

Corporate Governance and Other Information

Directors' and Chief Executive's Interests

As at June 30, 2023, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which have been notified to the Company pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such director or chief executive was taken or deemed to have under such provisions of the SFO) or as recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") were as follows:

Name of directors	Capacity/ Nature of interests	Interests in shares (other than pursuant to equity derivatives) ⁽¹⁾	Interests in underlying shares pursuant to equity derivatives ⁽¹⁾	Total interests in shares/ underlying shares	Approximate aggregate percentage of interests
Mr Horst Julius Pudwill	Beneficial owner	146,309,000 ⁽²⁾	55,500	363,284,294	19.80%
	Interests of spouse	760,000	—		
	Interests of controlled corporation	216,159,794 ⁽³⁾	—		
Mr Stephan Horst Pudwill	Beneficial owner	5,159,500 ⁽⁴⁾	5,750,000	44,917,000	2.45%
	Beneficiary of a trust	34,007,500 ⁽⁵⁾	—		
Mr Joseph Galli Jr	Beneficial owner	16,806,000 ⁽⁶⁾	—	16,806,000	0.92%
Mr Kin Wah Chan	Beneficial owner	691,000 ⁽⁷⁾	4,450,000	5,141,000	0.28%
Mr Chi Chung Chan	Beneficial owner	1,050,000 ⁽⁸⁾	4,750,000	5,800,000	0.32%
Prof Roy Chi Ping Chung GBS BBS JP	Beneficial owner	49,178,448	426,000	86,679,478	4.72%
	Interests of controlled corporation	37,075,030 ⁽⁹⁾	—		
Mr Camille Jojo	Beneficial owner	139,000	226,000	365,000	0.02%
Mr Peter David Sullivan	Beneficial owner	519,500	79,000	598,500	0.03%
Mr Johannes-Gerhard Hesse	Beneficial owner	22,500 ⁽¹⁰⁾	411,000	433,500	0.02%
Mr Robert Hinman Getz	Beneficial owner	68,174 ⁽¹¹⁾	154,000	222,174	0.01%
Ms Virginia Davis Wilmerding	Beneficial owner	12,500 ⁽¹²⁾	29,500	42,000	0.00%

Notes:

(1) Interests in shares and underlying shares stated above represent long positions of the Company.

The interests of the directors of the Company in the underlying shares pursuant to equity derivatives, which were held as beneficial owner, represent share options granted to them respectively pursuant to the share option schemes adopted by the Company, details of which are separately disclosed in the section headed "Share Options" below. These share options are physically settled and unlisted.

(2) These included Mr Horst Julius Pudwill's interests in 150,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2023. Details of Mr Horst Julius Pudwill's awarded shares are set out in the section headed "Share Award Scheme" below.

(3) These shares were held by the following companies in which Mr Horst Julius Pudwill has a beneficial interest:

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

(4) These included Mr Stephan Horst Pudwill's interests in 25,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2023. Details of Mr Stephan Horst Pudwill's awarded shares are set out in the section headed "Share Award Scheme" below.

(5) These shares were held by a trust of which Mr Stephan Horst Pudwill is one of the beneficiaries.

(6) These included Mr Joseph Galli Jr's interests in (i) 4,000,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2023; and (ii) 5,000,000 awarded shares which agreed to be granted to Mr Galli based on certain performance criteria of which details are set out in the section headed "Share Award Scheme" below.

(7) These included Mr Kin Wah Chan's interests in 25,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2023. Details of Mr Kin Wah Chan's awarded shares are set out in the section headed "Share Award Scheme" below.

(8) These included Mr Chi Chung Chan's interests in 25,000 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2023. Details of Mr Chi Chung Chan's awarded shares are set out in the section headed "Share Award Scheme" below.

(9) These shares were held by Cordless Industries Company Limited* in which Prof Roy Chi Ping Chung GBS BBS JP has a beneficial interest.

* Cordless Industries Company Limited is owned as to 70% by Mr Horst Julius Pudwill and as to 30% by Prof Roy Chi Ping Chung GBS BBS JP.

(10) These included Mr Johannes-Gerhard Hesse's interests in 12,500 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2023. Details of Mr Johannes-Gerhard Hesse's awarded shares are set out in the section headed "Share Award Scheme" below.

(11) These included Mr Robert Hinman Getz's interests in 17,500 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2023. Details of Mr Robert Hinman Getz's awarded shares are set out in the section headed "Share Award Scheme" below.

(12) These included Ms Virginia Davis Wilmerding's interests in 12,500 awarded shares which remained unvested under the share award schemes of the Company as of June 30, 2023. Details of Ms Virginia Davis Wilmerding's awarded shares are set out in the section headed "Share Award Scheme" below.

Save as disclosed above, none of the directors and the chief executive of the Company was interested or had any short position in any shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as at June 30, 2023.

Share Options

The following tables disclose movements in the Company's share options during the six-month period ended June 30, 2023:

Share option holders	Date of share options granted	Share option scheme category	Outstanding at beginning of the period	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at end of the period	Subscription price HK\$	Exercise period
Directors									
Mr Horst Julius Pudwill	22.12.2020	E	23,500	—	—	—	23,500	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031
Mr Stephan Horst Pudwill	20.3.2014	D	750,000	—	—	—	750,000	21.600	20.3.2015 – 19.3.2024
	11.9.2015	D	250,000	—	—	—	250,000	29.650	11.9.2016 – 10.9.2025
	17.3.2017	D	500,000	—	—	—	500,000	32.100	17.3.2018 – 16.3.2027
	14.3.2018	E	250,000	—	—	—	250,000	47.900	14.3.2019 – 13.3.2028
	20.5.2019	E	500,000	—	—	—	500,000	51.080	20.5.2020 – 19.5.2029
	15.5.2020	E	500,000	—	—	—	500,000	65.250	15.5.2021 – 14.5.2030
	22.12.2020	E	2,000,000	—	—	—	2,000,000	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	1,000,000	—	—	—	1,000,000	154.900	30.12.2022 – 29.12.2031
Mr Kin Wah Chan	17.3.2017	D	200,000	—	—	—	200,000	32.100	17.3.2018 – 16.3.2027
	14.3.2018	E	250,000	—	—	—	250,000	47.900	14.3.2019 – 13.3.2028
	20.5.2019	E	500,000	—	—	—	500,000	51.080	20.5.2020 – 19.5.2029
	15.5.2020	E	500,000	—	—	—	500,000	65.250	15.5.2021 – 14.5.2030
	22.12.2020	E	2,000,000	—	—	—	2,000,000	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	1,000,000	—	—	—	1,000,000	154.900	30.12.2022 – 29.12.2031
Mr Chi Chung Chan	17.3.2017	D	500,000	—	—	—	500,000	32.100	17.3.2018 – 16.3.2027
	14.3.2018	E	250,000	—	—	—	250,000	47.900	14.3.2019 – 13.3.2028
	20.5.2019	E	500,000	—	—	—	500,000	51.080	20.5.2020 – 19.5.2029
	15.5.2020	E	500,000	—	—	—	500,000	65.250	15.5.2021 – 14.5.2030
	22.12.2020	E	2,000,000	—	—	—	2,000,000	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	1,000,000	—	—	—	1,000,000	154.900	30.12.2022 – 29.12.2031
Prof Roy Chi Ping Chung GBS BBS JP	17.3.2017	D	150,000	—	—	—	150,000	32.100	17.3.2018 – 16.3.2027
	14.3.2018	E	100,000	—	—	—	100,000	47.900	14.3.2019 – 13.3.2028
	20.5.2019	E	97,000	—	—	—	97,000	51.080	20.5.2020 – 19.5.2029
	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031
Mr Camille Jojo	14.3.2018	E	50,000	—	—	—	50,000	47.900	14.3.2019 – 13.3.2028
	20.5.2019	E	97,000	—	—	—	97,000	51.080	20.5.2020 – 19.5.2029
	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031
Mr Peter David Sullivan	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031
Mr Johannes-Gerhard Hesse	19.6.2017	E	135,000	—	—	—	135,000	36.300	19.6.2018 – 18.6.2027
	14.3.2018	E	100,000	—	—	—	100,000	47.900	14.3.2019 – 13.3.2028
	20.5.2019	E	97,000	—	—	—	97,000	51.080	20.5.2020 – 19.5.2029
	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031
Mr Robert Hinman Getz	15.5.2020	E	75,000	—	—	—	75,000	65.250	15.5.2021 – 14.5.2030
	22.12.2020	E	47,000	—	—	—	47,000	105.500	22.12.2021 – 21.12.2030
	30.12.2021	E	32,000	—	—	—	32,000	154.900	30.12.2022 – 29.12.2031
Ms Virginia Davis Wilmerding	19.8.2021	E	29,500	—	—	—	29,500	167.200	19.8.2022 – 18.8.2031
Total for directors			16,331,000	—	—	—	16,331,000		

Share option holders	Date of share options granted	Share option scheme category	Outstanding at beginning of the period	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding at end of the period	Subscription price HK\$	Exercise period
Employees	17.3.2017	D	70,000	—	(20,000)	—	50,000	32.100	17.3.2018 – 16.3.2027
	19.6.2017	E	100,000	—	(100,000)	—	—	36.300	19.6.2018 – 18.6.2027
	14.3.2018	E	150,000	—	—	—	150,000	47.900	14.3.2019 – 13.3.2028
	20.5.2019	E	194,000	—	—	—	194,000	51.080	20.5.2020 – 19.5.2029
	22.12.2020	E	94,000	—	—	—	94,000	105.500	22.12.2021 – 21.12.2030
Total for employees			608,000	—	(120,000)	—	488,000		
Total for all categories			16,939,000	—	(120,000)	—	16,819,000		

Notes:

- Scheme D was the share option scheme adopted by the Company on May 29, 2007 and expired on May 28, 2017, though its provisions shall remain in full force and effect in all other respects. The number of shares that may be issued in respect of share options granted under Scheme D is 117,281,565, representing approximately 6.39% of the issued shares of the Company as at June 30, 2023. The total number of shares available for issue in respect of which share options may be granted under Scheme D is 150,505,065 shares, which represented approximately 8.20% of the issued shares of the Company as at June 30, 2023.
- Following the expiry of Scheme D, Scheme E was adopted on May 19, 2017 and amended and restated on May 12, 2023 and will expire on May 18, 2027. Since the adoption of Scheme E on May 19, 2017, no share options was granted to any service provider of the Company. The maximum number of share options can be granted to service providers of the Company is 1.0% of the issued shares of the Company as at the date of approval of the amendments to Scheme E on May 12, 2023. The number of shares that may be issued in respect of share options and awarded shares granted under Scheme E and the 2018 Share Award Scheme is 168,193,294, representing approximately 9.17% of the issued shares of the Company as at June 30, 2023. The total number of shares available for issue in respect of which share options may be granted under Scheme E are 183,479,794 shares, which represented approximately 10.00% of the issued shares of the Company as at June 30, 2023. As no option was granted during the period, the number of share options available for grant under Scheme E at the beginning of the period remained at 168,012,694. Upon Scheme E was amended and restated on May 12, 2023, the number of share options available for grant under the approved scheme mandate at the end of the period was 183,479,794.
- The share options are vested in parts over a period of 1 to 3 years from the date of grant. For share options to be vested in two equal batches, 50% of the share options granted will be vested on the 1st anniversary of the date of grant and the remaining 50% will be vested on the 2nd anniversary of the date of grant. For share options to be vested in three batches, either three equal batches or three separate batches of 33.0%, 33.0% and 34.0% will be vested on the 1st anniversary, 2nd anniversary and 3rd anniversary of the date of grant respectively. The Company had 16,819,000 share options outstanding, which represented approximately 0.92% of the issued shares of the Company as at June 30, 2023. No share option was granted, cancelled or lapsed during the period. All of the above grants of share options were made prior to the new amendments made to Chapter 17 of the Listing Rules which became effective on January 1, 2023. None of the grants of share options to any participants is in excess of the 1% individual limit.
- The Group recognized a total expense of US\$3,256,000 for the six-month period ended June 30, 2023 in relation to share options granted by the Company.
- The weighted average closing price of the Company's shares immediately before various dates during the period on which the share options were exercised was HK\$81.33. The number of shares that may be issued in respect of share options granted under the Scheme E during the period ended June 30, 2023 divided by the weighted average number of shares in issue for the period is 0.00%.

Arrangements to Purchase Shares or Debentures

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

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

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

Directors' Indemnities

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

Management Contracts

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

Equity-linked Agreements

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

Share Award Scheme

The Board has adopted two share award schemes, namely the 2008 Share Award Scheme and the 2018 Share Award Scheme. The 2008 Share Award Scheme was adopted on January 9, 2008 (the "2008 Adoption Date") and expired from January 9, 2018 and all awards granted thereunder have been duly vested. Following the expiry of the 2008 Share Award Scheme, the 2018 Share Award Scheme was adopted with effect from January 17, 2018 (the "2018 Adoption Date"), which was 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 both the 2008 Share Award Scheme and 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 in the schemes. Unless terminated earlier by the Board in accordance with the respective scheme rules, the effective term of each scheme is 10 years commencing on the adoption date of the relevant 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 relevant scheme. Details of both schemes were announced by the Company on the respective adoption date of the schemes.

The Board may, from time to time, at their absolute discretion select any individual as an Eligible Person for participation in a 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 schemes from 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. 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 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% 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% 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 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 0.1% 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 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.

Share Award Scheme (continued)

Since the 2018 Adoption Date and up to June 30, 2023, a total of 12,658,500 shares had been awarded under the 2018 Share Award Scheme, representing 0.69% of the issued share capital of the Company as at the Share Award Scheme Amendment Date. Recognition of share-based payment expenses under the 2018 Share Award Scheme during the period was US\$27,298,000. During the period ended June 30, 2023, no shares had been awarded under the 2018 Share Award Scheme. The total payout, including related expenses, amounted to US\$Nil. In addition, during the period ended June 30, 2023, 1,350,000 shares were transferred to two Directors and a Selected Grantee upon vesting under the 2018 Share Award Scheme. As at June 30, 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					Closing price at the Date of Award (HK\$)	Purchase price (HK\$)		
				As at January 1, 2023	Awarded during the period	Vested during the period	Lapsed during the period	As at June 30, 2023				
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	—	(150,000)	—	150,000	3.4.2023 – 30.12.2023	154.90	115.13	
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	
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	
Mr Kin Wah Chan	30.12.2022	2018	1,000,000	1,000,000	—	—	—	1,000,000	On or about 1.1.2025	87.10	142.95	
	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	
Mr Chi Chung Chan	30.12.2021	2018	50,000	25,000	—	—	—	25,000	30.12.2022 – 30.12.2023	154.90	115.13	
	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	
Prof Roy Chi Ping Chung GBS BBS JP	30.12.2021	2018	50,000	25,000	—	—	—	25,000	30.12.2022 – 30.12.2023	154.90	115.13	
	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	
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	
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	

Share awards holders	Date of Award	Share award scheme category	Number of awarded shares	Number of awarded shares					Closing price at the Date of Award (HK\$)	Purchase price (HK\$)		
				As at January 1, 2023	Awarded during the period	Vested during the period	Lapsed during the period	As at June 30, 2023				
Directors (continued)												
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 ⁽⁵⁾	154.90	115.13	
Mr Robert Hinman Getz	21.12.2020	2018	10,000	5,000	—	—	—	5,000	N/A ⁽⁶⁾	107.00	44.55	
	30.12.2021	2018	12,500	12,500	—	—	—	12,500	N/A ⁽⁷⁾	154.90	115.13	
Ms Virginia Davis Wilmerding	30.12.2021	2018	12,500	12,500	—	—	—	12,500	N/A ⁽⁸⁾	154.90	115.13	
Total for directors			11,538,500	5,417,500	—	(1,150,000)	—	4,267,500				
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			12,658,500	5,817,500	—	(1,350,000)	—	4,467,500				

Notes:

- All the awarded shares are purchased from the market. No share awards were cancelled during the period ended June 30, 2023.
- At the end of the period, the average fair value per share is HK\$95.85. The average fair value of the awarded shares is based on the average purchase cost.
- During the reporting period, no shares were purchased 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, the first, second, third and fourth tranches of 1,000,000 shares each were awarded to Mr Galli on January 3, 2020, March 4, 2021, December 31, 2021 and December 30, 2022 respectively. These shares are scheduled to vest to Mr Galli on or about January 1, 2025 if he remains in his current role. Details of the remaining 1,000,000 awarded shares to be granted as disclosed above are not included. The above mentioned performance criteria were set out in the "Remuneration Committee" section in the Company's 2022 Corporate Governance Report.
As to the agreement for the 5,000,000 shares might be granted subject to, inter alia, the achievement of performance criteria (i.e. reaching a specific EBIT target each year) for the years between 2022 to 2026 respectively, the 1,000,000 shares for 2022 were awarded to Mr Galli on March 3, 2022 and vested on March 23, 2023. If the respective performance criteria is not completed for a year, the grant for that year will lapse. Details of the remaining 4,000,000 shares to be granted as disclosed above are not included. The above mentioned performance criteria were set out in the "Remuneration Committee" section in the Company's 2022 Corporate Governance Report.
- 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.

Share Award Scheme (continued)

The weighted average closing price of the Company's shares immediately before the various dates on which the share awards were vested during the period ended June 30, 2023 was HK\$84.84. The number of shares that may be issued in respect of share awards granted under the 2018 Share Award Scheme during the period ended June 30, 2023 divided by the weighted average number of shares in issue for the period is zero.

The number of shares available for grant under 2018 Share Award Scheme at the beginning of the period remained at 170,843,694.

Immediately after the 2018 Share Award Scheme was amended and restated on May 12, 2023, the number of shares available for grant under the approved scheme mandate at the end of the period was 183,479,794. The total number of shares available for issue under the 2018 Share Award Scheme is 183,479,794, which represents approximately 10.00% of the issued share capital of the Company as at June 30, 2023. The number of shares that may be issued in respect of share options and awarded shares granted under Scheme E (details are set out in the section headed "Share Options" above) and the 2018 Share Award Scheme is 168,193,294, representing approximately 9.17% of the issued share capital of the Company as at June 30, 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.

All share awards granted under the 2018 Share Award Scheme before January 1, 2023 were not subject to any performance-based target or clawback mechanism except for those granted to Mr Joseph Galli Jr as detailed in Note (4) on page 35. The Remuneration Committee is of the view that these are justifiable as all such decisions were (i) made before the corresponding new requirements under Chapter 17 of the Listing Rules became effective on January 1, 2023 and within the authority and discretion of the Board as stipulated under the rules of the 2018 Share Award Scheme; and (ii) aligned with the purpose of the 2018 Share Award Scheme as a recognition and reward of the grantee's contributions to the Group's continuing operation and development and which in turn is beneficial to the shareholders and the Company as a whole from a business sustainability and stability perspective.

Save as disclosed above, no other person was granted share awards for the period ended June 30, 2023.

Substantial Shareholders' Interests

As at June 30, 2023, the interests and short positions of the following persons, other than directors and chief executive of the Company, in the shares, underlying shares and debentures of the Company which have been disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO have been recorded in the register kept by the Company pursuant to section 336 of the SFO:

Name	Total interests in shares	(L/S/LP)*	Approximate aggregate percentage of interests
The Bank of New York Mellon Corporation ⁽¹⁾	91,822,534	(L)	5.00%
	35,813,385	(S)	1.95%
	53,690,030	(LP)	2.93%
The Capital Group Companies, Inc. ⁽²⁾	114,468,642	(L)	6.24%

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

Notes:

(1) The following is a breakdown of the interest in shares in the Company held by The Bank of New York Mellon Corporation:

Name	Remarks	Total interests in shares			Approximate percentage of interests	
		Direct interests	(L/S/LP)*	Deemed interests		
The Bank of New York Mellon Corporation	(1a)	—	—	91,822,534	(L)	5.00%
		—	—	35,813,385	(S)	1.95%
		—	—	53,690,030	(LP)	2.93%
The Bank of New York Mellon	(1b)	91,765,694	(L)	—	—	5.00%
		35,813,385	(S)	—	—	1.95%
BNY Mellon, National Association	(1b)	56,415	(L)	—	—	0.00%
B.N.Y. Holdings (Delaware) Corporation	(1b)	—	—	425	(L)	0.00%
BNY Mellon Trust of Delaware	(1b)	425	(L)	—	—	0.00%

Remarks:

(1a) The Bank of New York Mellon Corporation is listed on New York Stock Exchange. The capacity of The Bank of New York Mellon Corporation in holding the 91,822,534 shares of long position, 35,813,385 shares of short position and 53,690,030 shares of lending pool respectively was as controlled corporation.

(1b) The Bank of New York Mellon, BNY Mellon, National Association, B.N.Y. Holdings (Delaware) Corporation and BNY Mellon Trust of Delaware were all directly or indirectly owned by The Bank of New York Mellon Corporation and by virtue of the SFO, The Bank of New York Mellon Corporation was deemed to be interested in the shares held by these subsidiaries.

Substantial Shareholders' Interests (continued)

Notes: (continued)

(2) The following is a breakdown of the interest in shares in the Company held by The Capital Group Companies, Inc.:

Name	Remarks	Total interests in shares				Approximate percentage of interests
		Direct interests	(L/S/LP)*	Deemed interests	(L/S/LP)*	
The Capital Group Companies, Inc.	(2a)	—	—	114,468,642	(L)	6.24%
Capital Research and Management Company	(2b)	111,910,642	(L)	—	—	6.10%
		—	—	2,558,000	(L)	0.14%
Capital Group International, Inc.	(2b)	—	—	2,558,000	(L)	0.14%
Capital International Limited	(2b)	334,000	(L)	—	—	0.02%
Capital International Sarl	(2b)	387,500	(L)	—	—	0.02%
Capital International, Inc.	(2b)	1,782,000	(L)	—	—	0.10%
Capital Group Investment Management Private Limited	(2b)	54,500	(L)	—	—	0.00%

Remarks:

(2a) The capacity of The Capital Group Companies, Inc. in holding the 114,468,642 shares of long position was as controlled corporation.

(2b) Capital Research and Management Company, Capital Group International, Inc., Capital International Limited, Capital International Sarl, Capital International, Inc. and Capital Group Investment Management Private Limited were all directly or indirectly owned by The Capital Group Companies, Inc. and by virtue of the SFO, The Capital Group Companies, Inc. was deemed to be interested in the shares held by these subsidiaries.

Save as disclosed above, no other person was interested in or had a short position in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of the Part XV of the SFO as at June 30, 2023.

Compliance with the Corporate Governance Code of the Listing Rules

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with all the code provisions of the Corporate Governance Code set out in Appendix 14 of the Listing Rules throughout the six-month period ended June 30, 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. Under Article 107(A) of the Articles of Association of the Company, one-third of the Board must retire by rotation at each annual general meeting of the Company, and if eligible, offer themselves for re-election.

Compliance with the Model Code of the Listing Rules

The provisions of the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 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 six-month period ended June 30, 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 period, no incident of non-compliance was noted by the Company.

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

Change in Directors' Emoluments

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 been taken effect from April 1, 2023.

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

Review of Accounts

Disclosure of financial information in this report complies with Appendix 16 of the Listing Rules. The Audit Committee has reviewed this report with the Company's independent auditor, Deloitte Touche Tohmatsu, and the senior management of the Group, the accounting principles and practices adopted by the Group and the internal controls and financial reporting matters. The Board acknowledges its responsibility for the preparation of the accounts of the Group.

Purchase, Sales or Redemption of Securities

Neither the Company nor any of its subsidiaries has, during the period, purchased, sold or redeemed any listed securities of the Company.

By order of the Board

Horst Julius Pudwill

Chairman

Hong Kong

August 9, 2023