

MTR Corporation Limited 香港鐵路有限公司

Minutes of the 21st Annual General Meeting (the “Meeting”) of MTR Corporation Limited 香港鐵路有限公司 (the “Company”) held at Rotunda 3 (6/F), Kowloonbay International Trade & Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Hong Kong on Wednesday, 26 May 2021 at 11:30 a.m.

Present Shareholders’ attendance list was compiled by Computershare Hong Kong Investor Services Limited (“Computershare”), the Company’s Share Registrar.

Dr Rex Auyeung Pak-kuen (Chairman of the Board and Chairman of Corporate Responsibility Committee), Mr Andrew Clifford Winawer Brandler (Board Member and Chairman of Risk Committee), Dr Dorothy Chan Yuen Tak-fai (Board Member and Chairlady of Remuneration Committee), Dr Pamela Chan Wong Shui (Board Member and Chairlady of Nominations Committee), Mr Cheng Yan-kee (Board Member and Chairman of Capital Works Committee), and Dr Eddy Fong Ching (Board Member and Chairman of Audit Committee).

Other Members of the Board present: Mr Maurice Loo Kam-wah (Alternate Director to Mr Christopher Hui Ching-yu), Dr Jacob Kam Chak-pui (Board member, Chief Executive Officer and a member of the Executive Directorate), Mr James Kwan Yuk-choi*, Dr Rose Lee Wai-mun*, Mr Jimmy Ng Wing-ka*, Mr Benjamin Tang Kwok-bun* and Mr Johannes Zhou Yuan*.

Other Members of the Executive Directorate present: Mr Adi Lau Tin-shing (Managing Director – Operations and Mainland Business), Mr Roger Francis Bayliss (Capital Works Director), Ms Margaret Cheng Wai-ching* (Human Resources Director), Ms Linda Choy Siu-min (Corporate Affairs Director), Mr Herbert Hui Leung-wah (Finance Director), Dr Tony Lee

Kar-yun* (Operations Director), Ms Gillian Elizabeth Meller (Legal and Governance Director), Mr David Tang Chi-fai (Property and International Business Director) and Ms Jeny Yeung Mei-chun (Commercial Director).

* via Zoom

In Attendance

Mr Andrew Weir and Mr Roy Leung (representatives of KPMG – the Company’s External Auditors);

Ms Phyllis Lee (representative of Computershare); and

Mr Peter Brien, Mr Jason Webber and Mr Kevin Tso (representatives of Slaughter & May – the Company’s External Legal Advisers).

Facilitator

Ms Linda Choy welcomed everyone to the Meeting. She also welcomed those who were viewing the Meeting through the online platform which had been set up to facilitate those shareholders who could not attend the Meeting in person given the group gathering restrictions to view a live webcast. She noted that shareholders viewing the live webcast would not be counted towards the quorum for the Meeting and nor would they be able to cast their votes online.

Ms Choy then informed the attendees that:

1. in order to comply with Government’s regulations on group gatherings and ensure appropriate social distancing, the number of shareholders attending the Meeting had been limited. Recognizing that the Annual General Meeting was an important occasion for shareholders to meet and ask questions of the Board and management team, the

Company had made every effort to accommodate as many shareholders as the circumstances permitted, to provide shareholders with an opportunity to ask questions and to vote while, at the same time, being mindful of the need to protect the health and safety of shareholders in light of the COVID-19 outbreak.

In addition to undergoing a body temperature check and completing a health declaration form before coming into the venue, the Company had implemented a few other measures including requesting all attendees to wear a mask throughout the Meeting and requesting all shareholders to remain in their assigned seats throughout the Meeting to ensure social distancing and to enable contact tracing if required. As mentioned in the Circular of the Meeting, there would be no distribution of refreshment packs or provision of coffee or tea at the Meeting. The amount of money saved by not purchasing refreshment packs would be donated to Gingko House, a non-profit making organisation;

2. the Chairman would deliver his statement in Cantonese and the Meeting would also be conducted in Cantonese. There would be simultaneous translation into Putonghua and English throughout the Meeting. Shareholders present at the Meeting (the “Shareholders”) could collect an interpretation earphone from the Earphone Counter at the entrance of the Meeting hall;
3. there would be simultaneous sign language interpretation throughout the Meeting and it would be shown on the screen;

4. as mentioned in the Company's letter to shareholders dated 16 April 2021, shareholders had been required to submit their questions to the Company in writing by 12:00 noon on 21 May 2021. After the Chairman delivered his statement, he would endeavour to answer as many relevant questions as possible at the Meeting within the allocated time of about 15 minutes. Thereafter, voting on the proposed resolutions would take place. For questions which could not be dealt with at the Meeting due to time limitation, the Company would address them afterwards as appropriate;
5. to facilitate those shareholders who could not attend the Meeting or watch the online live webcast, the Meeting would be video recorded and the webcast would be available on the Company's website within the following 24 hours; and
6. Shareholders were reminded to follow the instructions contained in the "Fire Evacuation Safety Instructions" (which could be found inside the environmental bag distributed to Shareholders earlier at the Meeting) in case of emergency or fire evacuation or to approach the Company's staff who were wearing a yellow Work Pass for assistance.

Ms Choy then invited the Chairman to address the Meeting.

Chairman's Opening
Remarks

The Chairman welcomed Shareholders to the Meeting and noted that, due to the continuing COVID-19 pandemic, special arrangements had been implemented to minimize the risk to attendees of infection, such as continuing to restrict the number of shareholders in attendance and streamlining the Meeting proceedings. To provide greater flexibility for

Shareholders to participate in the Company's general meetings going forward, a resolution proposing certain amendments to the Company's Articles of Association would be considered at the Meeting.

The Chairman noted that, apart from briefly reviewing the Company's financial and business performance over the past year, he would also share with Shareholders the Company's business outlook, the new Corporate Strategy as well as the Company's vision and actions taken from an Environmental, Social and Governance ("ESG") perspective.

The Chairman also noted that he had invited representatives from KPMG and Slaughter and May, the Company's External Auditors and Legal Advisers respectively, as well as other relevant persons to attend the Meeting.

Notice

As there was a quorum present, the Chairman declared the Meeting open.

The Chairman proposed and, with permission from Shareholders, the Notice convening the Meeting, which had been distributed to Shareholders, was taken as read.

Chairman's Statement

Before dealing with the proposed resolutions of the Meeting, the Chairman thanked Mr James Kwan and Mrs Lucia Li, who would retire from the Board after the conclusion of the Meeting, for their contributions over the past years.

The Chairman noted that, as part of succession planning for the Company's Board of Directors, resolutions for the election of two new Board members would be proposed at the Meeting.

The Chairman then shared with Shareholders an overview of the Company's business performance in the last year.

The Chairman noted that the Company had published its 2020 annual results in March 2021. The COVID-19 pandemic had presented a number of challenges to the Group's businesses and the pandemic and associated control and group gathering restriction measures had significantly reduced the Company's Hong Kong train patronage. He also noted that the Company's revenue from its station commercial and property rental businesses had decreased materially due to the grant of rental concessions to those mall and station tenants who had suffered from reduced footfall.

The Chairman reported that, after taking into account the Company's recurrent businesses, property development business and investment property revaluation, the net loss attributable to shareholders for the year ended 31 December 2020 was HK\$4.8 billion, being the first recorded net loss since the Company's IPO. He noted that, despite the difficulties in 2020 and the challenging economic conditions ahead, the Company's overall financial position remained sound. The Chairman further reported that, having considered the Company's overall financial position and future funding needs, the Board was proposing a final ordinary dividend for the year ended 31 December 2020 of HK\$0.98 per share and a resolution would be proposed later at the Meeting for Shareholders' approval.

The Chairman then shared with Shareholders the events relating to the Company which might have drawn the attention of the community.

Appreciating the public's concerns of riding safely on the MTR, the Chairman assured Shareholders that safety was always the Company's first priority and, on that basis, the Company had made use of different technology to further improve operational safety and efficiency. He noted that, on the hardware side, trials on using an Underframe Inspection Robot had begun in 2020. The Underframe Inspection Robot adopted cutting-edge technology, including image recognition, AI and precise motion control, to identify anomalies in the underframes of rolling stock. In addition, the Company had set up an MTR Data Studio to analyse data collected from train operations to enable the maintenance team to devise more forward-looking maintenance measures. On the software side, the Chairman noted that the Company had organized various activities to promote safety awareness such as a series of activities relating to escalator safety.

The Chairman then referred to the efforts of the Company in fighting against COVID-19 and noted that, in order to provide safe, reliable and hygienic transport services to the community, the Company had intensified the cleaning of trains and railway facilities and had employed innovative sanitization technology to safeguard public health. To express support to passengers and local businesses in these difficult times, the Company had introduced a number of relief measures, including offering fare rebates to commuters, granting rental concessions to mall and station shop tenants, providing free Airport Express tickets to healthcare workers and donating tablet devices to underprivileged children who were undertaking online learning at home. He noted that the Company had also placed free COVID-19 specimen collection pack vending machines at 20 stations for the convenience of the community.

On the fare adjustment front, the Chairman noted that, in March 2021, the Company had announced a reduction in fares under the Fare Adjustment Mechanism, which would take effect from 27 June 2021, and around a 5% fare rebate starting from April 2021. He also noted that, on top of on-going fare concessions, the Company would offer over HK\$900 million in additional rebates to passengers through various fare promotions during 2021 and 2022.

The Chairman then shared with Shareholders the Company's new Corporate Strategy and the progress achieved by various businesses in 2020. He noted that, to cope with the various challenges emerging from the fast-changing external environment, the Company had adopted a new Corporate Strategy, "Transforming the Future". The Chairman explained that the new Corporate Strategy was based on three core pillars: first, to attain the full potential of the Company's Hong Kong core businesses; second, to maintain a steady growth in the Mainland of China and International businesses ("MC&IB"); and third, to build new growth engines through investment in technology and the provision of smart mobility services. These three pillars were supported by five enablers (namely, "Technology", "Organization and Processes", "People", "Finance" and "Transformation Management Office") to strengthen the Company's operational foundations.

The Chairman noted that, with the new Corporate Strategy as its road map, the Company would continue its efforts to "Keep Cities Moving" sustainably and more efficiently. He mentioned the introduction of the "QR Code Ticket" in January 2021 as an example which had brought a new experience of smart mobility to passengers. The Company had also increased the use of smart asset management

to boost railway reliability.

On transport operations, the Chairman noted that, as a result of the adverse impacts from the pandemic, the total patronage for the Company's Hong Kong transport operations had dropped by 31.5% in 2020 which had resulted in an overall loss in the Company's recurrent businesses of HK\$1.1 billion.

The Chairman emphasized that, notwithstanding the difficulties mentioned above, the Company would continue to deliver industry-leading operational performance. He noted that, as a result of the dedication of its staff, its professional railway operations and the high standards of its maintenance regime, the Company's train service delivery and passenger journeys on-time performance for the Heavy Rail train network had both remained at a 99.9% world-class level in 2020.

The Chairman noted the Company's decision in September 2020 to postpone the commencement of the new signalling system and the gradual introduction of new nine-car trains on the East Rail Line to properly resolve the route recall situation, and further noted that the postponement did not involve any operational safety concern. He added that, having completed additional testing and obtaining approval from relevant Government departments, the new signalling system and the new trains on the East Rail Line had been commissioned in February 2021.

In respect of the Company's railway projects, the Chairman was pleased to report that preparations for the Tuen Ma Line had entered their final stages. As for the Hung Hom to Admiralty section, he noted that challenges remained in meeting the originally expected opening date in Q1 2022 and the team was

working to the best of its ability to progress the construction works.

Turning to the Company's new railway development projects, the Chairman noted that the Company had been invited by Government to proceed with the detailed planning and design of the Tung Chung Line Extension, Tuen Mun South Extension, Kwu Tung Station and the Northern Link under the "Railway Development Strategy 2014". The Company was also progressing with plans for a future property development and a new station at the Siu Ho Wan Depot. He also noted that the procurement of the relevant design consultancies had commenced and some of the consultancy contracts had been awarded. The Company would continuously review its operational practices to ensure world-class design, construction and operations for new projects and asset replacement works alike.

On the property business front, the Chairman was glad to report that the Company's Hong Kong Property Business was performing relatively well. The Siu Ho Wan Depot topside development might provide, in the medium to long term, about 20,000 residential units, of which half would be sold as subsidized flats. He noted that, to support Government's housing supply policy, the Company had just awarded the tender for The Southside Package 6 in April 2021 and, subject to the necessary Government approvals, the Company targeted to tender out the Tung Chung Traction Substation site and the Pak Shing Kok Ventilation Building site in the following 12 months or so. As for the development at Tung Chung East Station Package 1, the Chairman noted that tendering would be commenced upon the entering into of a project agreement with Government. The abovementioned packages were expected to provide about 4,800 residential units in total.

The Chairman shared that The Southside Package 1, namely, the “Southland”, had just been launched for sale in April 2021. The pre-sale consent for “The Pavilia Farm III”, which would be launched for sale shortly, had also been obtained. Subject to receiving the pre-sale consent from Government, The Southside Package 2 would be launched to the market for sale.

The Chairman then moved to the Company’s station commercial business and reported that the total revenue from all Hong Kong station commercial activities had decreased by 51.9% in 2020, which was mainly due to the rental concessions granted to shop tenants who had been affected by the COVID-19 pandemic. He noted that, since consumer sentiment was expected to remain sluggish in the near term, the Company expected that the pandemic would continue to have a significant impact on its station retail tenants and rental revenue in 2021.

The Chairman emphasized that, despite the above, the Company continued to strive hard to deliver value-added services to its customers and business partners through a variety of offerings along the MTR railway network, including by introducing a wide selection of station retail outlets as well as diverse advertising modes and constantly upgrading the telecommunications network and services.

The Chairman then gave a brief account of the Company’s MC&IB which, as a whole, represented one of the three pillars of the Company’s new Corporate Strategy. He was pleased to share that, in 2020, the Company had made good progress in its MC&IB, while serving approximately 1.38 billion passengers in different cities outside Hong Kong and had attained good results in various new projects.

These included (i) the award of the Shenzhen Metro Line 13 project (a public-private partnership project for investment in and construction of the line as well as operation and maintenance for 30 years after completion); (ii) the opening of the Shenzhen Metro Line 4 North Extension, the full line of Hangzhou Metro Line 5, Hangzhou Metro Line 1 Phase 3 and the Middle Section of Beijing Metro Line 16; and (iii) the success in obtaining and participating in a Transit Oriented Development project to the south of Hangzhou West Station.

The Chairman noted that, as the future development of the COVID-19 pandemic remained uncertain, the outlook for the global and local economies was expected to remain challenging, and the Company's recurrent businesses would remain adversely impacted by the pandemic in 2021. Having said that, he noted that the Company was optimistic about its medium to long term future and, in the coming decade, intended to invest around HK\$100 billion in several new railway projects and on the Siu Ho Wan Depot property development project. The Chairman shared the Company's belief that the abovementioned projects would enable it to enhance the Hong Kong railway network and would generate employment for Hong Kong, as well as new business opportunities for the Company.

The Chairman then moved on to the subject of ESG and confirmed the Company's belief that ESG would create shared value for its stakeholders and support the development and growth of both the Company and the people and communities it served.

With the Company's mission to "Keep Cities Moving" and its new Corporate Strategy, "Transforming the Future", the Chairman noted that the Company had established clear

business, social and environmental goals under a robust ESG framework. The Company was striving to embed into its business and operations three primary ESG goals, which were social inclusion, reducing greenhouse gas emissions and promoting advancement and opportunities for the community and the Company's staff and business partners.

On the governance front, the Chairman noted that the Company was seeking to improve its risk management processes by implementing a "three lines of defence" framework with the aim of retaining strong accountability at the business level, while enhancing assurance at the Executive and Board levels. He noted that, in addition, a Board evaluation exercise, assisted by an external consultant, had kicked off in the third quarter of 2020, with the aim of ensuring that the operation of the MTR Board was fit for purpose to support the implementation of the new Corporate Strategy.

The Chairman highlighted that the Company continued to be a key pillar of mass transit during the pandemic and the Company would resolutely stand by its commitment to serve Hong Kong's citizens. He noted that, during the pandemic, the team had successfully carried out the Company's mission to "keep cities moving". At the same time, as a part of the wider Hong Kong community, MTR would keep on providing different support to members of the community. The Company would continue to exhibit MTR's caring service to the community through the measures mentioned before, such as fare rebates for passengers, rental concessions for mall and station tenants, donating surgical masks to the needy and, most recently, the placement of free COVID-19 specimen collection pack vending machines at 20 stations. He emphasized that the successful implementation of all these support programmes

would not have been possible without the tireless efforts and dedicated teamwork of the Management and all staff.

Before closing, the Chairman took the opportunity to thank the more than 50,000 MTR staff in Hong Kong, the Mainland and overseas for their dedication and contributions. Noting that they had overcome various challenges and continued to deliver world-class service in very challenging conditions over the past year, he gave his heartfelt thanks to every member of MTR.

The Chairman then thanked each Member of the Board and the Management for their support and contribution to the Company. He also expressed his greatest gratitude to the shareholders for their long-term support to the Company over the years and wished everyone good health.

Facilitator

Ms Choy thanked the Chairman for his statement and reminded attendees that, before proceeding to the formal business of the Meeting, the Chairman would use about 15 minutes to answer some of the questions received from shareholders before the Meeting. She then read out the questions/comments received from the following shareholders/proxies as below:

Questions/comments received from shareholders/proxies

(1) Question received from **Lau Chi Man**: he asked about the Company's development goals.

The Chairman thanked the shareholder for the question and noted that, although the Company had been performing quite well in its past 40 years, a plan for its future growth was still required given the challenges ahead (like technology which kept on changing day by day) and the need to

sustain its competitiveness for continuous development. In light of the above, the Company had adopted a new Corporate Strategy based on three core pillars, the details of which had been explained earlier at the Meeting. He noted that the new Corporate Strategy would put MTR in a leading position, as the Company had sufficient manpower and the financial strength to achieve the said goals and turn challenges into opportunities, such as by exploring new technologies to help the Company's staff perform their jobs in a better way.

The Chairman noted that, at the same time, the Company was striving to embed into its business and operations three primary ESG goals, namely, social inclusion, reducing greenhouse gas emissions and promoting advancement and opportunities for the community and the Company's staff and business partners. On this front, he quoted the example that the font size of characters/words on signage and notice boards inside MTR stations had been enlarged to enable reading by elderly passengers and reiterated that it was MTR's target to provide greater convenience to the communities it served.

- (2)** Question received from **Li Chun Kit Eric:** he asked whether the Chairman's personal particulars on the Company's Website had been updated in a timely manner.

The Chairman invited Ms Gillian Meller to answer.

Ms. Meller responded that the Company took its disclosure obligations very seriously and, in relation to the shareholder's concern, the team had checked its records

and found evidence that the Chairman's biography on the Company's website had been updated in November 2020.

- (3) Question from **Chiu Mun Chiu**: he asked whether the timeframe of the Company's railway development projects could be shortened.

The Chairman invited Mr Roger Bayliss to answer.

Mr Bayliss thanked the shareholder for the question and understood his concern over the time required to implement railway projects. He noted that overall railway planning and development in Hong Kong was led by Government and the Company was working very closely with Government. Mr Bayliss explained that railway development was complex in nature involving huge capital investments; therefore it was not unusual for railway projects to take over ten years to take shape through the stages of planning, consultation with stakeholders, detailed design to actual construction and completion. Having said that, the Company would continue to work closely with Government to bring the new railway development projects to fruition.

- (4) Questions from **Yip Bok Man**: he enquired about the progress of the Siu Ho Wan Depot property development (the "**Project**") and asked whether there would be car parking spaces available in the vicinity for those passing through the Hong Kong-Zhuhai-Macao Bridge.

The Chairman invited Mr David Tang to answer.

Mr Tang thanked the shareholder for the questions and responded that the Project was progressing well and was in the preliminary design stage. He noted that the current plan was to invite tenders for the first phase of the residential part of the Project in 2024, subject to the progress of the capital works and reinstallation of the depot. As regards car parking spaces, Mr Tang noted that, when the Project was completed, there would be around 200 public car parking spaces for shopping mall visitors and other users and the number of car parking spaces would be determined in accordance with Hong Kong planning standards.

- (5) Questions from **Tsang Hang Mong**: he asked about the Company's disposal of the shopping mall at Ocean Pride and acquisition of the remaining portion of Telford Plaza II and PopCorn 2.

The Chairman invited Mr David Tang to answer.

Mr Tang responded that, to maintain the high service level of the Company's railway, regular maintenance and upgrading of equipment was required, which required stable recurring revenue. In this light, the Company had kept its property investment portfolio under review and would invest in good quality properties at appropriate times.

With respect to Ocean Pride, Mr Tang explained that it was a West Rail property of which the Company was the property agent, but not the property owner.

- (6) Questions/comments from **Poon Yin Sang Peter**: he expressed concerns about the renovation costs of the external wall of Telford Garden and the Company's responsibility for the said costs.

The Chairman responded that, as the Meeting focused mainly on the overall business of the Company, for individual specific questions, he would request relevant Members of the Executive Directorate to reply to the shareholder by email after the Meeting.

- (7) Questions from **Lo Kit**: he asked about the costs of repair or replacement of the damaged facilities in many MTR stations caused by vandalism in 2019; whether the damage had been reported to the Hong Kong Police Force and whether the Company would try to recoup the relevant costs to protect the interests of its shareholders.

The Chairman invited Mr Adi Lau to answer.

Mr Lau thanked the shareholder for the questions and responded that, with the team's and contractors' efforts, the repair or replacement of most of the damaged station facilities had been completed. On recouping the relevant costs, he noted that the Company had been exploring different ways to pursue liability and compensation for the damage from those accountable through civil proceedings or compensation orders from the Court.

- (8) Question from **Chiu Tai**: he asked about the Management's plans to maximise shareholder value, other than by distribution of the Company's profits through dividend payments.

The Chairman thanked the shareholder for the question and invited Dr Jacob Kam to answer.

Dr Kam noted that the Company had built a solid foundation over the past 40 years and believed that, moving forward, all shareholders wanted the Company to continue to strengthen its competitiveness. He opined that the Company needed to develop a fit-for-future culture to pursue long-term business growth and sustainability, hence the new Corporate Strategy, “Transforming the Future”, which had been introduced in September 2020. Under the new Corporate Strategy, the Company had set business targets to, firstly, attain the full potential of the Hong Kong Core businesses; secondly, maintain a steady growth in the Company’s MC&IB; and, thirdly, invest in new technology and new social objectives that were conducive to the long-term sustainability of the Company’s businesses and the communities it served, creating shared value for all stakeholders, including shareholders. He added that he believed that the new Corporate Strategy would help the Company pursue business growth opportunities that would support the local economy, keep Hong Kong moving and keep cities moving.

- (9) Questions from **Chan Kwok Keung, Chan Ka Wai, Li Chun Kit Eric**: they were concerned about the way in which the Company’s staff handled ticket inspection cases in Shek Kip Mei Station and Heng Fa Chuen Station in April 2021.

The Chairman invited Mr Lau to answer.

Mr Lau responded that, in order to protect the interests of passengers who had paid the correct fare, routine ticket inspections were conducted from time to time within the MTR area and a consistent approach was applied to all passengers. He noted that the ticket inspection incident at Shek Kip Mei Station on 9 April 2021 had been handled in accordance with the Company's procedures, while the incident in Heng Fa Chuen Station on 16 April had been reported to the Hong Kong Police Force. It was therefore not appropriate for him to make any comment at the moment.

Mr Lau emphasized that appropriate training and support was provided to frontline staff for performing ticket inspections and that staff were regularly reminded about the need to communicate and interact with passengers in flexible ways, depending on the situation. To help colleagues better handle similar incidents in the future, the Management team had reached out to external interested groups for an exchange of ideas.

- (10)** Question from **Li Chun Kit Eric**: he asked about the size and colours of name badges of MTR station staff and whether there was a standard design for staff working on different railway lines.

The Chairman invited Mr Lau to answer.

Mr Lau replied that there were three types of name badges for station staff working on the Urban Lines, Airport Express and the Disneyland Resort Line, but there were standard requirements for the size of characters shown on name badges and regular checks to remind staff to adhere to the relevant requirements.

(11) Questions from **Li W Ai**: he said that he had lost his share certificates after his emigration and asked whether he could get back his dividend and whether he could transfer his shares to another person.

Ms Choy noted that the above shareholder's enquiries had been forwarded to the Company's Share Registrar for handling.

Facilitator Ms Choy noted that the time for Questions and Answers was up and the Meeting would proceed with the formal business.

Voting Procedures Before considering the resolutions, the Chairman exercised his right as the Chairman of the Meeting under Article 71 of the Company's Articles of Association (the "**Articles**") to demand a poll on each resolution to be proposed at the Meeting.

In order to minimize the time spent on counting the votes, the Chairman exercised his right as the Chairman of the Meeting under Article 72 of the Articles to use an electronic voting system to conduct the poll on each resolution to be proposed at the Meeting.

The Chairman said that, as before, Computershare had been appointed as the scrutineers to count and certify the poll results. He noted that, as the electronic voting system would be used to count the votes, it was expected that the results could be available before the end of the Meeting, and the results would be displayed on the screen in the Meeting hall. In addition, the poll results would be published on the websites of the Company and The Stock Exchange of Hong Kong Limited

(“**HKSE**”) in accordance with the Rules Governing the Listing of Securities on the HKSE (the “**Listing Rules**”).

Ms Phyllis Lee, the representative of the scrutineers, then gave a demonstration on how electronic poll voting would work.

The Chairman thanked Ms Lee and noted that all Directors of the Company recommended Shareholders to vote in favour of each of the proposed resolutions set out in the Notice of the Meeting.

Directors’ Report and Audited Statement of Accounts The Directors’ Report and the audited Statement of Accounts for the year ended 31 December 2020 were taken as read with the permission from Shareholders.

The Chairman formally proposed Resolution 1, namely, the ordinary resolution to receive the audited Statement of Accounts and the reports of the Directors and the Auditors of the Company for the year ended 31 December 2020.

The Chairman conducted the poll on Resolution 1.

As more than 50% of the votes were cast in favour of Resolution 1, the Chairman declared Resolution 1 carried.

Final Dividend The Chairman continued to propose Resolution 2, namely, the ordinary resolution to declare a final dividend for the year ended 31 December 2020 of HK\$0.98 per ordinary share, as recommended by the Board of Directors.

The Chairman then conducted the poll on Resolution 2.

As more than 50% of the votes were cast in favour of Resolution 2, the Chairman declared Resolution 2 carried.

Re-election of
Retiring Directors

In accordance with the Articles, Dr Eddy Fong Ching, Ms Rose Lee Wai-mun, Mr Benjamin Tang Kwok-bun and Mr Christopher Hui Ching-yu retired individually from the office of Director and, being eligible, offered themselves for re-election at the Meeting.

The Chairman conducted the poll on Resolution 3(a), that Dr Eddy Fong Ching be re-elected as a member of the Board of Directors of the Company.

As more than 50% of the votes were cast in favour of Resolution 3(a), the Chairman declared Resolution 3(a) carried.

The Chairman then proposed and conducted the poll on Resolution 3(b), that Ms Rose Lee Wai-mun be re-elected as a member of the Board of Directors of the Company.

As more than 50% of the votes were cast in favour of Resolution 3(b), the Chairman declared Resolution 3(b) carried.

The Chairman then proposed and conducted the poll on Resolution 3(c), that Mr Benjamin Tang Kwok-bun be re-elected as a member of the Board of Directors of the Company.

As more than 50% of the votes were cast in favour of Resolution 3(c), the Chairman declared Resolution 3(c) carried.

The Chairman then proposed and conducted the poll on Resolution 3(d), that Mr Christopher Hui Ching-yu be re-elected as a member of the Board of Directors of the Company.

As more than 50% of the votes were cast in favour of Resolution 3(d), the Chairman declared Resolution 3(d) carried.

Election of New Directors

The Chairman proposed the poll on Resolution 4, namely, the ordinary resolution to elect Mr Hui Siu-wai as a new member of the Board of Directors of the Company. The Chairman advised that Mr Hui's biographical details had been disclosed in the Company's circular for the Meeting.

The Chairman then conducted the poll on Resolution 4.

As more than 50% of the votes were cast in favour of Resolution 4, the Chairman declared Resolution 4 carried.

The Chairman proposed the poll on Resolution 5, namely, the ordinary resolution to elect Mr Adrian Wong Koon-man as a new member of the Board of Directors of the Company. The Chairman advised that Mr Wong's biographical details had been disclosed in the Company's circular for the Meeting.

The Chairman then conducted the poll on Resolution 5.

As more than 50% of the votes were cast in favour of Resolution 5, the Chairman declared Resolution 5 carried.

Auditors

The Chairman proposed and conducted the poll on Resolution 6, namely, the ordinary resolution to re-appoint KPMG as Auditors of the Company and to authorise the Board of Directors of the Company to determine their remuneration.

The Chairman then conducted the poll on Resolution 6.

As more than 50% of the votes were cast in favour of Resolution 6, the Chairman declared Resolution 6 carried.

General Mandate

The Chairman proposed Resolution 7, namely, the ordinary resolution to grant a general mandate to the Board of Directors to allot, issue, grant, distribute and otherwise deal with additional shares in the Company in the terms set out in the Notice of the Meeting as follows:

Resolution 7

‘THAT:

- (A) subject to paragraph (B) below, the exercise by the Board of Directors of the Company (the ‘Board’) during the Relevant Period of all the powers of the Company to allot, issue, grant, distribute and otherwise deal with additional Shares, to grant rights to subscribe for, or convert any security into, Shares (including the issue of any securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares) and to make or grant offers, agreements and options which will or might require such powers to be exercised during or after the end of the Relevant Period, be and is hereby generally and unconditionally APPROVED;
- (B) the aggregate number of Shares allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option, conversion or otherwise) by the Board pursuant to the

approval in paragraph (A) above, otherwise than pursuant to:

- (i) a Rights Issue; or
- (ii) any option scheme or similar arrangement for the time being adopted for the grant or issue to the members of the Executive Directorate and/or officers and/or employees of the Company and/or any of its subsidiaries of Shares or rights to acquire Shares, including without limitation pursuant to the Rules of the Company's 2007 Share Option Scheme; or
- (iii) the exercise of rights of subscription or conversion under the terms of any warrant issued by the Company or any securities which are convertible into Shares; or
- (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the Articles of Association of the Company from time to time,

shall not exceed ten per cent. of the aggregate number of Shares in issue as at the date of passing this Resolution 7 (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares in accordance with section 170(2)(e) of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) after the passing of this Resolution 7), and the said approval shall be limited accordingly;

(C) any Shares to be allotted and issued (whether wholly or partly for cash or otherwise) pursuant to the approval in paragraph (A) above shall not be issued at a discount of more than ten per cent. to the Benchmarked Price of such Shares; and

(D) for the purpose of this Resolution 7:

(i) 'Relevant Period' means the period from (and including) the date of passing this Resolution 7 until the earlier of:

(a) the conclusion of the next annual general meeting of the Company;

(b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or by law to be held; and

(c) the revocation or variation of the authority given under this Resolution 7 by an ordinary resolution of the shareholders of the Company in general meeting;

(ii) 'Rights Issue' means an offer of Shares open for a period fixed by the Board to holders of Shares on the register of members (and, if appropriate, to the holders of warrants and other securities which carry a right to subscribe or purchase shares in the Company on the relevant register) on a fixed record date in proportion to their then holdings of such Shares (and, if appropriate, such warrants and other securities) (subject to such exclusions or other arrangements as the Board may deem necessary or expedient in relation to fractional entitlements or having regard to any legal

or practical restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any jurisdiction or territory applicable to the Company);

(iii) 'Shares' means shares of all classes in the capital of the Company and warrants and other securities which carry a right to subscribe or purchase shares in the Company; and

(iv) 'Benchmarked Price' means the higher of:

(a) the closing price of the Shares as quoted on The Stock Exchange of Hong Kong Limited (the 'Stock Exchange') on the date of the agreement involving the proposed issue of the Shares under this Resolution 7; and

(b) the average closing price of the Shares as quoted on the Stock Exchange for the 5 trading days immediately prior to the earlier of the date: (1) of announcement of the proposed transaction or arrangement involving the proposed issue of the Shares; (2) of the agreement involving the proposed issue of Shares; and (3) on which the price of the Shares that are proposed to be issued is fixed.'

The Chairman conducted the poll on Resolution 7.

As more than 50% of the votes were cast in favour of Resolution 7, the Chairman declared Resolution 7 carried.

Share Repurchase
Mandate

The Chairman proposed Resolution 8, namely, the ordinary resolution to grant a general mandate to the Board of Directors to buy back shares in the Company in the terms set out in the Notice of the Meeting as follows:

Resolution 8

‘THAT:

- (A) subject to paragraph (B) below, the exercise by the Board during the Relevant Period of all the powers of the Company to buy back Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and which is recognised for this purpose by the Securities and Futures Commission and the Stock Exchange, in accordance with all applicable laws, including the Hong Kong Code on Share Buy-backs and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time), be and is hereby generally and unconditionally APPROVED;
- (B) the aggregate number of Shares which may be bought back or agreed conditionally or unconditionally to be bought back pursuant to the approval in paragraph (A) above shall not exceed ten per cent. of the aggregate number of the Shares in issue as at the date of passing of this Resolution 8 (subject to adjustment in the case of any conversion of any or all of the Shares into a larger or smaller number of Shares in accordance with section 170(2)(e) of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) after the passing of this Resolution 8), and the said approval shall be limited accordingly; and
- (C) for the purpose of this Resolution 8:

- (i) 'Relevant Period' means the period from (and including) the passing of this Resolution 8 until the earlier of:
 - (a) the conclusion of the next annual general meeting of the Company;
 - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or by law to be held; and
 - (c) the revocation or variation of the authority given under this Resolution 8 by an ordinary resolution of the shareholders of the Company in general meeting; and
- (ii) 'Shares' means shares of all classes in the capital of the Company and warrants and other securities which carry a right to subscribe or purchase shares in the Company.'

The Chairman conducted the poll on Resolution 8.

As more than 50% of the votes were cast in favour of Resolution 8, the Chairman declared Resolution 8 carried.

Amendments to the Articles of Association and Adoption of the new Articles of Association

The Chairman proposed Resolution 9, namely the special resolution to approve the proposed amendments to the Articles of Association of the Company and the adoption of the new Articles of Association of the Company, details of which were set out in the Notice of the Meeting as follows:

Resolution 9

'THAT the Articles of Association of the Company be and are hereby amended as detailed in the explanatory statement on proposed amendments to the Articles of Association of the Company, which is contained in the circular of the Company dated 16 April 2021 and forms part of this Notice of Annual General Meeting and that the new Articles of Association produced to the meeting and initialled by the Chairman of this meeting for the purposes of identification be and is hereby APPROVED AND ADOPTED.'

The Chairman then conducted the poll on Resolution 9.

As more than 75% of the votes were cast in favour of Resolution 9, the Chairman declared Resolution 9 carried.

Conclusion

The Chairman noted that all the proposed resolutions of the Meeting had been passed. The Chairman advised that the results of the polls would be published on the respective websites of the Company and the HKSE in accordance with the Listing Rules.

The Chairman concluded the Meeting by thanking Shareholders for their attendance. The Chairman declared the Meeting closed at around 12:25 p.m.

(Signed by Dr Rex Auyeung)

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Chairman