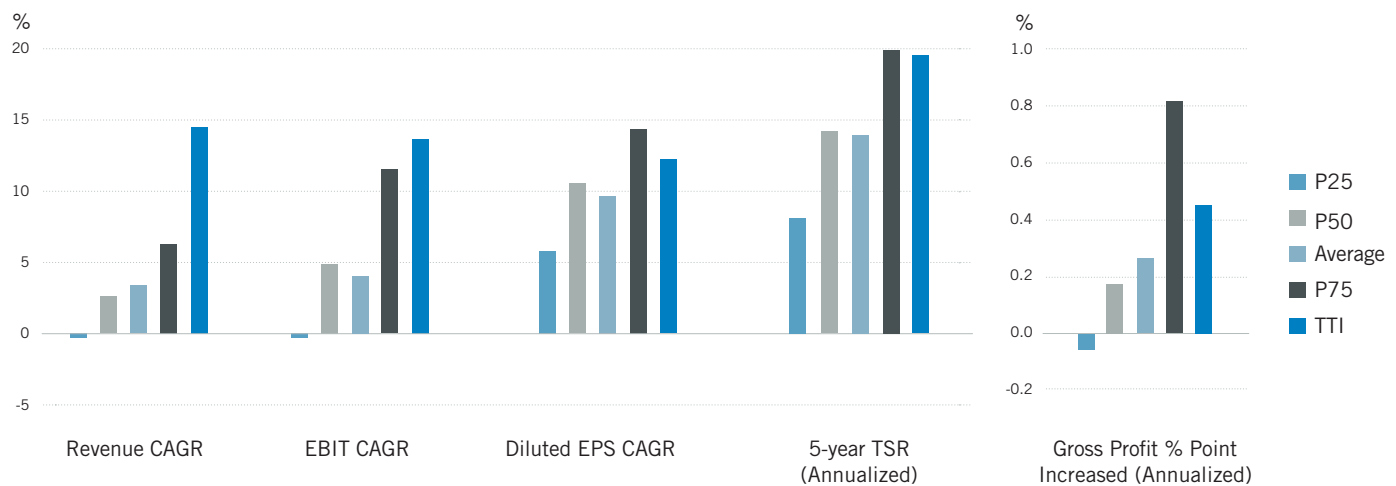
The Board ensures that the Remuneration Committee has access to sufficient internal and third-party resources, including professional advice, to fulfill its duties. The Group engages a global executive compensation consulting firm as an independent third party to advise the Remuneration Committee, including providing assessments of the competitiveness of compensation of the Executive Directors, including the Chairman and the CEO. The compensation packages of the Group’s Executive Directors were assessed relative to similar positions at 19 peer companies operating in the same or adjacent industries. The consultant’s assessment took into account the Group’s absolute shareholder returns, financial and operational performance, as well as performance relative to the peer companies.

GROUP CEO INCENTIVE COMPENSATION

The Remuneration Committee reviewed and recommended to the Board for approval the 2023 incentive payouts for the Executive Chairman, the CEO and other Executive Directors commensurate with the solid relevant financial and operational performance delivered by the Group in 2023, and recognizing the deliberate investments made to position the Group for future growth and profitability improvements.

Compensation delivered to the Executive Directors, and in particular the CEO, is dependent on company performance as assessed on a number of operational and financial metrics as well as progress against key strategic objectives. The Remuneration Committee believes it is extremely important to align executive compensation with long-term shareholder outcomes. As shown in Chart 1 below, over the past five years the Group has generally approximated or exceeded the 75th percentile performance of the 19 peer companies in key financial and operational performance metrics including revenue growth and EBIT growth. Importantly, the Company’s stock price and TSR performance over the past five years remains exceptional in both relative and absolute terms. The Company’s 5-year TSR is relatively strong, at 19.5% total return, as compared to the peer group median and average of 14.2% and 13.9%, respectively, equaling the 71st percentile performance of the 19 companies included in the company’s compensation peer group.

Chart 1: TTI’s Five Year Financial Performance as Compared to 19 Peer Companies^[1]



1. Five-year TTI performance through FY 2023 measured against most recently available five-year performance for each company in the peer group.

ANNUAL INCENTIVE AWARDS

Over the past five years the Remuneration Committee has modified Mr Galli's compensation package so that it is more focused on performance-based share awards. The Remuneration Committee believes that rewarding the CEO for the achievement of sustained outstanding performance in the form of Group equity meaningfully aligns him with long-term shareholder outcomes and creates further incentives for improved future performance.

LONG-TERM INCENTIVE AWARDS

In 2018 the Board approved multi-year performance-based share awards to Mr Galli ("2018 CEO Share Awards") with the granting of the awards conditional upon the Company's achievement of share price, financial and operational performance criteria ("Performance Criteria") over successive three-year performance periods ending each year from 2019 to 2024. For the three-year period ending in 2023, Mr Galli delivered exceptional financial and operational performance and strong relative share price performance, when measured against the performance of our key competitors. Additionally, a number of strategic objectives were achieved over the past three years, including diversification and expansion of the Group's manufacturing footprint and achievement of good progress towards the Group's ESG goals. As a result of this strong financial and operational performance, during a time of significant economic instability, the last tranche of the 2018 CEO Share Awards (one million shares) was awarded to Mr Galli on January 5, 2024 pursuant to the Company's meeting of the financial and operational goals set out in the 2018 CEO Share Awards plan. These shares are scheduled to vest to Mr Galli on or about January 5, 2025, if he remains in his current role.

Over the last three years, the Group delivered 11.9% compound annual revenue growth and 9.8% compound annual EBIT growth. The Group's revenue growth over this period equaled the 87th percentile of performance of the Primary Peer Group while EBIT growth equaled the 52nd percentile of the Primary Peer Group. Additionally, the Company's profit margin exceeds 58% of the peers and profit margin improvement over the past three years equaled the 57th percentile of peer group performance.

Besides the 2018 CEO Share Awards, the Board approved another multi-year performance-based share award to Mr Galli ("2020 CEO Share Awards") with the granting of the award conditional upon the Company's achievement of financial and operational performance criteria ("Financial and Performance Criteria") for the years between 2022 to 2026. Under the 2020 CEO Share Awards, 1,000,000 shares will be granted each year between 2022 and 2026 and vest the following year if the Financial and Performance Criteria have been achieved. The first and second tranches of 1,000,000 shares each have been granted to Mr Galli (Details are set out in "EQUITY PLAN DESCRIPTIONS" section in this Corporate Governance Report).

MR GALLI'S PERFORMANCE HISTORY

The compensation package awarded to Mr Galli, including his annual cash incentive, were awarded on the basis of the Group's strong financial and operational performance in 2023 including record free cash flow, despite economic disruptions and uncertainty which negatively impacted overall industry results and our key peers' performance.

Mr Galli's overall compensation package is designed and managed with a long-term focus, and rewards him for the Company's very strong growth and performance over the entire period of his tenure as CEO of the Group and incentivizes him to:

- achieve the short-term and long-term financial and operational goals set by the Board,
- to meet the Group's strategic goals in order to position the company for future profitable growth,
- to align his long-term remuneration outcomes with sustained shareholder value creation, and
- ensure his continued service to the Company in his current role.

Since his appointment to the CEO role in February 2008, Techtronic's stock price has increased from HK\$8.40 on February 1, 2008 to close at HK\$93.05 on December 29, 2023, an increase of 1,008%, greatly exceeding the performance of both the Hang Seng Index (-29%) and the S&P500 Index (+241%) over the same time period. Since February 2008, the Group's equity market capitalization has grown more than 13 times, from approximately HK\$12.6 billion to over HK\$170 billion (from US\$1.62 billion to US\$21.88 billion) at the end of December 2023.

EQUITY PLAN DESCRIPTIONS

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

The purpose of the 2018 Share Award Scheme is to recognize the contributions by Eligible Persons as defined below and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. Unless otherwise stated, the scheme rules of the schemes are substantially identical and a summary of the principal terms of both schemes is set out below:

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

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

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

to be issued in respect of all awarded shares and share options granted (excluding any awarded shares or share options lapsed in accordance with the terms of the 2018 Share Award Scheme or any other share scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.10% of the total issued share capital of the Company as at the Share Award Scheme Amendment Date, such grant of awarded shares must be approved by the shareholders in a general meeting with such Selected Grantee, his/her associates and all core connected persons of the Company abstaining from voting at such general meeting. Without prejudice to the above, where any grant of awarded shares under the 2018 Share Award Scheme and share options and awarded shares to be granted under any other share scheme(s) of the Company to an Independent Non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the shares issued and to be issued in respect of all share options and awarded shares granted (excluding any share options and awarded shares lapsed in accordance with the terms of the 2018 Share Award Scheme or any other share scheme(s) of the Company) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.10% of the total issued share capital of the Company as at the Share Award Scheme Amendment Date, such grant of awarded shares must be approved by the shareholders in a general meeting with such Selected Grantee, his/her associates and all core connected persons of the Company abstaining from voting at such general meeting. The total issued share capital of the Company as at the Share Award Scheme Amendment Date was 1,834,797,941 shares.

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

Since the 2018 Adoption Date and up to December 31, 2023, a total of 14,096,000 shares had been awarded under the 2018 Share Award Scheme, representing 0.77% of the issued share capital of the Company as at the Share Award Scheme Amendment Date. Recognition of share-based payment expenses under the 2018 Share Award Scheme during the year was US\$38,116,000. During the year ended December 31, 2023, a total of 1,437,500 shares had been awarded under the 2018 Share Award Scheme to twelve Directors of

the Company, representing 0.08% of the issued share capital of the Company as at the Share Award Scheme Amendment Date. The total payout, including related expenses, amounted to US\$20,578,000. In addition, during the year ended December 31, 2023, 1,575,000 shares were transferred to five Directors and a Selected Grantee upon vesting under the 2018 Share Award Scheme. As at December 31, 2023, details of the awarded shares granted under the 2018 Share Award Scheme of the Company were as follows:

Share awards holders	Date of Award	Share award scheme category	Number of awarded shares	Number of awarded shares				As at December 31, 2023	Vesting Period	Closing price at the Date of Award (HK\$)	Purchase price (HK\$)
				As at January 1, 2023	Awarded during the year	Vested during the year	Lapsed during the year				
Directors											
Mr Horst Julius Pudwill	21.3.2018	2018	500,000	-	-	-	-	-	15.3.2019 – 15.3.2022	47.00	30.29
	20.5.2019	2018	300,000	-	-	-	-	-	20.5.2020 – 20.5.2022	50.20	28.15
	21.12.2020	2018	1,000,000	-	-	-	-	-	21.12.2020 – 21.12.2021	107.00	44.55
	30.12.2021	2018	300,000	300,000	-	(300,000)	-	-	3.4.2023 – 30.12.2023	154.90	115.13
	22.12.2023	2018	125,000	-	125,000	-	-	125,000	22.12.2026	92.50	111.23
Mr Stephan Horst Pudwill	21.3.2018	2018	50,000	-	-	-	-	-	15.3.2019 – 15.3.2022	47.00	30.29
	21.12.2020	2018	100,000	-	-	-	-	-	21.12.2020 – 21.12.2021	107.00	44.55
	30.12.2021	2018	50,000	25,000	-	(25,000)	-	-	30.12.2022 – 30.12.2023	154.90	115.13
	22.12.2023	2018	75,000	-	75,000	-	-	75,000	22.12.2026	92.50	111.23
Mr Joseph Galli Jr ⁽⁴⁾	21.3.2018	2018	514,000	-	-	-	-	-	15.3.2019 – 15.3.2022	47.00	30.29
	3.1.2020	2018	1,000,000	1,000,000	-	-	-	1,000,000	On or about 1.1.2025	64.70	44.38
	21.12.2020	2018	1,000,000	-	-	-	-	-	21.12.2020	107.00	44.55
	4.3.2021	2018	1,000,000	-	-	-	-	-	4.3.2021	121.40	80.25
	4.3.2021	2018	1,000,000	1,000,000	-	-	-	1,000,000	On or about 1.1.2025	121.40	80.25
	31.12.2021	2018	1,000,000	1,000,000	-	-	-	1,000,000	On or about 1.1.2025	155.20	121.14
	3.3.2022	2018	1,000,000	-	-	-	-	-	3.3.2022	136.10	130.19
	3.3.2022	2018	1,000,000	1,000,000	-	(1,000,000)	-	-	23.3.2023	136.10	130.19
	30.12.2022	2018	1,000,000	1,000,000	-	-	-	1,000,000	On or about 1.1.2025	87.10	142.95
22.12.2023	2018	1,000,000	-	1,000,000	-	-	1,000,000	22.12.2024	92.50	111.23	
Mr Kin Wah Chan	21.3.2018	2018	50,000	-	-	-	-	-	15.3.2019 – 15.3.2022	47.00	30.29
	21.12.2020	2018	100,000	-	-	-	-	-	21.12.2020 – 21.12.2021	107.00	44.55
	30.12.2021	2018	50,000	25,000	-	(25,000)	-	-	30.12.2022 – 30.12.2023	154.90	115.13
	22.12.2023	2018	75,000	-	75,000	-	-	75,000	22.12.2026	92.50	111.23

Share awards holders	Date of Award	Share award scheme category	Number of awarded shares	Number of awarded shares					As at December 31, 2023	Vesting Period	Closing price at the Date of Award (HK\$)	Purchase price (HK\$)
				As at January 1, 2023	Awarded during the year	Vested during the year	Lapsed during the year	As at December 31, 2023				
Directors (continued)												
Mr Chi Chung Chan	21.3.2018	2018	50,000	-	-	-	-	-	15.3.2019 – 15.3.2022	47.00	30.29	
	21.12.2020	2018	100,000	-	-	-	-	-	21.12.2020 – 21.12.2021	107.00	44.55	
	30.12.2021	2018	50,000	25,000	-	(25,000)	-	-	30.12.2022 – 30.12.2023	154.90	115.13	
	22.12.2023	2018	75,000	-	75,000	-	-	75,000	22.12.2026	92.50	111.23	
Mr Camille Jojo	2.1.2019	2018	10,000	-	-	-	-	-	2.1.2019	41.10	28.15	
	20.5.2019	2018	150,000	-	-	-	-	-	20.5.2020 – 20.5.2022	50.20	38.30	
	3.1.2020	2018	12,500	-	-	-	-	-	3.1.2020	64.70	44.62	
	21.12.2020	2018	10,000	-	-	-	-	-	21.12.2021 – 21.12.2022	107.00	44.55	
	31.12.2020	2018	10,500	-	-	-	-	-	31.12.2020	110.60	49.67	
	30.12.2021	2018	18,000	-	-	-	-	-	30.12.2021 – 30.12.2022	154.90	115.13	
	30.12.2022	2018	11,000	-	-	-	-	-	30.12.2022	87.10	142.95	
	22.12.2023	2018	12,500	-	12,500	-	-	12,500	22.12.2026	92.50	111.23	
Prof Roy Chi Ping Chung GBS BBS JP	21.12.2020	2018	10,000	-	-	-	-	-	21.12.2021 – 21.12.2022	107.00	44.55	
	30.12.2021	2018	12,500	-	-	-	-	-	30.12.2022	154.90	115.13	
	22.12.2023	2018	12,500	-	12,500	-	-	12,500	22.12.2024	92.50	111.23	
Mr Peter David Sullivan	21.12.2020	2018	10,000	-	-	-	-	-	21.12.2021 – 21.12.2022	107.00	44.55	
	30.12.2021	2018	12,500	-	-	-	-	-	30.12.2022	154.90	115.13	
	22.12.2023	2018	12,500	-	12,500	-	-	12,500	22.12.2024	92.50	111.23	
Mr Johannes-Gerhard Hesse	21.12.2020	2018	10,000	-	-	-	-	-	21.12.2021 – 21.12.2022	107.00	44.55	
	30.12.2021	2018	12,500	12,500	-	-	-	12,500	2.5.2024 ⁽⁶⁾	154.90	115.13	
	22.12.2023	2018	12,500	-	12,500	-	-	12,500	22.12.2024	92.50	111.23	
Mr Robert Hinman Getz	21.12.2020	2018	10,000	5,000	-	-	-	5,000	N/A ⁽⁷⁾	107.00	44.55	
	30.12.2021	2018	12,500	12,500	-	-	-	12,500	N/A ⁽⁸⁾	154.90	115.13	
	22.12.2023	2018	12,500	-	12,500	-	-	12,500	22.12.2024	92.50	111.23	

Share awards holders	Date of Award	Share award scheme category	Number of awarded shares	Number of awarded shares					As at December 31, 2023	Vesting Period	Closing price at the Date of Award (HK\$)	Purchase price (HK\$)
				As at January 1, 2023	Awarded during the year	Vested during the year	Lapsed during the year	As at December 31, 2023				
Directors (continued)												
Ms Virginia Davis Wilmerding	30.12.2021	2018	12,500	12,500	-	-	-	12,500	N/A ⁽⁹⁾	154.90	115.13	
	22.12.2023	2018	12,500	-	12,500	-	-	12,500	22.12.2024	92.50	111.23	
Ms Caroline Christina Kracht	22.12.2023	2018	12,500	-	12,500	-	-	12,500	22.12.2024	92.50	111.23	
Total for directors			12,976,000	5,417,500	1,437,500	(1,375,000)	-	5,480,000				
Employees	20.5.2019	2018	1,100,000	400,000	-	(200,000)	-	200,000	20.5.2020 – 20.5.2024	50.20	45.30	
	21.12.2020	2018	10,000	-	-	-	-	-	20.5.2021	107.00	44.55	
	21.12.2020	2018	10,000	-	-	-	-	-	30.7.2021	107.00	44.55	
Total for employees			1,120,000	400,000	-	(200,000)	-	200,000				
Total for all categories			14,096,000	5,817,500	1,437,500	(1,575,000)	-	5,680,000				

Notes:

- All the awarded shares are purchased on the market. All awarded shares were granted to Directors only during the year ended December 31, 2023. No share awards were cancelled or lapsed during the year ended December 31, 2023.
- At the end of the year, the average fair value per share is HK\$98.98. The average fair value of the awarded shares is based on the average purchase cost.
- During the reporting year, a total of 350,000 shares were purchased at an aggregate consideration of US\$3,525,000 for satisfying the awards granted pursuant to the 2018 Share Award Scheme.
- As to the agreement for the separate 5,000,000 awarded shares to be granted to Mr Joseph Galli Jr between 2020 to 2024 in five equal tranches (i.e. 1,000,000 awarded shares per year) provided the Company meets certain performance criteria each year, all the tranches of 1,000,000 shares each were awarded to Mr Galli on January 3, 2020, March 4, 2021, December 31, 2021, December 30, 2022 and January 5, 2024 respectively. Details of the last tranche of 1,000,000 shares granted on January 5, 2024 as disclosed above are not included. These shares are scheduled to vest to Mr Galli on or about January 5, 2025 if he remains in his current role. The above mentioned performance criteria are set out in the "Remuneration Committee" section in this Corporate Governance Report.
- The performance targets of the awarded shares granted in 2023 to Executive Directors are generally assessed at two respective levels, namely the individual level and the Group's level. None of the awarded shares granted in 2023 to the Non-executive Director and the Independent Non-executive Directors are subject to any performance targets assessment by the Company.
- The Board has exercised its discretion under the scheme rules to amend the vesting date of the 12,500 shares which were awarded to Mr Johannes-Gerhard Hesse from December 30, 2022 to May 2, 2024.
- The Board has exercised its discretion under the scheme rules to amend the vesting date of the 5,000 shares which were awarded to Mr Robert Hinman Getz from December 21, 2022 to upon his cessation as a director of the Company.
- The Board has exercised its discretion under the scheme rules to amend the vesting date of the 12,500 shares which were awarded to Mr Robert Hinman Getz from December 30, 2022 to upon his cessation as a director of the Company.
- The Board has exercised its discretion under the scheme rules to amend the vesting date of the 12,500 shares which were awarded to Ms Virginia Davis Wilmerding from December 30, 2022 to upon her cessation as a director of the Company.

As to the agreement for the 5,000,000 shares might be granted subject to, inter alia, the achievement of performance criteria (i.e. reaching a specific EBIT target each year) for the years between 2022 to 2026 respectively, the 1,000,000 shares for 2022 were awarded to Mr Galli on March 3, 2022 and vested on March 23, 2023. The 1,000,000 shares for the year 2023 were awarded to Mr Galli on December 22, 2023 and will be vested on 1st anniversary of the date of award. If the respective performance criteria are not completed for a year, the grant for that year will lapse. Details of the remaining 3,000,000 shares to be granted as disclosed above are not included. The above mentioned performance criteria are set out in the "Remuneration Committee" section in this Corporate Governance Report.

The closing price of the Company's shares immediately before the various dates on which the share awards were granted was HK\$91.30 in 2023. The fair value of awarded shares at the date of grant in 2023 was HK\$111.23.

The weighted average closing price of the Company's shares immediately before the various dates on which the share awards were vested during 2023 was HK\$86.01. The number of shares that may be issued in respect of share awards granted under the 2018 Share Award Scheme and the share options granted under Scheme E (details are set out in the section headed "Share Options" in Report of the Directors) during 2023 divided by the weighted average number of shares in issue for the year is 0.28%.

The number of shares available for grant under (i) 2018 Share Award Scheme at the beginning of the year was 170,843,694; and (ii) under the approved scheme mandate at the end of the year was 183,479,794 pursuant to the amended and restated rules of the 2018 Share Award Scheme. The total number of shares available for issue under the 2018 Share Award Scheme is 183,479,794, which represents (i) approximately 10.00% of the issued share capital of the Company as at December 31, 2023; and (ii) approximately 10.01% of the issued share capital of the Company as at the date of this Annual Report. The number of shares that may be issued in respect of share awards granted under the 2018 Share Award Scheme and the share options granted under Scheme E is 163,085,794, representing approximately 8.89% of the issued share capital of the Company as at December 31, 2023.

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

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

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

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

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

None of the share awards granted under the 2018 Share Award Scheme before January 1, 2023 were subject to any performance-based targets or clawback mechanisms except for those granted to Mr Joseph Galli Jr as detailed in Note 4 on page 75. The Remuneration Committee is of the view that these are justifiable as all such decisions were (i) made before the corresponding new requirements under Chapter 17 of the Listing Rules became effective on January 1, 2023 and within the authority and discretion of the Board as stipulated under the rules of the 2018 Share Award Scheme; and (ii) aligned with the purpose of the 2018 Share Award Scheme as a recognition and reward of the grantee's contributions to the Group's continuing operation and development and which in turn is beneficial to the shareholders and the Company as a whole from a business sustainability and stability perspective.

Save as disclosed above, no other person was granted share awards for the year ended December 31, 2023.

Change in Directors' Emoluments

Ms Caroline Christina Kracht, an Independent Non-executive Director, was appointed as member of the Audit Committee with effect from March 1, 2023 and will be entitled to the Audit Committee fee which has been fixed by the Board.

Ms Virginia Davis Wilmerding, an Independent Non-executive Director, was appointed as member of the Remuneration Committee with effect from March 1, 2023 and will be entitled to the Remuneration Committee fee which has been fixed by the Board.

An increase of US\$10,000 to the board retainer fee for Non-executive Directors and Independent Non-executive Directors and an increase of US\$5,000 in the Chair fee to both the Chairman of the Audit Committee and the Remuneration Committee, which was approved by all the Executive Directors of the Company, has taken effect from April 1, 2023.

Mr Camille Jojo, a Non-executive Director, was re-designated to an Executive Director and ceased to be a member of the Audit Committee and Remuneration Committee with effect from December 1, 2023.

Company Secretary

The Company Secretary is responsible for ensuring that Board procedures are followed. All Directors have access to the advice and services of the Company Secretary. The Company Secretary is also responsible for facilitating information flow and communication among Directors as well as with shareholders and management of the Company. The Company Secretary is an employee of the Company and is appointed by the Board. The Company Secretary undertook over 15 hours of professional training to update her skills and knowledge every year.

Accountability and Audit

The Board acknowledges its responsibility for overseeing the preparation of the accounts of the Group which give a true and fair view of the Group's state of affairs, results and cash flows for the year.

The Board will present a balanced, clear and understandable assessment of annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to the regulators as well as information required to be disclosed pursuant to statutory requirements.

Risk Management and Internal Controls

Effective risk management and internal control systems are vital in order to achieve long term goals of the Group through identifying and evaluating the Group's risks and formulating appropriate mitigating controls. The Board is responsible for continuously monitoring and reviewing key internal control policies which include delegated authorities, non-audit services, treasury management policy, policy on market disclosure and investor and media relations, as well as key risk management functions which include legal, insurance, human resources, capital management and treasury. The Board conducts an annual review of the effectiveness of the risk management and internal control systems of the Company, which is designed to manage and minimize risks of failure in operational systems, and to provide reasonable but not absolute assurance that material misstatement or loss can be avoided.

The internal audit function is essential for providing an independent and objective assurance to the Audit Committee and the Board in controlling the internal business environment. The internal audit function continuously maintains an independent review on key business aspects in accordance with the annual audit plan, and reports the key findings to the Board through the Audit Committee. In addition, the internal auditor of the Company reports periodically to the Audit Committee and communicates with the Chairman of the Audit Committee regularly so as to evaluate and manage significant risks that may be identified throughout. The internal audit function also annually performs risk assessment to build the audit plan of the Group.

The Board, together with the Audit Committee, focuses on strengthening the Group's risk management culture, ensuring the whole risk management framework is adequate and effective and oversees the internal audit function. The Group continuously reviews its risk framework in light of substantial changes and pursues improvements of enterprise risk management. A whistle blowing policy (the "Complaint Resolution Policy and Procedure") has been adopted in order to detect and identify improprieties and bring the issues to the attention of the management, the Audit Committee as well as the Board. Furthermore, the Group regularly conducts in-house anti-bribery training sessions to bolster the Group's anti-corruption culture, awareness and knowledge.

The Board, and in particular the Audit Committee, conducts a continuous review of the effectiveness of the Group's risk management and internal control systems that have been put in place. The reviews covering financial, operational, and compliance controls and risk management performed in 2023 included:

- the adequacy and performance of accounting and financial reporting functions.
- the regular internal audit updates and the strategic and annual operating plan.
- the organization structure and delegated authorities.
- the scope and quality of the management's ongoing monitoring of risks and internal control system and the effectiveness of the Company's procedures relating to statutory and regulatory compliance.
- the risk management process including formal risk assessment at the enterprise level upon discussions with senior management responsible for day-to-day management of significant risks.

The Company identifies, assesses and prioritizes the risks that are most relevant to the Company's success according to their likelihood and impact. Risk assessment is conducted with the objective to improve the design and effectiveness of the Company's internal controls. Mitigation plans or controls enhancements are developed and implemented by business units based on the risk assessment. The Company also reviews its risk framework on an ongoing basis considering substantial changes and pursues improvements of enterprise risk management.

The procedures and internal controls for handling and disseminating of inside information are governed by the Model Code, the Code for Securities Transactions by Relevant Employees, the Complaint Resolution Policy and Procedure, the Policy on Market Disclosure, Investor and Media Relations, with a view to ensuring compliance with the Articles and the statutory and regulatory requirements that the Group is subject to.

In light of the above reviews and policies, the Board confirms that the Group's risk management and internal controls systems are effective and adequate.

External Auditor

Deloitte Touche Tohmatsu, the external auditor of the Group, provided the following audit and non-audit services to the Group in 2023:

Nature of Services	Amount (US\$ million)
External Audit Services	3.03
Taxation Services	0.13
Other Services	0.06

The other services provided by Deloitte Touche Tohmatsu comprised professional services conducted under the terms of specified engagements.

The nature and ratio of annual fees to the external auditor for audit services and non-audit services are subject to scrutiny by the Audit Committee to ensure the independence of the external auditor. All non-audit services from the external auditor are regulated by the Policy on Non-Audit Services published on the Company's website (www.ttigroup.com).

The Audit Committee and the external auditor of the Group meet twice a year without the presence of the management of the Group to enhance independent reporting by the external auditor of the Group. In order to maintain effective communication with shareholders, the external auditor attended the 2023 Annual General Meeting to answer questions about the accounting policies, the auditor's independence, the conduct of the audit and the preparation and content of the auditor's report.

Investor Relations and Shareholder Communications

The Company aims to maintain an effective communication and on-going dialogue with its shareholders and investors particularly through the following major means:

Shareholders Communication Policy

The Board has adopted the Shareholders Communication Policy on March 22, 2012, which primarily covers the current practices for communicating with shareholders and is published on the Company's website (www.ttigroup.com). All the Company's circulars, announcements, notices and results of general meetings, annual and interim reports, and webcasts of results presentations conducted at press conferences, which are published on the Company's website (www.ttigroup.com), provide timely, efficient and accurate information to shareholders and investors. Essential information is communicated to the shareholders mainly through the Company's financial reports, general meetings and the information published on the Company's website (www.ttigroup.com) and the Stock Exchange's website (www.hkexnews.hk). In addition, the Company holds regular meetings with institutional shareholders and analysts and encourages shareholders to attend annual general meetings to communicate with Directors and management of the Company directly. Important shareholders' dates in the coming financial year are set out in the section headed "Corporate Information" of this annual report. The Board reviews the implementation of the Shareholders Communication Policy on a regular basis (including steps taken at the general meetings, the handling of queries received and the multiple channels of communication and engagement in place) and considered it has been properly and effectively implemented during the year.

A Policy on Market Disclosure, Investor and Media Relations, published on the Company's website (www.ttigroup.com), ensures that the Company complies with its disclosure obligations under the Listing Rules and other applicable laws and regulations, and that all shareholders and investors have an equal opportunity to receive and obtain externally available information issued by the Company.

Shareholders' Rights

CONVENING OF EXTRAORDINARY GENERAL MEETING ON REQUISITION BY SHAREHOLDERS

Pursuant to Article 64 of the Articles and sections 566-568 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong), shareholders holding at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings of the Company (the "Requisitionists"), may request the Directors to convene an extraordinary general meeting ("EGM"). The written requisition must state the general nature of the business to be dealt with at the EGM and must be signed by the Requisitionists and sent to the registered office of the Company which is currently located at 29/F, Tower 2, Kowloon Commerce Centre, 51 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong for the attention of the Company Secretary. The requisition may consist of several documents in like form and may include the text of a resolution that may properly be moved and is intended to be moved at the EGM.

If the Directors do not, within 21 days after the date on which they become subject to the requirement, proceed duly to convene an EGM for a day not more than 28 days after the date of the notice convening the EGM, the Requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene an EGM. The EGM must be called for a date not more than three months after the date on which the Directors become subject to the requirement to call an EGM. Any reasonable expenses incurred by the Requisitionists by reason of the failure of the Directors duly to convene an EGM shall be repaid to the Requisitionists by the Company.

PROCEDURE FOR NOMINATING A PERSON FOR ELECTION AS A DIRECTOR

For the detailed procedure for shareholders to nominate a person to stand for election as Director, please refer to the written procedure named "Nomination of Directors by Shareholders" which is published on the Company's website (www.ttigroup.com).

PROCEDURE FOR DIRECTING SHAREHOLDERS' ENQUIRIES TO THE BOARD

The Company values feedback from shareholders on its efforts to promote transparency and foster investor relationships. Shareholders may address their comments, suggestions and/or enquires to the Board in writing through Investor Relations and Communication (contact details are set out in the section headed "Corporate Information" of this annual report).

PROCEDURE FOR PUTTING FORWARD PROPOSALS AT GENERAL MEETINGS

Pursuant to Section 615 of the Companies Ordinance, shareholders may submit a written requisition to circulate a resolution at an annual general meeting ("AGM") if they: (a) represent at least 2.5% of the total voting rights of all shareholders having a right to vote on the resolution at the AGM to which the request relates; or (b) are at least 50 shareholders having a right to vote on the resolution at the AGM to which the request relates.

The written requisition must: (a) identify the resolution of which notice is to be given; (b) be signed by the requisitionists; (c) be sent to the registered office of the Company for the attention of the Company Secretary; and (d) be received by the Company not later than six weeks before the AGM to which the request relates or if later, the time at which notice is given of that AGM. Shareholders are requested to refer to Section 580 and 615 of the Companies Ordinance for further details.

Constitutional Document

No change has been made to the Company's constitutional document during 2023. The constitutional document of the Company was published on the Company's website (www.ttigroup.com) and the Stock Exchange's website (www.hkexnews.hk).

Board, Board Committee and General Meetings in 2023

A summary of attendance of Board, Board Committee and general meetings in 2023 are detailed in the following table:

	Meetings attended/Held in 2023				
	Board	Audit Committee	Nomination Committee	Remuneration Committee	General Meeting
Number of meeting(s) held during the year	6	4	2	4	1
Group Executive Directors					
Mr Horst Julius Pudwill	6/6		2/2		1/1
Mr Stephan Horst Pudwill	6/6				1/1
Mr Joseph Galli Jr	6/6				1/1
Mr Kin Wah Chan	6/6				1/1
Mr Chi Chung Chan	6/6				1/1
Mr Camille Jojo ⁽¹⁾	6/6	4/4		3/3	1/1
Non-executive Director					
Prof Roy Chi Ping Chung GBS BBS JP	6/6				1/1
Independent Non-executive Directors					
Mr Peter David Sullivan	6/6	4/4		4/4	1/1
Mr Johannes-Gerhard Hesse	6/6	4/4	2/2		1/1
Mr Robert Hinman Getz	6/6	4/4	2/2	4/4	1/1
Ms Virginia Davis Wilmerding ⁽²⁾	6/6		2/2	3/3	1/1
Ms Caroline Christina Kracht ⁽³⁾	6/6	3/3			1/1
Date(s) of meeting(s)	18.1.2023 1.3.2023 11.5.2023 8.6.2023 9.8.2023 9.11.2023	28.02.2023 11.5.2023 8.8.2023 9.11.2023	28.2.2023 8.8.2023	28.2.2023 12.5.2023 8.8.2023 1.12.2023	12.5.2023

Notes:

- (1) Mr Camille Jojo was re-designated from a Non-Executive Director to an Executive Director and ceased to be a member of the Audit Committee and Remuneration Committee with effect from December 1, 2023.
- (2) Ms Virginia Davis Wilmerding was appointed as a member of the Remuneration Committee with effect from March 1, 2023.
- (3) Ms Caroline Christina Kracht was appointed as a member of the Audit Committee with effect from March 1, 2023.