
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Kong Sun Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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KONG SUN HOLDINGS LIMITED

江山控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

**(1) PROPOSED ADOPTION OF SHARE OPTION AND
SHARE AWARD SCHEME; AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting (the “EGM”) of Kong Sun Holdings Limited to be held at Unit 803-4, 8/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong on Friday, 12 December 2025 at 11:00 a.m. is set out on pages 29 to 30 of this circular.

Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy for use at the EGM in accordance with the instructions printed thereon and return the same to the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

24 November 2025

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DEFINITIONS

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

“Actual Sale Proceeds”	the proceeds from the sale of the Award Shares net of brokerage, Stock Exchange trading fee, SFC transaction levy and any other applicable costs
“Adoption Date”	the date of fulfilment of the condition set out in the paragraph headed “24. CONDITION OF THE SHARE SCHEME” of the Appendix to this circular
“Articles”	the Articles of Association of the Company, as amended, supplemented or otherwise modified from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Award”	an award granted under the Share Scheme, which may be a Share Option or a Share Award
“Award Shares”	new Shares underlying an Award, including treasury shares of the Company that are transferred out of treasury by the Company
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for the business of dealing in securities listed thereon
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Kong Sun Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened at Unit 803-4, 8/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong on Friday, 12 December 2025 at 11:00 a.m., or any adjournment thereof
“EGM Notice”	the notice convening the EGM as set out on pages 29 to 30 of this circular

DEFINITIONS

“Eligible Participants”	an Employee Participant, and for the purposes of the Share Scheme, the Offer may be made to a vehicle (such as a trust or a private company) or similar arrangement for the benefit of a specified Eligible Participant subject to the fulfilment of requirements of the Listing Rules (including but not limited to a waiver from the Stock Exchange, where applicable)
“Employee Participants”	the directors and employees (whether full-time or part-time) of any member of the Group (including persons who are granted Awards under the Share Scheme as inducement to enter into employment contracts with any member of the Group)
“Exercise Period”	in respect of any Award, the period to be determined and notified by the Company to the Grantee thereof at the time of making an Offer provided that such period shall not go beyond the day immediately prior to the tenth (10th) anniversary of the date of grant with respect of the relevant Award
“Exercise Price”	with respect to a particular Share Option, the price per Share at which the relevant Grantee may subscribe for the Shares on the exercise of the particular Share Option
“Exercised Award Shares”	such number of Award Shares that have been exercised by a Grantee upon vesting of an Award
“Grantee”	any Eligible Participant who accepts the Offer in accordance with the terms of the Share Scheme
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Price”	with respect to a particular Share Award, the price per Share at which the relevant Grantee is required to pay to subscribe for the Shares comprising the Share Award
“Latest Practicable Date”	19 November 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“Minimum Period”	with respect to an Award, the period commencing on the date of grant and ending on the day immediately prior to the expiry of the twelve (12)-month period thereof
“Offer”	an offer to an Eligible Participant for the grant of an Award
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Remuneration Committee”	the remuneration committee of the Company
“Scheme Mandate Limit”	has the meaning ascribed to it in the paragraph headed “7. SCHEME LIMIT AND ADDITIONAL APPROVALS” of the Appendix to this circular
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company, or, if there has been a sub-division, consolidation, re-classification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company as shall result from any such sub-division, consolidation, re-classification or re-construction
“Share Award”	an Award which vests as a right to subscribe for Award Shares at the Issue Price during the Exercise Period pursuant to the Share Scheme
“Share Option”	an Award which vests as a right to subscribe for Award Shares at the Exercise Price during the Exercise Period pursuant to the Share Scheme
“Share Scheme”	the share scheme proposed to be adopted by the Company at the EGM, under which Share Award(s) and Share Option(s) may be granted
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Termination Date”	close of business of the Company on the date which falls on the date immediately prior to the tenth (10th) anniversary of the Adoption Date, or such earlier date as the Share Scheme is terminated in accordance of the terms thereunder

DEFINITIONS

“treasury share(s)”	has the meaning ascribed to it under the Listing Rules
“Trust(s)”	has the meaning defined in the paragraph headed “2. ADMINISTRATION OF THE SHARE SCHEME” of the Appendix to this circular
“%”	per cent.

This circular has been printed in English and Chinese. In the event of any inconsistency, the English text of this circular shall prevail over its Chinese text.

LETTER FROM THE BOARD



江山控股
KongSun Holdings

KONG SUN HOLDINGS LIMITED

江山控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

Executive Directors:

Mr. Hua Min

Mr. Li Guo

Ms. Liu Ying

Non-executive Director:

Mr. Jiang Hengwen (*Chairman*)

Registered Office and Principal

Place of Business:

Unit 803-4, 8/F,

Everbright Centre,

108 Gloucester Road,

Wanchai,

Hong Kong

Independent Non-executive Directors:

Ms. Sun Yiwen

Mr. Tang Jian

Ms. Tang Yinghong

24 November 2025

To the Shareholders:

Dear Sir or Madam,

**(1) PROPOSED ADOPTION OF SHARE OPTION AND
SHARE AWARD SCHEME; AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with, among others, (i) details of the Share Scheme; (ii) a notice convening the EGM; and (iii) other information as required under the Listing Rules, together with the EGM Notice.

LETTER FROM THE BOARD

2. PROPOSED ADOPTION OF THE SHARE SCHEME

2.1 Introduction

The Board proposes to adopt the Share Scheme to enable the Company to grant share options and/or share awards to selected eligible persons as incentives or rewards for their contribution or potential contribution to the development and long-term growth of the Group, as well as to attract and retain talents. The Share Scheme will be funded by issuance of new Shares (including the transfer of treasury shares), under which the Company may issue new Shares and/or utilise treasury shares (if any) to satisfy grants of the Awards under the Share Scheme.

The adoption of the Share Scheme is conditional upon the passing of an ordinary resolution by the Shareholders at the EGM. Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued and allotted by the Company in respect of the share options and share awards that may be granted pursuant to the Share Scheme.

A summary of the principal terms of the Share Scheme is set out in the Appendix to this circular.

2.2 Purpose

The purpose of the Share Scheme is set out in the paragraph headed “1. PURPOSE” in the Appendix to this circular.

2.3 Condition

The adoption of the Share Scheme is conditional upon the passing of an ordinary resolution to approve and adopt the Share Scheme by the Shareholders in a general meeting of the Company.

2.4 Eligible Participants

The Eligible Participants and the criteria for determination of their eligibility are set out in the paragraph headed “3. ELIGIBLE PARTICIPANTS AND THE BASIS OF ELIGIBILITY” in the Appendix to this circular.

LETTER FROM THE BOARD

Employee Participants

The Board (including the independent non-executive Directors) is of the view that the non-executive Directors (including the independent non-executive Directors) should be included as Employee Participants on the basis of the following:

- (i) the non-executive Directors (including the independent non-executive Directors) play a vital role in shaping and overseeing the strategic direction and governance of the Group by contributing their expertise, objective insights and independent judgement. The involvement of non-executive Directors (including the independent non-executive Directors) enhances decision-making, governance and accountability of the Board, which are essential for the Group's sustainable development, long-term growth and stability;
- (ii) the objectivity and independence of the independent non-executive Directors shall not be impaired by any potential grant of the Awards under the Share Scheme for the following reasons: (a) the independent non-executive Directors will be required to continue to comply with the independence requirement under Rule 3.13 of the Listing Rules; and (b) approval by independent Shareholders will be required if any Award is to be granted to independent non-executive Directors or any of their respective associates which would result in the Shares issued and to be issued in respect of all options and awards granted to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding treasury shares);
- (iii) the inclusion of non-executive Directors (including the independent non-executive Directors) as Employee Participants would provide the Group with flexibility to offer non-cash incentives to the non-executive Directors (including the independent non-executive Directors) for their continuous contributions to the Group's growth and development, without compromising, in the case of independent non-executive Directors, their objectivity and independence; and
- (iv) it is common to include non-executive Directors (including independent non-executive directors) as eligible persons of share schemes among public companies.

The Board (including the independent non-executive Directors) is of the view that the criteria of selection of the Eligible Participants and the inclusion of non-executive Directors (including independent non-executive Directors) as Eligible Participants are fair and reasonable and align with the purpose of the Share Scheme to recognise contributions made and to be made to the growth and development of the Group and the long-term interests of the Company and the Shareholders.

LETTER FROM THE BOARD

Furthermore, the Board (including the independent non-executive Directors) believes that including part-time employees as Eligible Participants will drive long-term growth and profitability by enhancing engagement, retention, and inclusivity. Extending incentives to part-time employees fosters a shared success culture, recognizes contributions regardless of employment status, and motivates greater engagement and long-term commitment to performance. This approach strengthens loyalty, reduces turnover costs, and supports the Group in attracting and retaining dedicated talent across all levels. Aligning all employees with strategic goals ensures a cohesive and high-performing workforce, and promotes a unified effort towards the Group's growth and prosperity. By valuing part-time roles equally, the Group maximizes productivity and operational flexibility. The Board (including the independent non-executive Directors) is of the view that extending incentives to part-time employees will sustain growth, improve efficiency, and deliver long-term value for the Group.

2.5 Vesting Period

The vesting period of the Awards is set out in the paragraph headed "5. VESTING PERIOD" in the Appendix to this circular. The paragraph also sets out circumstances in which the Board may grant Awards with a vesting period shorter than the Minimum Period. The paragraph headed "18. RIGHTS ON A CORPORATE TRANSACTION" in the Appendix to this circular further sets out circumstances in which the Board may in its discretion accelerate the vesting dates of Awards.

The Board and the Remuneration Committee are of the view that (i) there are certain limited instances (for example in circumstances set out in the paragraphs headed "5. VESTING PERIOD" of the Appendix to this circular) where a strict twelve (12)-month vesting requirement would not be fair to the holder(s) of the Awards; (ii) there is a need for the Company to retain flexibility to reward exceptional performers with accelerated vesting period or in exceptional circumstances where justified; and (iii) the Company should be allowed to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition. It should have the flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances.

As such, the Board and the Remuneration Committee are of the view that the circumstances when vesting period is shorter than the Minimum Period prescribed in the paragraphs headed "5. VESTING PERIOD" of the Appendix to this circular are appropriate and align with the purpose of the Share Scheme.

2.6 Maximum number of Shares subject to the Share Scheme

The total number of Shares which may be issued (including any transfer of treasury shares of the Company) in respect of all Awards which may be granted under the Share Scheme is set out in the paragraph headed "7. SCHEME LIMIT AND ADDITIONAL APPROVALS" in the Appendix to this circular.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the number of issued Shares is 14,964,442,519 Shares and the Company has no treasury shares. Assuming that there will be no change in the number of issued Shares and the Company will not have any treasury shares between the Latest Practicable Date and the Adoption Date, the total number of Shares which may be issued upon exercise of all Awards to be granted under the Share Scheme together with all options and awards which may be granted under any other schemes for the time being of the Company would be 1,496,444,251 Shares, representing approximately 10% of the issued share capital of the Company (excluding treasury shares) on the date of approval of the Share Scheme.

2.7 Performance targets and clawback mechanism

The Board may at its discretion specify any condition in the offer letter at the grant of the relevant Award, including condition(s) and/or performance target(s) that must be achieved before any of the Awards can be exercised, as well as the clawback mechanism for the Company to recover or withhold any Awards granted to any Eligible Participants.

The Board (including the independent non-executive Directors) believes that this will provide the Board with more flexibility in setting out the terms and conditions of the Awards under particular circumstances of each grant and facilitate the Board to offer suitable incentives to attract and retain quality personnel that are valuable to the development of the Group. The Board (including the independent non-executive Directors) also considers that it may not always be appropriate to impose performance targets or prescribe a clawback mechanism particularly when the purpose of granting Awards is to motivate and incentivize employees, and it is impractical to expressly set out a generic set of performance targets in the Share Scheme, as each Grantee will play different roles and contribute in diverse ways to the Group.

Specifically, the Board may, at its discretion, require at the time of grant any particular Grantee to achieve such performance targets as the Board may then specify in the grant before any Awards granted under the Share Scheme to such Grantee can be exercised. If performance targets are imposed on a Grantee at the grant of the relevant Award, the Board will have regard to the purpose of the Share Scheme in assessing the reasonableness and suitability of such performance targets, with reference to factors including but not limited to, as and when appropriate, sales performance (e.g. revenue), operating performance (e.g. operation efficiency) and financial performance (e.g. profits, cash flow, earnings, market capitalization and return on equity) of the Group, as well as corporate sustainability parameters (e.g. accuracy and timeliness in handling customer complaints and feedback and adherence to corporate culture), personal qualities (e.g. discipline, punctuality, integrity and compliance with internal procedures and controls) of the Grantee and individual performance (e.g. key performance indicator achievement) of the Grantee, the satisfaction of which shall be assessed and determined by the Board at its discretion.

Generally, the Company will also utilize its internal assessment system to appraise and evaluate whether the Eligible Participants will contribute to the long-term growth of the Group on a case-by-case basis. Specifically, the Eligible Participants' expected contribution will be considered with reference to factors including but not limited to their past contributions to the Group, the nature of job duties or services, position within or related to the Group and other features including geographical location, business strategy focus and corporate culture. Specific weightings will be given to the factors above in order to provide a fair and objective appraisal of the Eligible Participants before Awards will be granted, such that the grants will be on a fair and reasonable basis and in the interest of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

On the other hand, if a clawback mechanism is prescribed, at the Board's discretion, on a Grantee at the grant of the relevant Award, if the Grantee's employment has been terminated summarily, or if he or she has been convicted of any criminal offence involving his or her integrity or honesty, or has been involved in any wrongdoing that brings the Group into disrepute or causes damages to the Group (including but not limited to causing a material misstatement in the Company's financial statements), any outstanding Awards not yet vested and Awards vested but not exercised shall be immediately forfeited, unless the Board determines otherwise at its discretion.

The Company is mindful of the recommended best practices under E.1.9 of Appendix C1 to the Listing Rules, which provides that issuers generally should not grant equity-based remuneration (e.g. share options or grants) with performance-related elements to independent non-executive Directors as they may lead to bias in their decision-making and compromise their objectivity and independence. To align with the recommended best practices, performance targets will not apply to Awards which may be made to the independent non-executive Directors.

2.8 Others

As at the Latest Practicable Date, the Company has no concrete plans or specific intention to grant Awards under the Share Scheme immediately after its adoption.

The Company understands that the adoption of the Share Scheme would not constitute an offer to public and would not be subject to the prospectus requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong).

None of the Directors is and will be trustee of the Share Scheme nor has a direct or indirect interest in the trustee.

The Company may issue new Shares and/or utilize treasury shares (if any) to satisfy grant(s) of the Award(s) under the Share Scheme.

The Company will, where applicable, comply with the applicable requirements under Chapter 17 of the Listing Rules in respect of the operation of the Share Scheme.

As at the Latest Practicable Date, the Company has no other share schemes to provide incentives to employees or other eligible participants.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder had any material interest in the adoption of the Share Scheme. Accordingly, no Shareholder is required to abstain from voting on the resolution approving the adoption of the Share Scheme at the EGM.

LETTER FROM THE BOARD

A summary of the principal rules of the Share Scheme is set out in the Appendix to this circular. A copy of the rules of the Share Scheme will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.kongsun.com) for display for a period of not less than 14 days before the date of the EGM and the rules of the Share Scheme will be made available for inspection at the EGM.

2.9 Application for Listing

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued and allotted in respect of all share options and share awards that may be granted pursuant to the Share Scheme.

3. THE EGM

The EGM will be convened and held at Unit 803-4, 8/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong on Friday, 12 December 2025 at 11:00 a.m. at which resolution will be proposed for the Shareholders to consider and, if thought fit, approve the adoption of the Share Scheme.

The EGM Notice is set out on pages 29 to 30 of this circular.

A form of proxy for use at the EGM is enclosed with this circular and such form of proxy is also published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.kongsun.com).

Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy for use at the EGM in accordance with the instructions printed thereon and return the same to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

The register of members of the Company will be closed from Tuesday, 9 December 2025 to Friday, 12 December 2025 (both days inclusive). In order to be qualified for attending and voting at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4: 30 p.m. on Monday, 8 December 2025.

4. RECOMMENDATIONS

The Directors consider that the proposed adoption of the Share Scheme referred to in this circular are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM and as set out in the EGM Notice.

LETTER FROM THE BOARD

5. RESPONSIBILITY STATEMENT

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

6. GENERAL

Your attention is drawn to the additional information set out in the Appendix to this circular.

Yours faithfully,
For and on behalf of the Board
Kong Sun Holdings Limited
Mr. Jiang Hengwen
Chairman and Non-executive Director

The following is a summary of the principal terms of the Share Scheme to be approved and adopted by an ordinary resolution at the EGM, but such summary does not form part of, nor was it intended to be, part of the Share Scheme, nor should it be taken as affecting the interpretation of the rules of the Share Scheme:

1. PURPOSE

The purpose of the Share Scheme is to acknowledge the contribution to the Group of, and provide incentive to, the Eligible Participants in order to promote the development and success of the business of the Group. The Share Scheme will give the Eligible Participants an opportunity to have a personal stake in the Company and will help motivate the Eligible Participants in optimising their performance and efficiency and attract and retain the Eligible Participants whose contributions are important to the long-term growth of the Group.

2. ADMINISTRATION OF THE SHARE SCHEME

The Share Scheme shall be subject to the administration of the Board whose decision on all matters arising in relation to the Share Scheme or its interpretation or application or effect shall (save as otherwise provided in the Share Scheme and in the absence of manifest error) be final and binding. The Board shall exercise its administrative power in accordance with the Listing Rules requirement. For the avoidance of doubt, subject to compliance with the requirements of the Listing Rules and the provisions of the Share Scheme, the Board shall have the right to (i) interpret and construe the provisions of the Share Scheme; (ii) determine the persons who will be offered Awards under the Share Scheme, and the number of Shares and the Exercise Price or Issue Price in relation to such Awards; (iii) make such appropriate and equitable adjustments to the terms of Awards granted under the Share Scheme as it may deem necessary; and (iv) make such other decisions or determinations or regulations as it shall deem appropriate for the administration of the Share Scheme. The Share Scheme will be funded by issuance of new Shares (including the transfer of treasury shares).

Subject to compliance with the Listing Rules, the authority to administer the Share Scheme may be delegated by the Board to a committee of the Board or to any other person(s) deemed appropriate at the sole discretion of the Board.

The Company may establish one or more trusts (“**Trust(s)**”) which will be independent of the Company and appoint one or more trustee(s) for the purposes of: (i) holding Award Shares allotted and issued by the Company or treasury shares that are transferred out of treasury by the Company and reserved for specified Eligible Participants; (ii) settling Awards; and (iii) taking other actions for the purposes of administering and implementing the Share Scheme. The trustee(s) of the Trust(s) shall be instructed by the Company. No Director will act as trustee(s) or have any direct or indirect interest in any trustee(s) of the Trust(s).

The trustee of the Trust holding unvested Award Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders’ approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner’s direction and such direction is given.

3. ELIGIBLE PARTICIPANTS AND THE BASIS OF ELIGIBILITY

The Eligible Participants are the Employee Participants.

In determining the basis of eligibility for Employee Participants, the factors in assessing whether any person is eligible to participate in the Share Scheme include: (1) the performance of the Employee Participant; (2) the skill, knowledge, experience, expertise and other personal qualities of the Employee Participant, (3) time commitment, responsibilities or employment conditions of the Employee Participant according to the prevailing market practice and industry standard; (4) the length of employment with the Group; and (5) the contribution or potential contribution of the Employee Participant to the development and growth of the Group.

4. OFFER AND ACCEPTANCE

Subject to and in accordance with the provisions of the Share Scheme and the Listing Rules, the Board shall be entitled (but shall not be bound), at any time and from time to time and within a period commencing on the Adoption Date and ending on the Termination Date (both dates inclusive), to make an Offer to such Eligible Participant as it may, in its absolute discretion, select, and subject to such conditions as the Board may think fit, provided that no such Offer shall be made if a prospectus is required to be issued under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or any applicable laws or if such grant will result in the breach by the Company or any of the Directors of any applicable securities laws and regulations in any jurisdiction.

An Offer shall be made to an Eligible Participant in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine specifying the terms of the Award which may include number of Award Shares, the Issue Price or Exercise Price (as applicable), the vesting criteria and conditions, the Exercise Period, and if any, minimum performance targets that must be achieved and, if applicable, the clawback mechanism for the Company to recover or withhold any Awards granted to any Eligible Participants, and any such other details as the Company may consider necessary, and requiring the Grantee to undertake to hold the Award on the terms of the offer letter and be bound by the provisions of the Share Scheme. An Offer shall remain open for acceptance by the Eligible Participant concerned (and by no other person, including the Eligible Participant's personal representative) for a period of twenty-one (21) days from the date of the offer. For the avoidance of doubt, the Board may at its discretion specify any condition in the offer letter at the grant of the relevant Award, including conditions and/or performance target(s) that must be achieved before any of the Awards can be exercised, as well the clawback mechanism for the Company to recover or withhold any Awards granted to any Eligible Participants.

An Offer shall be deemed to have been accepted by an Eligible Participant concerned in respect of all the Award Shares which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant, together with a payment in favour of the Company of HK\$1.00 or such other amount (if any) as may be determined by the Board as consideration for the grant thereof, is received by the Company.

Any Offer may be accepted by an Eligible Participant in respect of less than the number of Award Shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. The relevant Award Shares offered but not accepted shall lapse.

5. VESTING PERIOD

Save for the circumstances prescribed below, an Award must be held by the Grantee for a period that is not shorter than the Minimum Period before the Award can be exercised.

The Board may at its absolute discretion grant Awards to Employee Participants only with a vesting period shorter than the Minimum Period in the following specific circumstances:

- (1) grants of “make-whole” Awards to new joiners to replace the award shares they forfeited when leaving the previous employers;
- (2) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control event;
- (3) grants that are made in batches during a year for administrative and compliance reasons (such as to save administrative time and compliance costs, to coincide with the regular or scheduled meetings of the Board and/or the Remuneration Committee, etc.), which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch;
- (4) grants of Awards with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of twelve (12) months; or
- (5) grants with performance-based vesting conditions in lieu of time-based vesting criteria;

each of which are considered appropriate to provide flexibility to grant Awards (a) as part of competitive terms and conditions to induce valuable talent to join the Group (sub-paragraphs (1) and (4)); (b) reward past contribution which may otherwise be neglected due to administrative or technical reasons (sub-paragraphs (2) and (3)); (c) reward exceptional performers with accelerated vesting (sub-paragraph (4)); (d) to motivate exceptional performers based on performance metrics rather than time (sub-paragraph (5)); and (e) in exceptional circumstances where justified (sub-paragraphs (1) to (5)), which is consistent with the purpose of the Share Scheme.

6. EXERCISE PRICE AND ISSUE PRICE AND EXERCISE OF AWARDS

- (1) The Exercise Price (in respect of Share Options) shall, subject to any adjustment made pursuant to the terms of the Share Scheme, be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of:
 - (a) the closing price of the Shares as shown in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a Business Day; and
 - (b) the average of the closing prices of the Shares as shown in the daily quotations sheets of the Stock Exchange for the five (5) consecutive days on which the Shares are traded on the Stock Exchange immediately preceding the date of grant.
- (2) The Issue Price (in respect of Share Awards) shall be such price determined by the Board in its absolute discretion and notified to the Grantee in the offer letter. For the avoidance of doubt, the Board may determine the Issue Price to be nil.
- (3) Where an Award is to be granted under paragraph 8 or paragraph 9, for the purposes of subparagraphs (1) (a) or (1)(b) above, the date of the meeting of the Board (or its authorized committee for the administration of the Share Scheme) or the Remuneration Committee (as the case may be) at which the Offer was proposed shall be taken to be the date of grant for the relevant Award, and the provisions as set above shall apply *mutatis mutandis*.
- (4) Subject to the terms of the Share Scheme and the fulfilment of all terms and conditions as set out in the Offer, including the attainment of any performance targets stated therein (if any), an Award shall be exercisable in whole or in part by the Grantee (or, in the case of death of the Grantee, by the Grantee's personal representative) giving notice in writing to the Company stating that the Award is thereby exercised and the number of Award Shares in respect of which it is so exercised, and:
 - (a) each of such notice must be accompanied by a remittance for the full amount of the Exercise Price or the Issue Price (as applicable) for the Award Shares in respect of which the notice is given;
 - (b) within twenty-one (21) days (or such longer period if the Company in its sole discretion considers it appropriate due to applicable legal or regulatory restrictions) after receipt of the notice and the remittance, the Company shall, at its discretion, arrange for the Exercised Award Shares to be satisfied in the following methods:
 - (i) allot and issue the relevant number of Shares to the Grantee (or, the Grantee's estate in the event of an exercise by the Grantee's personal representative) credited as fully paid and instruct the share registrar to issue to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) a share certificate for the Shares so allotted and issued;

- (ii) arrange for the Exercised Award Shares to be transferred to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) credited as fully paid and issue to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) a share certificate in respect of the Shares so transferred;
- (iii) pay to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) by remittance to the bank account designated and provided by the Grantee (or the Grantee's personal representative), the Actual Sale Proceeds from on-market sale of the Exercised Award Shares through the facilities of the Stock Exchange at prevailing market prices; and
- (iv) arrange for Exercised Award Shares to be issued or designated as vested shares held for the economic benefit of the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative), following which, the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) shall be entitled to future dividends paid or payable on the Exercised Award Shares and the Grantee (or the Grantee's personal representative) will have a one-time option to request the Company to cause payment to the Grantee (or the Grantee's estate in the event of an exercise by the Grantee's personal representative) by remittance to the bank account designated and provided by the Grantee, the difference in the prevailing market prices of the Exercised Award Shares between the vesting date and the date that the Grantee notifies the Company of exercising the one-time option.

7. SCHEME LIMIT AND ADDITIONAL APPROVALS

The Scheme Mandate Limit

- (1) The total number of Shares which may be issued (including any transfer of treasury shares of the Company) in respect of all Awards which may be granted at any time under the Share Scheme together with options and awards which may be granted under any other schemes of the Company shall not exceed such number of Shares as equals 10% of the Shares in issue (excluding treasury shares) as at the Adoption Date (the "**Scheme Mandate Limit**"). Awards lapsed in accordance with the terms of the Share Scheme (and other schemes of the Company) will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

Share consolidation or sub-division

- (2) If the Company conducts a share consolidation or sub-division after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued (including any transfer of treasury shares of the Company) in respect of all options and awards to be granted under all of the schemes of the Company under the Scheme Mandate Limit as a percentage of the total number of issued Shares (excluding treasury shares) at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole share.

Refreshment

- (3) The Company may seek approval of the Shareholders in a general meeting of the Company to refresh the Scheme Mandate Limit under the Share Scheme on or after the third (3rd) anniversary of the date of the Shareholders' approval for the last refreshment or the Adoption Date. The total number of Shares which may be issued (including any transfer of treasury shares of the Company) upon exercise of all (i) the Awards under the Share Scheme and (ii) the options and awards to be granted under any other schemes of the Company as "refreshed" must not exceed 10% of the Shares in issue (excluding treasury shares) as at the date of approval of the refreshment. For the purpose of seeking such approval of the Shareholders, the Company must send a circular to the Shareholders containing the information required under the Listing Rules.
- (4) Any refreshment within any three (3)-year period shall be subject to independent Shareholders' approval pursuant to Rule 17.03C(1)(b) and (c) of the Listing Rules.

Grant in excess of the Scheme Mandate Limit

- (5) The Company may seek separate approval of the Shareholders in a general meeting of the Company for granting Awards exceeding the Scheme Mandate Limit provided that the Awards in excess of the Scheme Mandate Limit are granted only to Eligible Participants specifically identified by the Company before such approval is sought. For the purpose of seeking such approval of the Shareholders, the Company must send a circular to the Shareholders containing the name of each specified Eligible Participant who may be granted such Awards, the number and terms of the Awards to be granted, the purpose of granting Awards to the specified Eligible Participants with an explanation as to how the terms of the Awards serve such purpose, and such other information as required under the Listing Rules. The number and terms (including the Exercise Price or the Issue Price) of the Awards to be granted to such Eligible Participant must be fixed before the Shareholders' approval. For the grant of Share Options, the date of Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Exercise Price.

8. GRANT OF AWARDS TO A DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY OR ANY OF THEIR RESPECTIVE ASSOCIATES

- (1) Any grant of an Award to a Director, a chief executive of the Company or substantial shareholder, or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who or whose associate is the proposed Grantee of the Award).
- (2)
 - (a) Where any grant of an Award 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 (including any transfer of treasury shares of the Company) in respect of all options and awards granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 0.1% of the Shares in issue (excluding treasury shares) at the date of such grant, or
 - (b) where any grant of Share Awards (i.e., excluding grant of Share Options) to any 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 (including any transfer of treasury shares of the Company) in respect of all awards granted (excluding any Awards lapsed in accordance with the terms of the relevant schemes) 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 Shares in issue (excluding treasury shares) at the date of such grant,

such grant of Award must first be approved by the Shareholders in a general meeting of the Company.

- (3) The Company must send a circular to the Shareholders. The circular must contain such information required by the Listing Rules.
- (4) The Grantee, his/her/its associates and all core connected persons of the Company must abstain from voting in favour of the proposed grant at such general meeting. Parties that are required to abstain from voting in favour of the proposed grant at the general meeting of the Company pursuant to the Listing Rules may vote against the resolution at the general meeting of the Company, provided that their intention to do so has been stated in the relevant circular to the Shareholders.
- (5) Any vote taken at the general meeting of the Company to approve the grant of such Award must be taken on a poll and comply with the requirements under the Listing Rules.

- (6) Any change in the terms of Awards granted to an Eligible Participant who is a director, chief executive or substantial shareholder of the Company, or any of their respective associates must be approved by the Shareholders in the manner as set out in the Listing Rules if the initial grant of the Awards requires such approval (except where the changes take effect automatically under the existing terms of the Share Scheme).
- (7) Applications shall be made by the Company to the Listing Committee of the Stock Exchange for the listing of and the permission to deal in any Shares that may fall to be allotted and issued under the Share Scheme.

9. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE PARTICIPANT

Where any grant of an Award to an Eligible Participant would result in the Shares issued and to be issued (including any transfer of treasury shares of the Company) in respect of all options and awards granted to such Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the twelve (12)-month period up to and including the date of such grant representing in aggregate exceeding 1% of the Shares in issue (excluding treasury shares), such grant must be separately approved by the Shareholders in a general meeting of the Company with such Eligible Participant and the person's close associates (or associates if the Eligible Participant is a connected person) abstaining from voting.

The Company must send a circular to the Shareholders and the circular must disclose the identity of the Eligible Participant, the number and terms of the Awards to be granted (and Awards previously granted to such Eligible Participant during the twelve (12)-month period), the purpose of granting the Awards to the Eligible Participant, an explanation as to how the terms of the Awards serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the Exercise Price or Issue Price) of the Award to be granted to such Eligible Participant must be fixed before the Shareholders' approval. For the grant of Share Options, the date of the meeting of the Board for proposing such grant should be taken as the date of grant for the purpose of calculating the Exercise Price.

10. TIME OF EXERCISE OF OPTIONS

Subject to the terms of the Share Scheme, an Award may be exercised in whole or in part at any time during the period stipulated in the Offer, provided that such period shall not go beyond the day immediately prior to the tenth (10th) anniversary of the date of grant with respect of the relevant Award.

11. PERFORMANCE TARGET(S) AND CLAWBACK MECHANISM

The Board may at its discretion determine and provide in the offer letter at the grant of the relevant Award any performance target(s) as the Board may then specify which must be achieved by the Grantee before any of the Awards can be exercised, as well as the clawback mechanism for the Company to recover or withhold any Awards granted to any Eligible Participants.

Specifically, if performance targets are imposed on a Grantee at the grant of the relevant Award, the Board will have regard to the purpose of the Share Scheme in assessing the reasonableness and suitability of such performance targets, with reference to factors including but not limited to, as and when appropriate, (1) sales performance (e.g. revenue), (2) operating performance (e.g. operation efficiency), (3) financial performance (e.g. profits, cash flow, earnings, market capitalization and return on equity) of the Group, (4) corporate sustainability parameters (e.g. accuracy and timeliness in handling customer complaints and feedback and adherence to corporate culture) and (e) personal qualities (e.g. discipline, punctuality, integrity and compliance with internal procedures and controls) of the Grantee and individual performance (e.g. key performance indicator achievement) of the Grantee, the satisfaction of which shall be assessed and determined by the Board at its discretion.

Generally, the Company will also utilize its internal assessment system to appraise and evaluate whether the Eligible Participants will contribute to the long-term growth of the Group on a case-by-case basis. Specifically, the Eligible Participants' expected contribution will be considered with reference to factors including but not limited to their past contributions to the Group, the nature of job duties or services, position within or related to the Group and other features including geographical location, business strategy focus and corporate culture. Specific weightings will be given to the factors above in order to provide a fair and objective appraisal of the Eligible Participants before Awards will be granted, such that the grants will be on a fair and reasonable basis and in the interest of the Company and its Shareholders as a whole.

On the other hand, if the clawback mechanism is prescribed, at the Board's discretion, on a Grantee at the grant of the relevant Award, in the event that (1) a Grantee's employment has been terminated summarily, (2) a Grantee has been convicted of any criminal offence involving his or her integrity or honesty, or (3) a Grantee has been involved in any wrongdoing that brings the Group into disrepute or causes damages to the Group (including but not limited to causing a material misstatement in the Company's financial statements), any outstanding Awards not yet vested and Awards vested but not exercised shall be immediately forfeited, unless the Board determines otherwise at its discretion.

The Awards that are clawed back will be regarded as cancelled and as utilized for the purpose of calculating the Scheme Mandate Limit.

12. RESTRICTIONS ON THE TIME OF OFFER

No Offer may be made by the Board:

- (1) after inside information (having the meaning as defined in the SFO) has come to its knowledge until (and including) the Business Day after it has been announced by the Company pursuant to the requirements of the Listing Rules; and
- (2) during the period commencing from thirty (30) days immediately preceding the earlier of:
 - (a) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for approving the Company's results for any year, half-year or quarterly or any other interim period (whether or not required under the Listing Rules); and

- (b) the deadline for the Company to publish its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcements (or during any period of delay in publishing results announcements); and

- (3) at a time when the relevant Eligible Participant would be prohibited from dealing in the Shares by the Listing Rules (including the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules).

13. RIGHTS ARE PERSONAL TO GRANTEES

Subject to the rules in the Share Scheme, an Award shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest whatsoever in favour of any third party over or in relation to any Award or enter into any agreement so to do. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any Award or any part thereof granted to such Grantee to the extent not already exercised.

The Stock Exchange may consider granting a waiver to allow a transfer of an Award to a vehicle (such as trust or private company) for the benefit of the Grantee and any family members of such Grantee that would continue to meet purpose of the Share Scheme and comply with the requirements of the Listing Rules.

14. RIGHTS ON CESSATION OF EMPLOYMENT OR DIRECTORSHIP

In the event that the Grantee ceases to be an Eligible Participant by reason of termination of his employment with any member of the Group on any one or more of the following grounds:

- (1) that the Grantee has been guilty of serious misconduct;
- (2) that the Grantee has been convicted of any criminal offence involving the person's integrity or honesty or in relation to any member of the Group (if so determined by the Board);
- (3) that the Grantee has become insolvent, bankrupt or has made arrangements or compositions with the Grantee's creditors generally; or
- (4) on any other ground as determined by the Board that would warrant the termination of the Grantee's employment at common law or pursuant to any applicable laws or under the Grantee's service contract with any member of the Group,

before exercising the Award in full, the Grantee's Award (to the extent not already exercised) shall automatically lapse and shall not be exercisable on the date of cessation, or such longer period as the Board may determine.

In the event that the Grantee ceases to be an Eligible Participant by reason of the Grantee's retirement as an employee of the Group in accordance with the Grantee's contract of employment (evidenced to the satisfaction of the Board), or the termination of the Grantee's employment or directorship with the Group (other than a termination of employment or directorship by the Grantee (a "**Voluntary Termination**")), in each case provided that none of the events which would be a ground for termination of the Grantee's employment or directorship set out in the paragraph above arises, before exercising the Award in full, the Grantee may exercise the Award (to the extent vested but not already exercised) in whole or in part within (a) three (3) months in the case of Voluntary Termination, or (b) six (6) months in the case of termination by reason of retirement, or such longer period as the Board may determine and such Award to the extent not so exercised shall lapse at the end of the abovementioned period.

15. RIGHTS ON DEATH

In the event that the Grantee ceases to be an Eligible Participant by reason of the person's death before exercising the Award in full (and if the Grantee is an Employee Participant, provided that none of the events which would be a ground for termination of the person's employment or directorship under paragraph 14 above arises):

- (a) in the case of Share Options, the Grantee's personal representative may exercise the Share Options (to the extent vested but not already exercised) in whole or in part in accordance with the provisions of paragraph 6 within one hundred and eighty (180) days following the date of death, or such longer period as the Board may determine, and any Share Options not exercised shall lapse at the end of the abovementioned period;
- (b) in the case of Share Awards, any outstanding Share Awards not yet vested shall immediately lapse, and the Company shall deliver (i) such number of vested but not yet delivered Award Shares or (ii) such amount which is equal to the Actual Sale Proceeds less any Issue Price (as applicable) (hereinafter referred to as "Benefits") of such Share Awards at its discretion to the Grantee's estate within two (2) years following the date of death, or such other period as the Board may determine, or if the Benefits would otherwise become bona vacantia, the Benefits shall be forfeited and cease to be transferable and such Benefits shall lapse.

16. RIGHTS ON INJURY, DISABILITY OR ILL-HEALTH

In the event that the Grantee, by reason of the Grantee's employment with any member of the Group, ceases to be an Eligible Participant by reason of injury, disability or ill-health inflicted upon the Grantee in the course of his performance of duty as employee or director of any member of the Group (evidenced to the satisfaction of the Board), provided that none of the events which would be a ground for termination of the person's employment or directorship under paragraph 14 above arises, before exercising the Award in full, the Grantee may exercise the Award (to the extent vested but not already exercised) in whole or in part in accordance with the terms of the Share Scheme within six (6) months following the date of such cessation, or such longer period as the Board may determine and to the extent such Award not so exercised shall lapse at the end of the abovementioned period.

17. RIGHTS ON CESSATION FOR OTHER REASONS

In the event that the Grantee ceases to be an Eligible Participant for any reason other than the reasons specified in paragraph 14 to paragraph 16 above, the Grantee's Award (to the extent vested but not already exercised) shall lapse and shall not be exercisable on the date of cessation provided that in each case, the Board may, in its absolute discretion, decide that such Award or any part thereof shall not so lapse or determine such conditions or limitations to which the exercise of such Award will be subject to.

18. RIGHTS ON A CORPORATE TRANSACTION

- (a) If there is an event of change in control of the Company as the result of a merger, scheme of arrangement or general offer, or in the event of a dissolution or liquidation of the Company, the Board shall at its sole discretion determine whether the vesting dates of any Awards will be accelerated and/or the vesting conditions or criteria of any Awards will be amended or waived (provided they are in compliance with the requirements under Chapter 17 of the Listing Rules). If such acceleration of vesting periods and/or amendments in vesting conditions or criteria would result in a change in terms of the Awards granted, such amendment shall be subject to approval requirements under note 2 to Rule 17.03(18) of the Listing Rules.
- (b) For the purpose of paragraph 18(a), "control" shall have the meaning as specified in the Takeovers Code from time to time.

19. CANCELLATION OF AWARDS

Subject to the terms of the Share Scheme, the Board may cancel any Share Option granted but unexercised (and whether or not vested) or any Share Award granted but not vested on such terms and conditions and with the consent of the relevant Grantee, as the Board may in its absolute discretion see fit and in a manner that complies with all applicable legal requirements for such cancellation. Where the Company cancels any outstanding Awards (whether or not vested) and makes a new grant to the same Grantee, such new grant may only be made under the Share Scheme with the available limit approved by the Shareholders as set out in paragraph 7 above. The Awards cancelled (whether or not vested) will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

20. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company whilst any Award remains exercisable or whilst the Share Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction), then, in respect of any such adjustments (other than any made on a capitalisation issue) the Company shall instruct the auditors or independent financial adviser to certify in writing to the Board the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:

- (1) the number of Shares to which the Share Scheme or any Awards relate (insofar as it is/they are unexercised); and/or
- (2) the Exercise Price or Issue Price of any unexercised Award,

and an adjustment as so certified by the auditors or the independent financial adviser shall be made, provided that:

- (a) any such adjustment shall be made on the basis that a Grantee shall be given the same proportion of the issued share capital of the Company for which such Grantee would have been entitled to subscribe or purchase had the person exercised all the Awards held by him immediately prior to such event (as interpreted in accordance with FAQ13 – No. 16 (the “FAQ”) and the related Appendix 1 entitled “Supplementary Guidance on MB Rule 17.03(13)/GEM Rule 23.03(13) and the Note to the Rule” published by the Stock Exchange (the “**Supplemental Guidance**”) or any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time);
- (b) the issue of securities of the Company for cash or as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and
- (c) in respect of any such adjustments, the auditors or the independent financial adviser must confirm to the Board in writing that the adjustments satisfy the requirements set out in the above, the requirements of Rule 17.03(13) of the Listing Rules, the FAQ, any relevant provisions of the Listing Rules and any guidance/interpretation of the Listing Rules issued by the Stock Exchange and the note thereto from time to time.

Subject to the above principles and certification procedures, and any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time, the default method of adjustment is set out below:

- (1) In the case of a capitalisation issue or rights issue, the Company would calculate the adjusted number of Awards and adjusted exercise price by applying the formula prescribed (and as updated from time to time) by the Stock Exchange in section I entitled “Capitalisation or Bonus Issue and Rights Issue or Open Offer of Shares” of the Supplemental Guidance published by the Stock Exchange, set out below:

New number of Awards = Existing Awards x F

New Exercise Price = Existing Exercise Price x $\frac{1}{F}$

Where

F = CUM / TEEP

CUM = Closing price as shown in the daily quotation sheet of the Stock Exchange on the last day of trading before going ex-entitlement

TEEP (Theoretical ex entitlement price) = $\frac{\text{CUM} + [\text{M} \times \text{R}]}{1 + \text{M}}$

M = Entitlement per existing Share

R = Subscription price

- (2) In the case of a consolidation or subdivision of share capital, the Company would calculate the adjusted number of Awards and exercise price by applying the formula prescribed (and as updated from time to time) by the Stock Exchange in section II entitled “Subdivision or Consolidation of Shares” of the Supplemental Guidance, set out below:

New number of Awards = Existing Awards x F

New Exercise Price = Existing Exercise Price x $\frac{1}{F}$

Where F = Subdivision or consolidation factor

Any dispute arising in connection with the number of Shares of an Award and any of the matters referred to this section shall be referred to the decision of the Company’s auditors or the independent financial advisers of the Company who shall act as experts and not as arbitrators and whose decision, in the absence of manifest error, shall be final, conclusive and binding on all persons who may be affected thereby.

21. RANKING OF SHARES

Awards do not carry any right to vote at any general meeting of the Company, nor any right to dividends, transfer or other rights, including those arising on the liquidation of the Company. No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award unless and until the Shares underlying an Award are issued and delivered to the Grantee pursuant to the vesting and exercise of such Award.

Shares allotted and issued upon the exercise of an Award will be subject to all the provisions of the Articles and will rank *pari passu* in all respects with the other existing Shares in issue on the date of allotment and issue of the relevant Shares (the “**Allotment Date**”) other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the Allotment Date. The Shares allotted and issued upon the exercise of an Award shall not carry any right of a Shareholder (including voting rights) until registration of the Grantee as the holder thereof on the register of members of the Company.

22. DURATION OF THE SHARE SCHEME

The Share Scheme shall be valid and effective until the Termination Date, after which period no further Awards will be granted but the provisions of the Share Scheme shall remain in force to the extent necessary to give effect to the exercise of any Awards granted on or prior to the Termination Date or otherwise as may be required in accordance with the provisions of the Share Scheme. In any event, the life of the Share Scheme will not be more than ten (10) years in accordance with Rule 17.03(11) of the Listing Rules.

23. ALTERATIONS TO THE TERMS OF THE SHARE SCHEME

The Share Scheme may be altered in any respect by a resolution of the Board provided that:

- (1) any alteration to the terms and conditions of the Share Scheme which is of a material nature or any alteration in relation to any matter contained in Rule 17.03 of the Listing Rules to the advantage of the Eligible Participants must be approved by the Shareholders in a general meeting of the Company;
- (2) any change to the terms of Awards granted to a Grantee must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be) (except any changes which take effect automatically under the terms of the Share Scheme);
- (3) any change to the authority of the Directors or the administrator of the Share Scheme to alter the terms of the Share Scheme must be approved by the Shareholders of the Company in a general meeting of the Company;

- (4) the amended terms of the Share Scheme or the Awards shall remain in compliance with Chapter 17 of the Listing Rules; and
- (5) no such alteration shall operate to affect adversely the terms of issue of any Award granted or agreed to be granted prior to such alteration except with the consent or sanction of such majority of the Grantees as would be required of the Shareholders under the memorandum of association of the Company and the articles being for a variation of the rights attached to Shares.

24. CONDITION OF THE SHARE SCHEME

The Share Scheme is conditional upon the passing of the necessary ordinary resolution at a general meeting of the Company approving the adoption of the Share Scheme.

25. LAPSE OF AWARDS

An Award shall lapse automatically (to the extent vested but not already exercised) on the earliest of:

- (a) subject to paragraph 14 to paragraph 17, expiry of the Exercise Period;
- (b) the date on which the Grantee commits a breach of paragraph 13;
- (c) the expiry of the relevant period referred to in paragraph 14 to paragraph 17; and
- (d) the date of the commencement of the winding-up of the Company.

26. TERMINATION

The Company by an ordinary resolution in a general meeting of the Company may at any time terminate the operation of the Share Scheme. In such event, no further Awards will be offered but in all other respects, the provisions of the Share Scheme shall remain in force to the extent necessary to give effect to the exercise of any Awards granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Scheme and the Awards granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Scheme.

27. MISCELLANEOUS

The Company will bear the costs of establishing and administering the Share Scheme.

The terms of the Share Scheme (and any other schemes adopted by the Company from time to time) shall be in accordance with the requirements set out in Chapter 17 of the Listing Rules.

NOTICE OF EGM



KONG SUN HOLDINGS LIMITED

江山控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 295)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Kong Sun Holdings Limited (the “**Company**”) will be held at Unit 803-4, 8/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong on Friday, 12 December 2025 at 11:00 a.m. for the purposes of considering and, if thought fit, passing, with or without amendments, the following resolution as ordinary resolution of the Company.

Unless otherwise defined, capitalised terms used herein shall have the same meanings as ascribed to them in the circular of the Company dated 24 November 2025 (the “**Circular**”).

ORDINARY RESOLUTION

1. “**THAT:**

- (a) the rules of the share scheme of the Company (the “**Share Scheme**”) (a copy of which is tabled at the meeting and marked “**A**” and initialled by the chairman of the meeting for identification purpose) be and are hereby approved and adopted, and the Directors be and are hereby authorised, (i) to grant share options and share awards in accordance with the rules of the Share Scheme; (ii) to allot, issue, and deal with (including any transfer of treasury shares of the Company) from time to time such number of award shares as may be required to be issued pursuant to the exercise of the options and awards under the Share Scheme; (iii) to administer the Share Scheme; (iv) to modify and/or amend the Share Scheme from time to time provided that such modification or amendment is effected in accordance with the terms of the Share Scheme and subject to the Listing Rules; and (v) to do such acts and things and enter into such transactions, arrangements and agreements as the Directors may in their sole discretion consider necessary, desirable or expedient in order to give full effect to and implement the Share Scheme; and

NOTICE OF EGM

- (b) the total number of Shares which may be issued (including any transfer of treasury shares of the Company) in respect of all options and awards to be granted under the Share Scheme and any other share schemes of the Company as may from time to time be adopted by the Company shall not exceed such number of Shares as equals 10 per cent. of the Shares in issue (excluding treasury shares) as at the date of passing of this resolution.”

Yours faithfully
By order of the Board
Kong Sun Holdings Limited
Mr. Jiang Hengwen
Chairman and non-executive Director

Hong Kong, 24 November 2025

Notes:

1. Any member of the Company entitled to attend and vote at the EGM is entitled to appoint one or more proxies (who must be an individual) to attend and, on a poll, vote in his/her stead. A proxy need not be a member of the Company.
2. A form of proxy for use at the EGM is enclosed. In order to be valid, the form of proxy together with the power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for holding the EGM or any adjourned meeting thereof.
3. Where there are joint registered holders of any share, any one of such persons may vote at the EGM, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at the EGM personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members in respect of the relevant joint holding.
4. Completion and return of the form of proxy will not preclude members of the Company from attending and voting in person at the EGM or any adjourned meeting thereof.
5. The register of members of the Company will be closed from Tuesday, 9 December 2025 to Friday, 12 December 2025 (both days inclusive). In order to be qualified for attending and voting at the EGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4: 30 p.m. on Monday, 8 December 2025. The record date for determining the entitlement to attend and vote at the EGM is Friday, 12 December 2025.
6. In case Typhoon Signal No. 8 or above is hoisted, or a Black Rainstorm Warning Signal or “extreme conditions caused by a super typhoon” announced by the Government is/are in force in Hong Kong at or at any time after 9:00 a.m. on the date of the EGM, the EGM will be adjourned. The Company will post an announcement on the Company's website (www.kongsun.com) and the HKEXnews website (www.hkexnews.hk) to notify Shareholders of the date, time and place of the adjourned meeting.

The EGM will be held as scheduled when an Amber or Red Rainstorm Warning Signal is in force. Shareholders should decide on their own whether they would attend the EGM under bad weather conditions bearing in mind their own situation.

As of the date of this notice, the Board comprises three executive Directors, Mr. Hua Min, Mr. Li Guo and Ms. Liu Ying, one non-executive Director, Mr. Jiang Hengwen, and three independent non-executive Directors, Ms. Sun Yiwen, Mr. Tang Jian and Ms. Tang Yinghong.