THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in **Qing Hua Holding Group Company Limited,** you should at once hand this circular to the purchaser or the transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effect for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

QINGHUA
擎華控股

Qing Hua Holding Group Company Limited
擎華控股集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8082)

(1) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT
(2) PROPOSED GRANT OF AWARDED SHARES PURSUANT TO SHARE AWARD SCHEME
AND
(3) NOTICE OF SPECIAL GENERAL MEETING

Independent Financial Adviser
to the Independent Board Committee and the Independent Shareholders

MESSIS 大有融資

Messis Capital Limited

Unless the context requires otherwise, capitalized terms used on this cover page have the same meanings as defined in the section headed "Definitions" in this circular.

A notice convening the SGM of Qing Hua Holding Group Company Limited to be held at 15th Floor, Fun Tower, 35 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Thursday, 2 April 2026 at 12:00 noon is set out in this circular.

A proxy form for use at the SGM is enclosed. This circular together with the proxy form will remain on the "Latest Listed Company Information" page of the HKEx website at www.hkexnews.hk and the Company at www.8082.com.hk for at least 7 days from the date of its posting. Shareholders are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the Company's Hong Kong share registrar, Tricor Investor Services Limited at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the SGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the meeting, or any adjourned meeting, should they so wish and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

17 March 2026

CHARACTERISTICS OF GEM

The GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

CONTENTS

Page

CHARACTERISTICS OF GEM i

DEFINITIONS 1

LETTER FROM THE BOARD 5

LETTER FROM THE INDEPENDENT BOARD COMMITTEE 25

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER 26

APPENDIX I – PRINCIPAL TERMS OF THE SHARE AWARD SCHEME I-1

APPENDIX II – PRINCIPAL TERMS OF THE SHARE OPTION SCHEME II-1

NOTICE OF SGM SGM-1

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

"Announcement"	the announcement of the Company dated 27 February 2026 in relation to the Proposed Grant
"associate(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Awarded Shares"	9,040,000 Shares to be granted to the Consultant
"Board"	the board of the Directors
"Bye-laws"	the bye-laws of the Company (as amended from time to time)
"Company"	Qing Hua Holding Group Company Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the Shares of which are listed on GEM (Stock Code: 8082)
"connected person(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Consultant"	Chessman Entertainment Concert Company Limited, a company incorporated in Macau whose registered office is situate at Rm A, GF-MF, Lap San Building, 11 Rua do Noronha, Macao and which is held as to 90% by Che Fok Sang and 10% by Chow Mei Sun, both are individual and Independent Third Parties
"Director(s)"	the director(s) of the Company
"Eligible Participant(s)"	eligible participant(s) the Share Award Scheme
"GEM"	GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM of the Stock Exchange as may be amended from time to time
"Group"	the Company together with its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China

"Independent Board Committee"	the independent board committee comprising all the independent non-executive Directors namely, Dr. Ip Wai Hung, Mr. Chan Wai Man and Mr. Siu Hi Lam, Alick, to advise the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit
"Independent Financial Adviser"	Messis Capital Limited, a licensed corporation under the SFO permitted to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities (as defined under the SFO), being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit
"Independent Shareholders"	Shareholders other than any controlling shareholders of the Company and their associates, or if there is no controlling shareholder of the Company, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates who are required to abstain from voting in favour of the relevant ordinary resolution(s) to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit
"Latest Practicable Date"	11 March 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
"Mr. Chong"	Mr. Chong Cho Lam, a former executive Director within 12 months prior to the Latest Practicable Date
"Mr. Dong"	Mr. Dong Choi Chi, Alex, a former executive Director within 12 months prior to the Latest Practicable Date
"Proposed Grant"	the proposed grant of Awarded Shares
"Qing Hua Entertainment"	Qing Hua Entertainment Asia Limited (formerly known as "Sunny Side Up Entertainment Asia Limited"), a company incorporated in Hong Kong whose registered office is at 17/F, Fun Tower, 35 Hung To Road, Kwun Tong, Kowloon, Hong Kong, which is a wholly-owned subsidiary of the Company

"Scheme Mandate Limit"	the maximum number of the Shares which may be issued in respect of all options and awards to be granted under the Share Schemes which shall not in aggregate exceed 10% of the Shares in issue as at the adoption date of the Share Schemes or the date of approval of the amended and refreshed limit by the Shareholders
"Service Provider(s)"	person(s) who provide services to any member of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group, which include any independent distributor, contractor, supplier, agent, consultant or adviser to any member of the Group: (i) where the continuity and frequency of their services are akin to those of employees of the Group; or (ii) after stepping down from an employment or director position with the Group, who provide advisory services, consultancy services and/or other professional services to the Company on areas relating to the Group's principal business activities in (i) the media and entertainment business segment; and/or (ii) the cremation and funeral services business segment that are desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group, for example, offering specific industry advice on the Group's business and financial or commercial strategy, and provided that any placing agent or financial adviser providing advisory services for fundraising, mergers or acquisitions, and other professional service provider such as auditor or valuer who provide assurance or are required to perform their services with impartiality and objectivity are excluded from such category and the Board shall have absolute discretion to determine whether or not one falls within such category
"Service Provider Sublimit"	the maximum number of Shares which may be issued in respect of all awards to be granted to Service Providers under the Share Award Scheme, which must not in aggregate exceed 10% of the Scheme Mandate Limit
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

"SGM"	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit
"Share(s)"	ordinary share(s) of HK$0.025 each in the share capital of the Company
"Share Award Scheme"	the share award scheme adopted by the Company on 2 May 2024
"Share Award Scheme Circular"	the circular of the Company dated 16 April 2024 in relation to the Share Award Scheme and Share Option Scheme
"Share Scheme(s)"	the Share Award Scheme, the Share Option Scheme and any (a) scheme(s) involving the grant of Shares and options by the Company
"Share Option Scheme"	the share option scheme adopted by the Company on 2 May 2024
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Strategic Cooperation Agreement"	the Strategic Cooperation Agreement dated 17 March 2023 entered into by the Company, Sunny Side Up and the Consultant in respect of the cooperation
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"%"	per cent.

The Chinese translation of this circular is for reference only. In case of any inconsistency, the English version shall prevail. Unless otherwise specified, references to dates and times of a day in this circular refer to Hong Kong local dates and times.



Qing Hua Holding Group Company Limited
擎華控股集團有限公司
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8082)

Executive Director:
Mr. Xiong Guorui

Non-executive Directors:
Mr. Ma Xinying
Mr. Ye Chao
Ms. Yuan Xiaomei

Independent non-executive Directors:
Dr. Ip Wai Hung
Mr. Chan Wai Man
Mr. Siu Hi Lam, Alick

Registered Office:
Clarendon House
2 Church Street
Hamilton HM11 Bermuda

Head Office and Principal Place of Business:
17th Floor, Fun Tower
35 Hung To Road
Kwun Tong, Kowloon,
Hong Kong

17 March 2026

To the Shareholders,

Dear Sir/Madam,

(1) PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT
(2) PROPOSED GRANT OF AWARDED SHARES PURSUANT TO SHARE AWARD SCHEME
AND
(3) NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

Reference is made to the Announcement in relation to, among others, the proposed grant of Awarded Shares to the Consultant.

The purpose of this circular is to provide the Shareholders with information relating to (i) the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit; (iii) the recommendation from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit; (iv) further information in relation to the Proposed Grant; and (v) the notice of the SGM.

PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT AND THE SERVICE PROVIDER SUBLIMIT

The existing Scheme Mandate Limit and the Service Provider Sublimit

The Share Award Scheme and the Share Option Scheme were adopted by the Shareholders on 2 May 2024. Pursuant to the existing Scheme Mandate Limit, the maximum number of Shares that may be granted under the Share Award Scheme shall not exceed 209,601,567, representing approximately 10% of the total number of Shares in issue on 2 May 2024.

As the Service Provider Sublimit was determined based on 10% of the Scheme Mandate Limit, the maximum number of Shares and share options that may be granted to the Service Providers shall not exceed 20,960,156 Shares, representing approximately 1% of the then total number of Shares in issue.

The existing Scheme Mandate Limit

During the period from the adoption date of the Share Award Scheme on 2 May 2025 to the Latest Practicable Date, 208,960,000 awarded shares, representing approximately 7.84% of the total number of Shares in issue as at the Latest Practicable Date, have been granted to the Eligible Participants at nil consideration under the Share Award Scheme.

The details of the awarded shares granted under the Share Award Scheme pursuant to the existing Scheme Mandate Limit as at the Latest Practicable Date are tabulated below:

Date of grant	Category of Grantees and position in the Group	Number of awarded shares granted	Number of award shares vested
30 May 2025	Mr. Dong	30,000,000	15,000,000
30 May 2025	Mr. Chong	30,000,000	15,000,000
30 May 2025	Ms. Choi Si Wan	30,000,000	15,000,000
30 May 2025	Mr. Jip Ki Chi	18,000,000	9,000,000
30 May 2025	Mr. Kwok Anson	30,000,000	10,000,000
30 May 2025	Mr. Rafael Mendonca	30,000,000	10,000,000
30 May 2025	Mr. Yip Yee Cheong, Sion	20,000,000	10,000,000
10 October 2025	The Consultant	20,960,000	20,960,000
	Total	**208,960,000**	**104,960,000**

None of the aforesaid awarded shares granted has lapsed or cancelled since their respective date of grant and up to the Latest Practicable Date.

As a result, as at the Latest Practicable Date, only 641,567 Shares were available for future grant of Shares under the Scheme Mandate Limit and the Share Option Scheme and among which, 156 Shares were available for future grant of Shares under the Service Provider Sublimit, respectively.

Proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit

In view that the 99.7% of Scheme Mandate Limit has been utilised, the Company proposes to convene the SGM at which ordinary resolution(s) will be proposed to the Independent Shareholders to consider and, if thought fit, approve the proposed refreshment of the Scheme Mandate Limit so as to allow the Company to grant new share awards and share options under the Share Award Scheme, the Share Option Scheme and any other share scheme of the Company in aggregate up to 10% of the issued share capital of the Company (excluding treasury Shares) as at the date of passing such ordinary resolution(s). The total number of Shares which may be issued in respect of all options and share awards to be granted under all of the Share Schemes under the Scheme Mandate Limit as ''refreshed'' must not exceed 10% of the relevant class of shares of the Company in issue (excluding treasury shares) as at the date of approval of the refreshed Scheme Mandate Limit and the Service Provider Sublimit.

As at the Latest Practicable Date, the Company had 2,663,775,671 Shares in issue. Assuming that all the conditions of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit are fulfilled and that there will be no change in the total number of Shares in issue from the Latest Practicable Date and up to (and including) the date of the SGM, (i) the maximum number of the Shares which may be issued in respect of all options under the Share Option Scheme, all share awards under the Share Award Scheme and share(s) and option(s) under any other share scheme(s), to be granted under the Share Schemes will be 266,377,567 Shares, representing approximately 10% of the total number of Shares in issue (excluding treasury Shares) as at the date of the SGM, under the Scheme Mandate Limit so refreshed; and (ii) the maximum number of Shares in respect of all options under the Share Option Scheme, all share awards under the Share Award Scheme and share(s) and option(s) under any other share scheme(s), to be granted which may be granted to Service Providers will be 26,637,756 Shares, representing approximately 1% of the total number of Shares in issue (excluding treasury Shares) as at the date of the SGM, under the Service Provider Sublimit so refreshed.

There has not been any refreshment of the Scheme Mandate Limit since the adoption of the Share Award Scheme. Apart from the Share Award Scheme and Share Option Scheme, the Company has no other Share Scheme currently in force.

In the event that the resolution approving the refreshment of Service Provider Sublimit is voted down, the Directors will consider other alternative (e.g. cash) to fulfill its obligations under the Strategic Cooperation Agreement.

Reasons for the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit

In order to provide the Company with greater flexibility in granting awarded shares to Eligible Participants (including Service Providers) under the Share Award Scheme as incentives or rewards for their contribution or potential contribution to the Group and/or to enable the Group to recruit and retain personnel who are valuable to the Group, the Directors consider that it is essential for the Company to refresh the Scheme Mandate Limit and the Service Provider Sublimit, which allows the Company to continue to (i) provide equity incentives to Eligible Participants so as to continue to serve its intended purposes of aligning the interests of Eligible Participants with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) encourage and enable Eligible Participants to make contributions to the long-term growth and profits of the Group and share the success of the Group.

The Board considers that the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit is in the best interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, save for the proposed grant of Awarded Shares to the Consultant, the Company has no intention to grant any other share awards to other Directors, employees of the Group or service providers of the Group.

Conditions of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit

The proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit is conditional upon:

(i) the passing of separate ordinary resolution(s) by the Independent Shareholders to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit; and

(ii) the Listing Committee of the Stock Exchange granting the approval of the listing of, and permission to deal in, such number of Shares, which may be issued in respect of the Share Awards to be granted under the Scheme Mandate Limit of the Share Award Scheme and the Service Provider Sublimit so refreshed.

For the avoidance of doubt, the refreshment of the Service Provider Sublimit is conditional on the Shareholders' approval of the Scheme Mandate Limit but the refreshment of the Scheme Mandate Limit is not conditional on the Shareholders' approval of the Service Provider Sublimit. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Shares which may be issued in respect of all awards which may be granted under the Scheme Mandate Limit of the Share Award Scheme so refreshed.

PROPOSED GRANT OF AWARDED SHARES PURSUANT TO THE SHARE AWARD SCHEME

On 27 February 2026, the Board resolved to grant 9,040,000 Shares to the Consultant pursuant to the Share Award Scheme and the Strategic Cooperation Agreement. The proposed grant of the Awarded Shares is subject to the independent shareholders' approval at the SGM of the Company.

Details of the grant of Awarded Shares to the Consultant are as follows.

Awarded Shares

Date of grant	:	27 February 2026
Grantee	:	the Consultant
Awarded Shares	:	9,040,000 Shares, representing approximately 0.34% of the total issued Shares of the Company

Exercise price	:	Awarded Shares are not subject to exercise price
Purchase price of the Awarded Shares	:	Nil
Vesting period	:	Awarded Shares will be vested upon the achievement of the performance targets as stated below subject to the approval by independent shareholders at the SGM
Performance targets	:	15,000,000 Shares to be allotted and issued by the Company to the Consultant or their respective nominee(s) if the net profit attributable to Qing Hua Entertainment according to the management account derived from the shows of the Consultant, including concerts or events organised, achieved (the "**Target Profit**") is not less than HK$1,500,000 by or before the end of the term of the Strategic Cooperation Agreement (the "**Term**"), being a period of two years from the date of the Strategic Cooperation Agreement on 17 March 2023; or 30,000,000 Shares to be allotted and issued by the Company to the Consultant or their respective nominee(s) if the Target Profit achieved is not less than HK$3,000,000 by or before the end of the Term.

As set out in the Announcement, all performance targets of Awarded Shares during the Term have been fulfilled and the Target Profit achieved is not less than HK$3,000,000. Accordingly, a total of 30,000,000 Shares shall be allotted and issued by the Company to the Consultant. On 10 October 2025, the Board resolved to grant 20,960,000 Shares. On 27 February 2026, the Board resolved to grant the remaining 9,040,000 Shares subject to the refreshment of relevant Service Provider Sublimit under the Share Award Scheme pursuant to the GEM Listing Rules as set out in this circular. As such, the aggregate number of share awards granted to the Consultant in the 12-month period up and including the date of grant of the share award on 27 February 2026 amounted to 30,000,000 Shares, representing approximately 1.13% of total issued Shares as at the Latest Practicable Date. Save as disclosed above, no other Awarded Shares are to be granted to the Consultant as at the Latest Practicable Date.

Closing price of the Shares as at the date of grant of Awarded Shares is HK$0.049 per Share.

Rationale of the Grant of Awarded Shares to Grantee

Background and contribution of the Consultant

The Consultant is a company incorporated in Macau with limited liability whose registered office is situated at Rm A, GF-MF, Lap San Building, 11 Rua do Noronha, Macao and which is held as to 90% by Che Fok Sang and 10% by Chow Mei Sun, both are individual and Independent Third Parties as at the Latest Practicable Date. The Consultant is principally engaged in entertainment project and concert production and planning. Industry experience of Consultant include participation in production of "Jay Chou The Invincible 2 World Tour", "Jacky Cheung A Classic Tour" and "AARON KWOK de Aa Kode WORLD TOUR" in Macau.

Under the terms of the Strategic Cooperation Agreement, the Consultant shall render without limitation the following services to the Group:

(a) secure various artistes, as chosen and approved by the Company, to perform at concerts or events organised or produced by the Group or at such other concerts or events in which the Group is invested or participates in, solely attributable to each of the Consultants;

(b) in respect of the shows, assist and procure the relevant artistes/parties (and/or their agent, investors, promotors, where necessary) to enter into legally binding agreements with the Group with the relevant promotors, organisers, investors of the shows as well as any other actions incidental thereto required for the Shows to successfully occur;

(c) maintain and secure a good amicable business relationship with various artistes and the respective parties with whom the Group works or is associated from time to time; and

(d) render ad-hoc consultancy the Group in respect of concerts and other live entertainment related programmes and investments.

The Consultant has successfully conducted twelve shows during the Term from 17 March 2023 to 17 March 2025, including "Dear Jane What's Happening Live 2023", "This is MC Live In Macau", "Vivian Concert in 2024@Macau", "Dear Jane Live at The Londoner". On average, the Consultant has conducted each show every two months. As such, the Consultant has provided the above-mentioned services, including liaising artistes, arranging parties for the shows and maintaining relationship on a continuing or recurring basis in its ordinary and usual course of business.

Based on the above description, the Directors consider that the Consultant is service provider of the Company.

Basis for determining the performance targets for the Awarded Shares and the number of new Shares to be issued

The performance targets of the Awarded Share are based on the net profits of Qing Hua Entertainment, the subsidiary of the Group, which are all carrying businesses of the principal business of the Group.

The Group recorded loss attributable to owners of the Company of approximately HK$26.1 million and HK$31.6 million for the years ended 31 December 2024 and 31 December 2023 respectively. The Directors are of the view that the economy outlook of Hong Kong and Macau since 2023 is upbeat and it is the Group's priority to seek investment opportunities and strategic partnership that are related and/or creating synergies to the Group's existing businesses and generate greatest returns for Shareholders and reward their long-term support.

The relevant Awarded Shares granted to the Consultant are determined with reference to (i) the duties, responsibilities and contributions to be made by the Consultant to the Group, in particular, the media and entertainment business; (ii) the experience and track records of the Consultant; (iii) the prevailing market rate of consultants at similar positions; (iv) the remuneration policy of the Company; and (v) potential positive impacts on the profits attributable to the Shareholders in the long run.

During the term of the Strategic Cooperation Agreement, the Consultant has successfully conducted more than ten shows as mentioned above, significantly contributing to the Group both monetarily and in promoting its image. The Company shall continue to cooperate with the Consultant in the future to provide positive contribution to the Group.

The total consideration was determined after negotiations between the Company and the Consultant with reference to, among others, (i) the historical contributions made by the Consultant; (ii) the historical performance and experiences of the Consultant; (iii) the future business prospects of the Group to be contributed as the business conducted during the period as stipulated in the performance targets is expected to be continued in the future; (iv) the benefits to be derived by the Group as described under the section headed "Reasons for and benefits of the Proposed Grant" in this circular; (v) the net profit contributed to the Group through organising the shows of the Consultant, including concerts or events by the Consultant, which is reflected by the performance targets of the Awarded Shares; and (vi) the prevailing market rate of consultants/ directors at similar positions.

The number of new Shares to be issued to the Consultant was determined based mainly on (i) the value of the Awarded Shares, based on the average closing price of the Shares as quote from the Stock Exchange during period from 1 January 2023 to 17 March 2023, of approximately HK$0.032 per Share; and (ii) the total consideration to of the Awarded Shares as mentioned above.

Taken into consideration of the above, the Remuneration Committee was of the view that the performance targets as set out in the Strategic Cooperation Agreement and the basis of the performance targets for the Awarded Shares align the purposes of the Share Award Scheme, i.e. (i) to recognise the contributions made by certain consultants to the Group; (ii) to provide the eligible service providers with additional incentives in order to retain them for the continual operation and development of the Group; and (iii) to attract suitable service providers for further development of the Group.

The Group's employee remuneration packages are mainly determined on the basis of individual performance and experience and also having industry expertise, which include basic wages, bonuses and share-based compensation. The Company also grants share awards to eligible persons under the Share Award Scheme and grants share options to the Directors and eligible employees under the Share Option Scheme. The Board is of the view that the Proposed Grant is in line with the remuneration policy of the Group.

The Board and the Remuneration Committee have considered alternative methods to remunerate the Consultant in alternative methods. However, taken into the net current liabilities position of the Group as at 30 June 2025, it would not affect the cashflow of the Company if the Group to settle the obligation of the Group under the Strategic Cooperation Agreement by way of Awarded Shares.

Awarded Shares will be vested immediately after the respective performance targets of each Strategic Cooperation Agreements are achieved. Having considered grants with performance-based vesting conditions in lieu of time-based vesting criteria pursuant to paragraph 7(e) of the principle terms of the Share Award Scheme as set out in Appendix I of the Share Award Scheme Circular, the Board and the Remuneration Committee of the Company are of the view that the vesting period of Awarded Shares is appropriate.

The Board and the Remuneration Committee are of the view that the grant of share awards to the Consultant are fair and reasonable and in the interests of the Company and its shareholders as a whole taking into consideration (i) the Awarded Shares of 9,040,000 Shares represented approximately 0.34% of the Shares in issue; (ii) the Proposed Grant is in line with the Company's remuneration policy as mentioned above; (iii) the reason(s) for not adopting such alternative methods to remunerate the Consultant as mentioned above; (iv) the vesting period of Awarded Shares is appropriate as mentioned above; and (v) the Proposed Grant is in line with the market practice.

Amount payable on acceptance of the Awarded Shares

There are no amounts payable on acceptance of the Awarded Shares.

Transferability and other rights to Awarded Shares

For Awarded Shares granted but not yet vested shall be personal to the grantees of the Proposed Grant to whom it is made and shall not be assignable nor transferable, and no grantees of the Proposed Grant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Awarded Shares, or enter into any agreement to do so.

The Stock Exchange may consider granting a waiver to allow a transfer to a vehicle (such as a trust or a private company) for the benefit of the participant and any family members of such participant (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the Share Award Scheme and comply with Chapter 23 of the GEM Listing Rules. Where such waiver is granted, the Stock Exchange shall require the Company to disclose the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle. Any actual or purported breach of the above shall entitle the Company to cancel any outstanding Awarded Shares or part thereof granted to such grantees.

For the avoidance of doubt, the Awarded Shares do not carry any right to vote at general meetings of the Company, or any dividend, transfer or other rights (including those arising on a liquidation of the Company). No grantee of the Proposed Grant shall enjoy any of the rights of a Shareholder by virtue of the grant of an Awarded Share under the Share Award Scheme, unless and until the Shares underlying the Awarded Shares are actually allotted and issued or transferred (as the case may be) to the grantees of the Proposed Grant pursuant to the vesting or exercise of such Awarded Shares.

Subject to the foregoing, the Shares to be allotted and issued or transferred upon the vesting or exercise of the Awarded Shares shall be subject to all the provisions of the Byelaws for the time being in force and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights (including those rights arising on a liquidation of the Company) as the existing fully paid Shares in issue on the date on which those Shares are allotted and issued or transferred pursuant to the vesting or exercise of the Awarded Shares and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which Shares are allotted and issued, or transferred, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the date on which the Shares are allotted and issued or transferred.

Trustee

As set out in the Share Award Scheme Circular of the Company dated 16 April 2024, Greenfield Services Limited has been appointed by the Company as the initial trustee of the Awarded Shares. To the best knowledge, information and belief of the Directors after making all reasonable enquiries, the trustee and its ultimate beneficial owners are Independent Third Parties. Furthermore, none of the Directors is a trustee of the Share Award Scheme or has a direct or indirect interest in such trustee (if any).

Vesting Period

Awarded Shares will be vested immediately after the respective performance targets of the Strategic Cooperation Agreement are achieved. Having considered grants with performance-based vesting conditions in lieu of time-based vesting criteria pursuant to paragraph 7(e) of the principle terms of the Share Award Scheme as set out in Appendix I of the Share Award Scheme Circular, the Remuneration Committee of the Company is of the view that the vesting period of Awarded Shares is appropriate.

Clawback mechanism

Awarded Shares are subject to the clawback mechanism as set out in the Share Award Scheme. The details of the clawback mechanism are set out below.

1. Cessation of Employment and Other Events and Cancellation of Awards

(a) If a grantee ceases to be a grantee by reason of retirement of the grantee, any outstanding Awarded Shares not yet vested shall continue to vest in accordance with the vesting dates set out in the award letters to each grantee of the Proposed Grant, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.

(b) If a grantee ceases to be a grantee by reason of (i) his/her employer terminating the contract of employment without notice or payment in lieu of notice, or the grantee having been convicted of any criminal offence involving his/her integrity or honesty; (ii) termination of the grantee's employment or contractual engagement with the Group by reason of his/her permanent physical or mental disablement; or (iii) termination of the grantee's employment or contractual engagement with the Group by reason of redundancy, any outstanding Awarded Shares not yet vested shall be immediately forfeited, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.

(c) In the event of death of a grantee, the Board or the committee of the Board or person to which the Board has delegated its authority shall promptly notify the trustee in writing as to whether the outstanding Awarded Shares to the deceased grantee or any part thereof shall be deemed to have been vested immediately prior to his death. All outstanding Awarded Shares not deemed to have been so vested shall be deemed forfeited upon the death of the grantee.

(d) In the event of the grantee who is a service provider ceases to be a grantee by reason of breach of contract entered into between such grantee and the Group, or termination of his/her/its engagement or appointment, in the absolute determination of the Board or the Board in its sole and absolute opinion believes such grantee has become a competitor of the Group, or if a grantee is declared bankrupt or becomes insolvent or makes any arrangements or composition with his or her creditors generally, has committed any serious misconduct, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the grantee or the Group into disrepute), any outstanding Awarded Shares not yet vested shall be immediately forfeited, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.

(e) If a grantee ceases to be a grantee for reasons other than those set out above, any outstanding Awarded Shares not yet vested shall be immediately forfeited, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.

(f) Subject to the rules set out in Share Award Scheme, any Awarded Shares granted but not vested may not be cancelled or forfeited except with the written consent of the relevant grantee and the prior approval of the Directors. Where the Company cancels and/or forfeits the Awarded Shares granted to a grantee and makes a new grant to the same grantee, such new grant may only be made under the Share Award Scheme with available limit approved by Shareholders pursuant to paragraph 8 of the Share Award Scheme. The Awarded Shares cancelled and/or forfeited will be regarded as utilised for the purpose of calculating the scheme mandate limit and the service provider limit.

2. Rights on Change in Control

If there is an event of change in control of the Company by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, the Board or the committee of the Board or person to which the Board has delegated its authority shall at their sole discretion determine whether the vesting dates of any Awarded Shares will be accelerated. If the vesting dates of any Awarded Shares are accelerated, the procedures as set out in the rules of Share Award Scheme shall apply except that the vesting notice will be sent to such grantee affected by this rule as soon as practicable once the proposed vesting date is known. The trustee shall act on the vesting notice in accordance with the rules of Share Award Scheme.

3. Rights on Open Offer and Rights Issue

In the event the Company undertakes an open offer of new securities in respect of any Shares which are held by the trustee under the Share Award Scheme, the trustee shall not subscribe for any new Shares. In the event of a rights issue, the trustee shall seek instruction from the Company on the steps or actions to be taken in relation to the nil-paid rights allotted to it.

4. Rights on Bonus Warrants

In the event the Company issues bonus warrants in respect of any Shares which are held by the trustee, the trustee shall not, unless otherwise instructed by the Company, subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants, and shall sell the bonus warrants (provided that there is an open market for such rights) created and granted to it, and the net proceeds of sale of such bonus warrants shall be held as funds of the trust.

5. Rights on Scrip Dividend

In the event the Company undertakes a scrip dividend scheme, the trustee shall elect to receive the scrip Shares in respect of the Shares held by the trustee under the Share Award Scheme and such scrip Shares will be treated as related income in respect of the underlying Awarded Shares.

6. Rights on Reorganisation of Capital Structure

In the event the Company undertakes a sub-division or consolidation of the Shares or a reduction of capital, corresponding changes will be made to the number of outstanding Awarded Shares that have been granted and, if necessary and applicable, the purchase price for the Awarded Shares, provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Share Award Scheme for the grantees. Any adjustment must give a grantee the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that person was previously entitled. However, no such adjustments may be made to the extent that a Share would be issued at less than its nominal value, and the issue of securities of the Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment. All fractional shares (if any) arising out of such adjustment in respect of the Awarded Shares of a grantee shall be deemed as Returned Shares and shall not be transferred to the relevant grantee on the relevant vesting date. Save for the case of capitalisation issue, the auditors or independent financial advisers of the Company for the time being must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements. In the event of an issue of Shares by the Company credited as fully paid to the holders of the Shares by way of capitalisation of profits or reserves (including share premium account), the Shares attributable to any Awarded Shares held by the Trustee shall be deemed to be an accretion to such Awarded Shares and shall be held by the trustee as if they were Awarded Shares purchased by the trustee and all the provisions in relation to the original Awarded Shares shall apply to such additional Shares. Notwithstanding the foregoing provisions, the Board may at its absolute discretion give written directions to the trustee to deal with such distribution, dividends or other benefits and rights in respect of or in connection with the Awarded Shares.

7. Alteration of the Share Award Scheme

Subject to the scheme mandate limit as set out in the Share Award Scheme, the Share Award Scheme may be altered in any respect by a resolution of the Board or administrator of the Share Award Scheme provided that:

(a) any alterations to the terms and conditions of the Share Award Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 23.03 of the GEM Listing Rules to the advantage of grantees must be approved by Shareholders in a general meeting;

(b) any change to the terms of Awarded Shares granted to a grantee must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Awarded Shares was approved by the Board, the remuneration committee of the Company, the independent nonexecutive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the Share Award Scheme;

(c) any change to the authority of the Directors or the administrator of the Share Award Scheme to alter the terms of the Share Award Scheme must be approved by the Shareholders in a general meeting; and

(d) the amended terms of the Share Award Scheme or the Awarded Shares must still comply with the relevant requirements of Chapter 23 of the GEM Listing Rules.

All alteration of the Share Award Scheme as a result of an alteration in the Company's capital structure will not be made to the advantage of participants of the Share Award Scheme without specific prior Shareholders' approval and will be made in accordance with the requirements under Appendix 1 to Frequently Asked Questions 13 – No. 16 published by the Stock Exchange.

8. Lapse of Awarded Shares

Save as provided in paragraph 1 above and subject to the GEM Listing Rules and determined otherwise by the Board in its sole discretion, in the event that prior to or on the vesting date of the Awarded Shares: (i) the relevant grantee ceases to be a grantee; (ii) the condition(s) or performance target(s) specified in the relevant Award Letter(s) are not attained by the relevant grantee before the deadline as specified therein; (iii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company; or (iv) there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise is made to all Shareholders, whichever occurs the earliest, the Awarded Shares granted shall lapse automatically forthwith, and the Awarded Shares and other distributions attributable thereto shall not vest on the relevant vesting date of the Awarded Shares, but shall be cancelled for the purposes of the Share Award Scheme and will not be counted for the purpose of the scheme mandate limit of the Share Award Scheme.

Lapse of Share Awards

The Company shall issue an award letter to each grantee of the Proposed Grants in such form as the Board or the committee of the Board or person to which the Board has delegated its authority may from time to time determine, specifying the grant date, the number of Awarded Shares, the vesting criteria and conditions, and the vesting date and such other details as they may consider necessary.

Upon receipt of the award letter, the grantees of the Proposed Grants are required to confirm their acceptance of the Awarded Shares by returning to the Company a notice of acceptance duly executed by them within 14 days after the grant date (the "**Acceptance Period**"). If any grantees of the Proposed Grants fails to return such notice to the Company before expiration of the Acceptance Period, the Awarded Shares will be deemed not to have taken effect and shall automatically lapses forthwith on the day following the last day of the Acceptance Period.

Information on the grantee of the share award

The Consultant is a company incorporated in Macau with limited liability whose registered office is situated at Rm A, GF-MF, Lap San Building, 11 Rua do Noronha, Macao and which is held as to 90% by Che Fok Sang and 10% by Chow Mei Sun, both are individual and Independent Third Parties as at the Latest Practicable Date. The Consultant is principally engaged in entertainment project and concert production and planning. Industry experience of Consultant include participation in production of "Jay Chou The Invincible 2 World Tour", "Jacky Cheung A Classic Tour" and "AARON KWOK de Aa Kode WORLD TOUR" in Macau.

Information on the parties to Strategic Cooperation Agreement

Qing Hua Entertainment is a company incorporated in Hong Kong with registered office at 17/F, Fun Tower, 35 Hung To Road, Kwun Tong, Kowloon, Hong Kong, which is an indirect wholly-owned subsidiary of the Company and principally engaged in organization and production of and investments in concert, other entertainment event, film, and TV drama production projects.

SCHEME MANDATE LIMIT

As set out in the above, assuming that all the conditions of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit are fulfilled and that there will be no change in the total number of Shares in issue from the Latest Practicable Date and up to (and including) the date of the SGM, (i) the maximum number of the Shares which may be issued in respect of all options under the Share Option Scheme, all share awards under the Share Award Scheme and share(s) and option(s) under any other share scheme(s), will be 266,377,567 Shares, representing approximately 10% of the total number of Shares in issue as at the date of the SGM, under the Scheme Mandate Limit so refreshed; and (ii) the maximum number of Shares in respect of all options under the Share Option Scheme, all share awards under the Share Award Scheme and share(s) and option(s) under any other share scheme(s), to be granted which may be granted to Service Providers will be 26,637,756 Shares, representing approximately 1% of the total number of Shares in issue as at the date of the SGM, under the Service Provider Sublimit so refreshed.

Save as above, all other principal terms of the Share Award Scheme and Share Option Scheme are not amended. Please refer to summaries of the principal terms of the Share Award Scheme as set out in Appendix I and the Share Option Scheme as set out in Appendix II for further information.

Upon the grant of Awarded Shares, the remaining number of Shares which may be allotted and issued in respect of all Shares and options of the Company to be granted under the Share Award Scheme, the Share Option Scheme and any other share scheme(s) of the Company is 257,337,567 Shares, and the remaining number of Shares which may be allotted and issued in respect of all Shares and options of the Company to be granted under the Share Award Scheme, the Share Option Scheme and any other share scheme(s) of the Company to service providers of the Company is 17,597,756 Shares.

GEM LISTING RULES IMPLICATIONS

In relation to the proposed refreshment of Scheme Mandate Limit and Service Provider Sublimit

Pursuant to Rule 23.03C(1) of the GEM Listing Rules, any refreshment of the Scheme Mandate Limit and the Service Provider Sublimit within any three-year period from the date of adoption of the scheme is subject to the Independent Shareholders' approval by way of ordinary resolution(s) at the SGM. Any controlling shareholders of the Company and their associates or, where there is no controlling shareholder of the Company, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolution(s) to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit at the SGM.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save as disclosed above and as at the Latest Practicable Date, no other Shareholder was required to abstain from voting on the relevant resolution(s) to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit at the SGM.

Pursuant to Rule 23.03C(2) of the GEM Listing Rules, the total number of Shares which may be issued in respect of all options and awards to be granted under all of the schemes of the listed issuer under the scheme mandate as "refreshed" must not exceed 10% of the relevant class of shares in issue (excluding treasury Shares) as at the date of approval of the refreshed scheme mandate. As at the Latest Practicable Date, the Company did not hold any treasury Shares, and none of the Share Schemes involved the use of treasury Shares for satisfying the grant of Awarded Shares.

As at the Latest Practicable Date, the Company did not intend to use treasury Shares (if any) for the Share Award Scheme and the Share Option Scheme. If this changes in the future and prior to the use of treasury Shares, the Company will consult with appropriate legal advisers to assess the need for amending its articles of association for such purpose. If deemed necessary, the Company will proceed to amend its articles of association for such purpose and to bring it in line with the amendments made to the GEM Listing Rules in relation to treasury Shares.

Proposed Grant of Awarded Shares

The Consultant is a service provider of the Company. As the Awarded Shares issued and to be issued to the Consultant in the 12-month period up to and including the date of grant representing in aggregate more than 1% of the relevant class of Shares in issue (excluding treasury Shares), the Awarded Shares to the Consultant are subject to announcement requirement pursuant to 23.06A of the GEM Listing Rules and approval by shareholders of the Company.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee, comprising all the independent non-executive Directors, namely Dr. Ip Wai Hung, Mr. Chan Wai Man and Mr. Siu Hi Lam, Alick, has been established to advise the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit.

Messis Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit.

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they respectively appear.

RECOMMENDATION

Based on the above, the Directors (including members of the Independent Board Committee whose views are set out in the letter from the Independent Board Committee in this circular after taking into account the advice of the Independent Financial Adviser) are of the opinion that (i) the proposed refreshments of the Scheme Mandate Limit and the Service Provider Sublimit are fair and reasonable and in the interests of the Company and the Shareholders as a whole; and (ii) the terms of the proposed grant of the Awarded Shares are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and recommend the Independent Shareholders to vote in favour of the ordinary resolutions to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit, and the proposed grant of the Awarded Shares at the SGM.

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 25 of this circular which contains its recommendation to the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit; and (ii) the letter of advice from the Independent Financial Adviser set out on pages 26 to 36 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit.

SGM AND PROXY ARRANGEMENT

A notice convening the SGM to be held at 15th Floor, Fun Tower, 35 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Thursday, 2 April 2026 at 12:00 noon (Hong Kong time) is set out on pages SGM-1 to SGM-2 of this circular. The SGM will be held for the purpose of considering and, if thought fit, approving the ordinary resolution(s) for the proposed refreshment of the Scheme Mandate Limit.

A form of proxy for use at the SGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchanges (www.hkexnews.hk) and the Company (www.8082.com.hk). To be valid, the form of proxy must be completed and signed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the SGM (i.e. not later than 12:00 noon on Tuesday, 31 March 2026 (Hong Kong time)) or the adjourned meeting (as the case may be). Completion and delivery of the form of proxy will not preclude you from attending and voting at the SGM if you so wish.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at the SGM must be taken by poll. The chairman of the meeting will therefore demand a poll for every resolution to be passed at the SGM pursuant to the Bye-laws. An announcement on the poll results of the SGM will be made by the Company after the SGM, in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

The register of members of the Company for the SGM will be closed from Monday, 30 March 2026 to Thursday, 2 April 2026, both days inclusive, during which no transfer of Shares will be registered. In order to qualify for attending and voting at the SGM or any adjournment thereof, all transfers documents by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Friday, 27 March 2026. The record date for attending and voting at the SGM is Thursday, 2 April 2026.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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.

Yours faithfully
For and on behalf of the Board
Qing Hua Holding Group Company Limited
Xiong Guorui
Executive Director



Qing Hua Holding Group Company Limited
擎華控股集團有限公司
(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 8082)

17 March 2026

To the Independent Shareholders

Dear Sir/Madam,

PROPOSED REFRESHMENT OF
SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT

We refer to the circular issued by the Company to the Shareholders dated 17 March 2026 (the "**Circular**"), of which this letter forms a part. Terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as the members of the Independent Board Committee to advise the Independent Shareholders on whether the proposed refreshment of the Scheme Mandate Limit and Service Provider Sublimit are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

We wish to draw your attention to the letter from the Board as set out on pages 5 to 24 and the letter of advice from the Independent Financial Adviser as set out on pages 26 to 36 of the Circular.

Having taken into consideration the factors and reasons as stated in the letter from the Board, and the opinion of the Independent Financial Adviser as stated in the letter of advice from the Independent Financial Adviser, we are of the view that the proposed refreshment of the Scheme Mandate Limit and Service Provider Sublimit are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution(s) to approve the proposed refreshment of the Scheme Mandate Limit and Service Provider Sublimit at the SGM.

Yours faithfully,
For and on behalf of the Independent Board Committee of
Qing Hua Holding Group Company Limited

Dr. Ip Wai Hung	**Mr. Chan Wai Man**	**Mr. Siu Hi Lam, Alick**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

The following is the text of a letter of advice from Messis Capita Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit, which has been prepared for the purposes of incorporation in this circular.

MESSIS 大有融資

17 March 2026

To the Independent Board Committee and the Independent Shareholders

Dear Sir/Madam,

PROPOSED REFRESHMENT OF SCHEME MANDATE LIMIT AND SERVICE PROVIDER SUBLIMIT

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit, details of which are set out in the letter from the board (the "**Letter from the Board**") contained in the circular of the Company dated 17 March 2026 (the "**Circular**"), of which this letter forms part. Unless specified otherwise, capitalised terms used herein shall have the same meanings as those defined in the Circular.

With reference to the Letter from the Board, the Share Award Scheme was adopted by the Shareholders on 2 May 2024. Pursuant to the existing Scheme Mandate Limit, the maximum number of Shares that may be granted under the Share Award Scheme shall not exceed 209,601,567 Shares, representing approximately 10% of the total number of Shares in issue on 2 May 2024, being the date of approval of the Share Award Scheme. As the Service Provider Sublimit was determined based on 10% of the Scheme Mandate Limit, the maximum number of Shares in respect of Awards that may be granted to the Service Providers shall not exceed 20,960,156 Shares, representing approximately 1% of the then total number of Shares in issue.

According to the Letter from the Board, during the period from the adoption date of the Share Award Scheme on 2 May 2025 to the Latest Practicable Date, 208,960,000 Awarded Shares have been granted to the Eligible Participants at nil consideration under the Share Award Scheme, and approximately 99.7% of the existing Scheme Mandate Limit had been utilised. In view of the above, the Company proposed to refresh the Scheme Mandate Limit.

Pursuant to Rule 23.03C(1)(b)(i) of the GEM Listing Rules, any refreshment of the Scheme Mandate Limit and the Service Provider Sublimit within any three-year period from the date of adoption of the scheme is subject to the Independent Shareholders' approval by way of an ordinary resolution at the SGM. Any controlling shareholder of the Company and their associates or, where there is no controlling shareholder of the Company, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolution(s) to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit at the SGM.

Pursuant to Rule 23.03C(2) of the GEM Listing Rules, the total number of Shares which may be issued in respect of all options and awards to be granted under the Share Schemes under the Scheme Mandate Limit as refreshed must not exceed 10% of the relevant class of shares of the Company in issue (excluding treasury shares) as at the date of approval of the refreshed Scheme Mandate Limit. As at the Latest Practicable Date, the Company did not hold any treasury Shares, and none of the Share Schemes involved the use of treasury Shares for satisfying the grant of Awarded Shares.

The SGM will be convened at which ordinary resolution(s) will be proposed to the Independent Shareholders to consider and, if thought fit, approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit so as to allow the Company to grant new awards under the 2024 Share Award Scheme in aggregate up to 10% of the issued share capital of the Company (excluding treasury Shares) as at the date of passing such ordinary resolution(s). In addition, the Board proposed to proportionally refresh the Service Provider Sublimit in accordance with the refreshed Scheme Mandate Limit.

As at the Latest Practicable Date, the Company had 2,663,775,671 Shares in issue. Assuming that all the conditions of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit are fulfilled and that there will be no change in the total number of Shares in issue from the Latest Practicable Date and up to (and including) the date of the SGM, (i) the maximum number of the Shares which may be issued in respect of all options and awards to be granted under the Share Schemes will be 266,377,567 Shares, representing approximately 10% of the total number of Shares in issue (excluding treasury Shares) as at the date of the SGM, under the Scheme Mandate Limit so refreshed; and (ii) the maximum number of Shares in respect of all options and awards which may be granted to Service Providers will be 26,637,756 Shares, representing approximately 1% of the total number of Shares in issue (excluding treasury Shares) as at the date of the SGM, under the Service Provider Sublimit so refreshed.

As stated in the Letter from the Board, for the avoidance of doubt, the refreshment of the Scheme Mandate Limit is not conditional on the Shareholders' approval of the refreshment of the Service Provider Sublimit. In the event that the resolution approving the refreshment of the Service Provider Sublimit is voted down, the Directors will consider other alternative (e.g. cash) to fulfill its obligations under the Strategic Cooperation Agreement.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Dr. Ip Wai Hung, Mr. Chan Wai Man, and Mr. Siu Hi Lam, Alick, has been established in accordance with the Listing Rules to advise the Independent Shareholders in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. We, Messis Capital Limited, have been appointed by the Company as the Independent Financial Adviser in accordance with the requirement of the Listing Rules to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

As at the Latest Practicable Date, Messis Capital Limited did not have any relationships or interests with the Group or any of their respective substantial shareholders, directors or chief executives, or any of their respective associates that could reasonably be regarded as relevant to the independence of Messis Capital Limited.

We have not acted as an independent financial adviser or financial adviser for other transactions of the Group, and have not provided any other services to the Group, in the last two years prior to the date of the Circular. Apart from any normal professional fees paid or payable to us in connection with the aforesaid appointment and the appointment as the Independent Financial Adviser, no arrangements exist whereby we have received or will receive any fees or benefits from the Group. Accordingly, we are independent from the Company pursuant to the requirements under Rule 17.96 of the Listing Rules and therefore are qualified to give independent advice in respect of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit.

BASIS OF OUR ADVICE

In formulating our opinion and advice, we have relied on (i) the information and facts contained or referred to in the Circular; (ii) the annual report of the Company for the year ended 31 December 2024 ("**2024 Annual Report**"); (iii) the interim report of the Company for the six months ended 30 June 2025 ("**2025 Interim Report**"); (iv) the information supplied by the Group and its advisers, particularly in relation to the shareholding structures of the Company; (v) the opinions expressed by and the representations of the Directors and the management of the Group (the "**Management**"); and (vi) our review of the relevant public information.

We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in the Circular were true, accurate and complete in all respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Circular were true at the time they were made and have continued to be true as at the date of the Circular and all such statements of belief, opinions and intention of the Directors and the Management and those as set out or referred to in the Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truthfulness, accuracy and completeness of the information and representations provided to us by the Directors, the Management, and/or the advisers of the Company. We have also sought and received confirmation from the Directors that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Directors and the Management were true, accurate, complete and not misleading in all material respects at the time they were made and have continued to be so until the date of the Circular.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading.

We consider that we have reviewed the relevant information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the Management, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Group or any of their respective associates.

Our opinion is necessarily based on financial, economic, market and other conditions in effect, and the information made available to us as at the Latest Practicable Date.

This letter is issued for the information of the Independent Shareholders solely in connection with their consideration of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit. Except for its inclusion in the Circular, this letter shall not be quoted or referred to, in whole or in part, nor shall it be used for any other purposes, without our prior written consent.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation on the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit, we have taken into account the principal factors and reasons set out below:

INFORMATION OF THE GROUP

The principal activities of the Group are mainly engaged in the movies and entertainment industry, including film production, distribution, and related media services in the PRC and Hong Kong.

The following table summarises certain audited financial information of the Group for the two years ended 31 December 2023 ("**FY2023**") and 31 December 2024 ("**FY2024**") as extracted from 2024 Annual Report and the unaudited financial information of the Group for the six months ended 30 June 2024 ("**1H2024**") and 30 June 2025 ("**1H2025**") as extracted from 2025 Interim Report.

Consolidated statement of profit or loss for FY2024 and FY2023

	For the year ended 31 December 2024	**For the year ended 31 December 2023**
	HK$ '000	*HK$ '000*
Revenue	148,899	223,583
Gross profit	67,796	91,055
Loss for the year	(27,796)	(31,619)

The Group's revenue decreased by approximately 33.4% from approximately HK$223.6 million for FY2023 to approximately HK$148.9 million for FY2024. According to the 2024 Annual Report, the Group's gross profit decreased by approximately 25.5% from approximately HK$91.1 million for FY2023 to approximately HK$67.8 million for FY2024. According to the 2024 Annual Report, the decrease in revenue and gross profit was attributable to the fact that the scale of the concerts organized by the Group during the year was relatively small as compared with FY2023 and as a result, the ticketing income from the concerts for FY2024 was less than FY2023.

The Group's loss for the year reduced from approximately HK$31.6 million for FY2023 to approximately HK$27.8 million for FY2024. The reduction in loss for the year, notwithstanding the decreased revenue and gross profit, was mainly due to the reduction in other expenses (net), which mainly consist of (i) co-investors' share of net income/net loss from entertainment events organised by the Group; and (ii) non-cash other share-based payment expense for FY2024.

Unaudited consolidated statement of profit or loss for 1H2024 and 1H2025

	For the six months ended 30 June 2025 *HK$ '000*	For the six months ended 30 June 2024 *HK$ '000*
Revenue	71,630	107,206
Gross profit	739	43,185
Loss for the period	(29,192)	(8,698)

The Group's unaudited revenue decreased by approximately 33.2% from approximately HK$107.2 million for 1H2024 to approximately HK$71.6 million for 1H2025. According to the 2025 Interim Report, The Group's gross profit decreased dramatically from approximately HK$43.2 million for 1H2024 to approximately HK$0.7 million for 1H2025. According to the 2025 Interim Report, the decrease in revenue and gross profit was attributable to unexpected performance of concerts organised or invested by the Group during 1H2025.

The Group's loss attributable for the period deteriorated from approximately HK$8.7 million for 1H2024 to approximately HK$29.2 million for 1H2025. The increased loss was mainly due to the significant reduction in gross profit for 1H 2025.

Consolidated statement of financial position

	As at 30 June 2025 *unaudited HK$ '000*	As at 31 December 2024 *audited HK$ '000*	As at 31 December 2023 *audited HK$ '000*
Non-current assets	*2,699*	*4,796*	*31,274*
Current assets	*141,675*	*118,753*	*119,014*
Total assets	*144,374*	*123,549*	*150,288*
Current liabilities	*158,832*	*109,302*	*78,742*
Non-current liabilities	*22*	*165*	*40,141*
Total liabilities	*158,854*	*109,467*	*118,883*
Net assets	*(14,480)*	*14,082*	*31,405*

As at 30 June 2025, net current liabilities and net liabilities of the Group amounted to approximately HK$17.2 million and approximately HK$14.5 million, respectively.

REASONS FOR AND BENEFITS OF THE PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT AND THE SERVICE PROVIDER SUBLIMIT

The 2024 Share Award Scheme was approved and adopted by the then Shareholders on 2 May 2024, pursuant to which a maximum of 209,601,567 Shares and a maximum of 20,960,156 Shares may be granted under the Scheme Mandate Limit and the Service Provider Sublimit, respectively. According to the Letter from the Board, as at the Latest Practicable Date, approximately 99.7% of the existing Scheme Mandate Limit had been utilised. In the event that the refreshed Scheme Mandate Limit and the refreshed Service Provider Sublimit are not granted and the Company refreshes the Scheme Mandate Limit and the Service Provider Sublimit after the 3-year period pursuant to the Rule 17.03C(1) of the Listing Rules, such refreshment could only be conducted on or after 2 May 2027, being approximately 14 months away from the Latest Practicable Date, which would restrict the Company from utilising equity settled share-based payments as part of their compensation practices during the aforesaid period.

Furthermore, according to the 2025 Interim Report, as at 30 June 2025, the Group's interest-bearing borrowings amounted to approximately HK$65.0 million, whilst its cash and cash equivalents amounted to approximately HK$49.6 million, representing a net debt of approximately HK$15.4 million.

On the other hand, according to the 2024 Annual Report, the Group's audited revenue decreased by approximately 33.4% from approximately HK$223.6 million for FY2023 to approximately HK$148.9 million for FY2024, while loss for the year was approximately HK$27.8 million for FY2024. Furthermore, according to the 2025 Interim Report, the Group's unaudited revenue decreased by approximately 33.2% from approximately HK$107.2 million for 1H2024 to approximately HK$71.6 million for 1H2025. According to the 2025 Interim Report, the Group's gross profit decreased dramatically from approximately HK$43.2 million for 1H2024 to approximately HK$0.7 million for 1H2025. The impact in operating cash flows due to the deteriorating financial performance can be evidenced by an unaudited cash used in operations of approximately HK$25.0 million for 1H2025, as opposed to an unaudited cash generated from operations of approximately HK$29.7 million for 1H2024, according to the 2025 Interim Report.

Taking into account the tight cash position of the Group alongside its net debt position, net current liabilities, net liabilities and the deteriorating financial performance that implies further burn rate of the already under-pressure financial position of the Group, as well as the turnaround into cash used in operations for 1H2025 as illustrated above, the grant of awards under the Share Award Scheme represents a relatively more appropriate mean for providing incentives to the Eligible Participants (including the Service Providers) as compared to other means of incentive, such as cash bonus or gift, as it will help preserve the cash resources for the Group's operations.

On the other hand, 208,960,000 awarded shares have been granted to the 10 Eligible Participants under the Share Award Scheme pursuant to the existing Scheme Mandate Limit, representing approximately 7.84% of the total number of Shares in issue as at the Latest Practicable Date. Grants of awarded shares to 9 out of 10 of the aforesaid grantees (namely Mr. Dong, Mr. Chong, Ms. Choi Si Wan, Mr. Jip Ki Chi, Mr. Kwok Anson, Mr. Rafael Mendonca and Mr. Yip Yee Cheong, Sion, involving 188,000,000 awarded shares, were made on 30 May 2025, further details of which are set out in the announcement of the Company dated 2 June 2025 and circular of the Company dated 10 June 2025. Each of Mr. Dong, Mr. Chong, Ms. Choi Si Wan, Mr. Jip Ki Chi, Mr. Kwok Anson, Mr. Rafael Mendonca and Mr. Yip Yee Cheong, Sion is either executive Director, director or senior management of the subsidiary of the Company.

Proposed grant to the Consultant is subject to the independent shareholders' approval at the SGM of the Company. As stated in the Letter from the Board, the Consultant is a service provider of the Group which is principally engaged in entertainment project and concert production and planning. The Consultant has successfully conducted twelve shows during the term of the relevant strategic cooperation agreement with the Company and has been maintaining relationship with the Company on a continuing or recurring basis in its ordinary and usual course of business.

With each of the aforesaid grantees, the Company has entered into a strategic cooperation agreement, pursuant to which awarded shares to be vested upon the achievement of performance targets. The performance target for each of the grantees ties with the net profit attributable to Qing Hua Entertainment/Bookyay Limited/Incubase Studio Limited (as the case maybe) according to the management account derived from the shows of the grantee, including concerts or events organised, achieved being not less than a predetermined value by or before the end of the term of the relevant strategic cooperation agreement.

During the relevant period of the Strategic Cooperation Agreements, Qing Hua Entertainment was an indirect wholly-owned subsidiary of the Company and principally engaged in organization and production of and investments in concert, other entertainment event, film, and TV drama production projects, Bookyay Limited was an indirect wholly-owned subsidiary of the Company and principally engaged in provision of platform and related services and Incubase Studio Limited was an indirect non-wholly owned subsidiary of the Company and was owned as to 60% by the Company and 2% by Mr. Yip ultimately and is principally engaged in design and formation of exhibition related intellectual properties.

We were given to understand that the Group's employee remuneration packages are mainly determined on the basis of individual performance, experience as well as industry expertise. The Company also grants share awards to eligible persons under the Share Award Scheme and grants share options to the Directors and eligible employees under the Share Option Scheme. Therefore, we are of the view that the grants of awarded shares under the Share Award Scheme pursuant to the existing Scheme Mandate Limit are in line with the remuneration policy of the Group. Moreover, we are of the view that grant of awarded shares, which do not incur any actual cash outflows and the vesting of which are dependent on performance targets of Qing Hua Entertainment/Bookyay Limited/Incubase Studio Limited, being the Group's operating subsidiaries on movies and entertainment businesses, pursuant to strategic cooperation agreements to the executive Directors and senior management of the Group will allow the Group to attract, retain and motivate talents for the continuous development of the Group's principal business in the movies and entertainment industry.

Having considered that (i) the existing Scheme Mandate Limit and existing Service Provider Sublimit had been nearly fully utilised as at the Latest Practicable Date; and (ii) the refreshed Scheme Mandate Limit and the refreshed Service Provider Sublimit, which in our view represent relatively more appropriate means as compared to others, would allow the Company toto have flexibility in providing incentives or rewards to the Eligible Participants (including the Service Providers) for their contributions to the Group, and to enable the Group to continue to attract, retain and motivate talents for the continuous development of the Group's principal businesses, including the movies and entertainment related businesses, which is consistent with the Group's approach on the previous/proposed grants under the Share Award Scheme pursuant to the existing Scheme Mandate Limit as analysed above, thereby aligning their interests with those of the Group and encouraging them to contribute towards the long-term growths of the Group, we are of the view that the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit are fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole.

POTENTIAL CHANGES TO SHAREHOLDING OF THE SHAREHOLDERS

As advised by the Management, the table below sets out the respective shareholding structures of the Company (i) as at the Latest Practicable Date; (ii) immediately upon full utilisation of the refreshed Scheme Mandate Limit as well as vesting and/or exercise of all the awards and options to be granted thereunder (assuming that there will be no change in the total number of Shares in issue from the Latest Practicable Date); and (iii) immediately upon full utilisation of the refreshed Scheme Mandate Limit as well as vesting and/or exercise of all the awards and options to be granted thereunder (assuming that there will be no change in the total number of Shares in issue from the Latest Practicable Date, save for (a) the full exercise of the outstanding Share Options; and (b) the full vesting and acceptance of the outstanding awards granted under the Share Award Scheme (the "**Outstanding Awards**"), for illustrative and reference purposes:

	As at the Latest Practicable Date		**Immediately upon full utilisation of the refreshed Scheme Mandate Limit as well as vesting and/or exercise of all the awards and options to be granted thereunder (assuming there will be no change in the total number of Shares in issue from the Latest Practicable Date)**		**Immediately upon full utilisation of the refreshed Scheme Mandate Limit as well as vesting and/or exercise of all the awards and options to be granted thereunder (assuming there will be no change in the total number of Shares in issue from the Latest Practicable Date, save for (a) the full exercise of the outstanding Share Options; and (b) the full vesting and acceptance of the Outstanding Awards)**	
	Number of Shares	*Approximate %*	*Number of Shares*	*Approximate %*	*Number of Shares*	*Approximate %*
Substantial shareholders						
Liu Xuefeng	517,589,428	19.43%	517,589,428	17.66%	517,589,428	17.51%
Chen Pu	332,000,000	12.46%	332,000,000	11.33%	332,000,000	11.23%
Director						
Chan Wai Man	500,000	0.02%	500,000	0.02%	500,000	0.02%
Siu Hi Lam Alick	700,000	0.03%	700,000	0.02%	700,000	0.02%
Ma Xinying	50,000,000	1.88%	50,000,000	1.71%	50,000,000	1.69%
Ye Chao	50,000,000	1.88%	50,000,000	1.71%	50,000,000	1.69%
Yuan Xiaomei	50,000,000	1.88%	50,000,000	1.71%	50,000,000	1.69%
Public Shareholders						
Other public Shareholders	1,662,986,243	62.42%	1,662,986,243	56.75%	1,662,986,243	56.26%
Maximum number of new Shares that can be issued under the refreshed Scheme Mandate Limit	–	–	266,377,567	9.09%	266,377,567	9.01%
Maximum number of new Shares that can be issued upon exercise of the outstanding Share Options	–	–	–	–	25,996,000	0.88%
Sub-total	1,662,986,243	62.42%	1,929,363,810	65.84%	1,955,359,810	66.15%
Total	2,663,775,671	100.00%	2,930,153,238	100.00%	2,956,149,238	100.00%

As illustrated above, immediately upon full utilisation of the refreshed Scheme Mandate Limit and vesting and/or exercise of all the awards and options to be granted thereunder, the shareholding of the existing public Shareholders would be changed from approximately 62.42% as at the Latest Practicable Date to (i) approximately 65.84%, assuming that there will be no change in the total number of Shares in issue from the Latest Practicable Date; and (ii) approximately 66.15%, assuming that there will be no change in the total number of Shares in issue from the Latest Practicable Date but save for (a) the full exercise of the outstanding Share Options; and (b) the full vesting of the Outstanding Awards.

Taking into account the reasons for and benefits of the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit as analysed in the previous sub-section of this letter, in particular, particularly the latest cash position and net operating cash inflows of the Group which were both under pressure, the refreshed Scheme Mandate Limit and the Service Provider Sublimit would allow the Company to have more flexibility in providing incentives or rewards to the Eligible Participants and/or Service Providers for their contributions which are beneficial to the business operations of the Group, we are of the opinion that the potential changes to the shareholdings of the existing public Shareholders under different scenarios as mentioned above is commercial justifiable, and is fair and reasonable.

RECOMMENDATIONS

Having taken into consideration the factors and reasons as stated in this letter, we are of the view that the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit is fair and reasonable and is in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to recommend the Independent Shareholders, to vote in favour of the relevant resolution(s) to be proposed at the SGM to approve the proposed refreshment of the Scheme Mandate Limit and the Service Provider Sublimit.

Yours faithfully,
For and on behalf of
Messis Capital Limited

Wallace Cheung
Managing Director

Mr. Wallace Cheung is a licensed person registered with the Securities and Futures Commission of Hong Kong and regarded as a responsible officer of Messis Capital Limited to carry out type 6 (advising on corporate finance) regulatory activity under the SFO and has over 15 years of experience in corporate finance industry.

The following is a summary of the principal terms of the Share Award Scheme which does not form part of, nor was it intended to be, part of the Share Award Scheme, nor should it be taken as affecting the interpretation of the rules of the Share Award Scheme:

1. PURPOSE

The purposes of the Share Award Scheme are:

(a) to recognise the contributions by certain employees and persons to the Group;

(b) to provide the Eligible Award Participants with additional incentives in order to retain them for the continual operation and development of the Group; and

(c) to attract suitable personnel for further development of the Group.

2. CONDITIONS

The Share Award Scheme is conditional upon:

(a) the GEM Listing Committee granting the approval for the listing of, and permission to deal in any new Shares which may fall to be allotted and issued by the Company to the Trustee pursuant to the Share Award Scheme; and

(b) the passing of a resolution at a general meeting of the Company to approve the adoption of the Share Award Scheme and to authorise the Directors to grant Awards under the Share Award Scheme and to allot, issue, procure the transfer of and otherwise deal in the Awarded Shares in connection with the Share Award Scheme.

3. DURATION

Subject to the Share Award Scheme, the Share Award Scheme shall be valid and effective for the Award Period (after which no further Awards will be granted), and thereafter for so long as there are any non-vested Awarded Shares granted hereunder prior to the expiration of the Share Award Scheme, in order to give effect to the vesting of such Awarded Shares or otherwise as may be required in accordance with the provisions of the Share Award Scheme.

The Board may at its discretion specify any condition in the Award Letter at the grant of the relevant Award which must be satisfied before the Awarded Shares may be vested. Save as determined by the Board and provided in the Award Letter of the grant of the relevant Award, there is no performance target which must be achieved before an Award can be vested under the terms of the Share Award Scheme, and save as set out in paragraphs 12 and 19 to this Appendix, there is no clawback mechanism for the Company to recover or withhold any Awards granted to any Eligible Award Participant. The Awarded Shares, once issued to the Selected Award Participants upon the Vesting Date, will rank *pari passu* to all other fully paid Shares in issue.

4. ADMINISTRATION

The Share Award Scheme shall be subject to the administration of the Board in accordance with the Share Award Scheme and, where applicable, the Trust Deed. A decision of the Board or the committee of the Board or person to which the Board has delegated its authority shall (save as otherwise provided herein and in the absence of manifest error) be final and binding on all persons affected thereby.

Subject to the Share Award Scheme, the GEM Listing Rules and any applicable laws and regulations, the Board and the committee of the Board or person to which the Board has delegated its authority shall have the power, *inter alia*, from time to time to:

(a) construe and interpret the Share Award Scheme and the terms of the Awards granted under the Share Award Scheme;

(b) make or vary such arrangements, guidelines, procedures and/or regulations for the administration, interpretation, implementation and operation of the Share Award Scheme, provided that they are not inconsistent with the Share Award Scheme;

(c) decide how the vesting of the Awarded Shares will be settled pursuant to the Share Award Scheme;

(d) grant Awards to those Eligible Award Participants whom it shall select from time to time;

(e) determine the terms and conditions of the Awards;

(f) determine the commencement or termination date of an Eligible Award Participant's employment with any member of the Group;

(g) establish and administer performance targets in respect of the Share Award Scheme;

(h) approve the form of an Award Letter; and

(i) take such other steps or actions to give effect to the terms and intent of the Share Award Scheme.

5. ELIGIBLE AWARD PARTICIPANTS

Under the Share Award Scheme, the following classes of participants are eligible for participation in the Share Award Scheme:

(a) Employee Participant(s) including the director(s) and employee(s) (whether full-time or part-time) of any member of the Group (including persons who are granted Awards under the Share Award Scheme as inducement to enter into employment contracts with the Group); and

(b) Service Provider(s) including person(s) who provide services to any members of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group, which include any independent distributor, contractor, supplier, agent, consultant or adviser to any area of business or business development of the Group, but exclude any placing agent or financial adviser providing advisory services for fundraising, mergers or acquisitions, and other professional service provider such as auditor or valuer,

provided that the Board may, from time to time, at its absolute discretion select any Eligible Award Participant to be a Selected Award Participant.

In determining the basis of eligibility of each Eligible Award Participant, the Board would take into account of (i) the experience of the Eligible Award Participant on the Group's business; (ii) the length of service of the Eligible Award Participant with the Group (if the Eligible Award Participant is an Employee Participant); (iii) the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Eligible Award Participant has established with the Group (if the Eligible Award Participant is a Service Provider); and (iv) the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Award Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Award Participant is likely to be able to give or make towards the success of the Group in the future.

With respect to Employee Participants, the Board will consider, amongst others, their general working experience, time commitment (full-time or part-time), length of their service within the Group, working experience, responsibilities and employment conditions according to the prevailing market practice and industry standard, or where appropriate, contribution or potential contribution to the Group. In determining whether a person has contributed or will contribute to the Group, the Group will take into account, among other things, whether contribution has been made to or will be made to the Group in terms of operation, financial performance, prospects, growth, reputation and image of the Group.

For Service Providers, the factors in assessing whether such Service Provider is eligible to participate in the Share Award Scheme include, in particular: (i) the individual performance of relevant Service Providers; (ii) the length of business relationship with the Group; (iii) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (iv) track record in the quality of services provided to and/or cooperation with the Group; and (v) the scale of business dealings with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Provider.

Further, with respect to the eligibility of each category of the Service Providers, the Board will, on a case by case basis, specifically consider the following factors:

(1) Supplier

Service Providers under this category are mainly suppliers of services, who/which support the Group's businesses of (i) the media and entertainment segment; and/or (ii) the cremation and funeral services segment that are desirable or necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group.

The Board will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such distributor, including but not limited to: (i) the nature, reliability and quality of the services supplied; (ii) the value of the services provided by the relevant supplier; (iii) the frequency of collaboration and length of business relationship with the Group; (iv) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (v) the background, reputation and track record of the relevant supplier; (vi) the replacement cost of such supplier and/or the services (including continuity and stability of supply or provision of such services); and (vii) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such supplier could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the services supplied and/or provided by such supplier.

(2) Independent contractor, agent, consultant and advisor

Service Providers under this category are mainly independent contractors, agents, consultants and advisers who provided advisory services, consultancy services, and/or other professional services to the Group on areas relating to the Group's principal business activities in (i) the media and entertainment segment; and/or (ii) the cremation and funeral services segment that are desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group by way of introducing new customers or business opportunities to the Group and/or applying their specialised skills and/or knowledge in the abovementioned fields.

The Board will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such contractor, agent, consultant and/or adviser, including but not limited to: (1) individual performance of the relevant contractor, agent, consultant and/or adviser; (2) their knowledge, experience and network in the relevant industry; (3) the frequency of collaboration and length of business relationship with the Group; (4) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (5) the background, reputation and track record of the relevant contractor, agent, consultant and/or adviser; (6) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such contractor, agent, consultant and/or adviser could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by services provided by such contractor, agent, consultant and/or adviser; (7) the replacement cost of such contractor, agent, consultant and/or adviser (including continuity and stability of provision of the necessary services); and (8) other factors, including but not limited to the capability, expertise, technical know-how and/or business connections of the relevant contractor, agent, consultant and/or adviser, and/or the synergy between the relevant contractor, agent, consultant and/or adviser and the Group.

6. GRANT OF AWARDS

Subject to the Share Award Scheme, the Share Award Scheme shall be valid and effective for the period of 10 years commencing on the Adoption Date, and ending on the Business Day immediately prior to the tenth anniversary of the adoption date on 2 May 2024 (after which no further Awards will be granted).

The Company shall issue an Award Letter to each Selected Award Participant in such form as the Board or the committee of the Board or person to which the Board has delegated its authority may from time to time determine, specifying the Grant Date, the number of Awarded Shares underlying the Award, the vesting criteria and conditions, and the Vesting Date and such other details as they may consider necessary. Upon receipt of the Award Letter, the Selected Award Participants are required to confirm their acceptance of the Award by returning to the Company a notice of acceptance duly executed by them within 14 days after the grant date (the "**Acceptance Period**"). If any Selected Award Participant fails to return such notice to the Company before expiration of the Acceptance Period, the Award will be deemed not to have taken effect and shall automatically lapses forthwith on the day following the last day of the Acceptance Period.

Unless otherwise determined by the Board or the remuneration committee of the Company in its absolute discretion at the relevant time for each individual Award after considering factors including but not limited to the prevailing closing price of the Shares, the purpose of the Share Award Scheme and the characteristics and profile of the relevant Selected Participant, a Selected Participant is not required to bear or pay any purchase price or fee for the acceptance of the Award.

As soon as practicable after the grant of an Award to and acceptance by a Selected Award Participant, the Company shall notify the Trustee of:

(a) the name, address, identity card/passport number and position of the relevant Selected Award Participant, and whether the Selected Award Participant is a connected person as defined in the GEM Listing Rules;

(b) the number of Awarded Shares to which such Award relates;

(c) the date and conditions (if any) of vesting of such Award;

(d) the performance targets (if any) that must be achieved before any of the Awarded Shares may be vested in the Selected Award Participant under such Award;

(e) such other terms and conditions relating to such Award which are in the opinion of the Company fair and reasonable and are not inconsistent with the Share Award Scheme; and

(f) the manner and number of the Awarded Shares to be obtained by the Trustee pursuant to the Share Award Scheme.

7. VESTING OF AWARDS

Save for the circumstances prescribed below, an Award must be held by the Trustee for at least twelve (12) months before the Awarded Shares can be vested in the Grantee (the "**Vesting Period**").

The Board (or the remuneration committee of the Company where it relates to grants of Awards to an Employee Participant who is a Director and/or senior manager of the Company) may at its discretion grant a shorter Vesting Period to an Employee Participant in the following circumstances:

(a) grants of "make-whole" Award(s) to new joiners to replace the share awards they forfeited when leaving the previous employers;

(b) grants to an Employee Participant whose employment is terminated due to death or occurrence of any out of control event;

(c) grants that are made in batches during a year for administrative and compliance reasons, which include Awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the Vesting Period may be shorter to reflect the time from which the Award would have been granted;

(d) 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

(e) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

8. MAXIMUM NUMBER OF SHARES AVAILABLE FOR ISSUE

(a) Subject to the GEM Listing Rules, the Company shall not make any further grant of Award which will result in the aggregate number of Shares underlying all grants made pursuant to the Share Award Scheme, together with Options and Awards which may be granted under the Share Award Scheme, the Share Option Scheme and any other share schemes for the time being of the Company, to exceed such number of Shares as equals to 10% of the entire issued share capital of the Company as at the date of SGM. The Awarded Shares forfeited in accordance with the terms of the Share Award Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

(b) Subject to the foregoing paragraph, within the Scheme Mandate Limit, the maximum number of Shares which may be issued in respect of all Awarded Shares which may be granted at any time under the Share Award Scheme together with options and awards which may be granted under any other share schemes for the time being of the Company to Service Providers shall not exceed such number of Shares as equals to 1% of the issued share capital of the Company as at the date of SGM.

(c) The Company may seek approval by the Shareholders in general meeting to refresh the Scheme Mandate Limit and/or the Service Provider Sublimit under the Share Award Scheme after three (3) years from the adoption date of the Share Award Scheme on 2 May 2024 (or the date of Shareholders' approval for the last refreshment). However, the total number of Shares which may be issued upon exercise of all Options and Awards to be granted under the Share Award Scheme the Share Option Scheme and any other schemes of the Company under the limit as "refreshed" must not exceed 10% of the relevant class of Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit and/or the Service Provider Sublimit. For the purpose of seeking approval of the Shareholders, the Company must send a circular to its Shareholders containing the information required under the GEM Listing Rules. Any refreshment of the Scheme Mandate Limit and/or the Service Provider Sublimit to be made within three (3) years from the adoption date of the Share Award Scheme on 2 May 2024 (or the date of Shareholders' approval for the last refreshment) shall be subject to independent Shareholders' approval pursuant to Rule 23.03C(1) of the GEM Listing Rules.

(d) The Company may seek separate approval by the Shareholders in general meeting for granting Awards beyond the Scheme Mandate Limit provided that the Awarded Shares in excess of the Scheme Mandate Limit are granted only to Eligible Award Participants specifically identified by the Company before such approval is sought. For the purpose of seeking approval of the Shareholders under this sub-paragraph, the Company must send a circular to the Shareholders containing a generic description of the specified Eligible Award Participants who may be granted such Awards, the number and terms of the Awarded Shares to be granted, the purpose of granting Awards to the specified Eligible Award Participants with an explanation as to how the terms of the Awards serve such purpose, and the information as required under the GEM Listing Rules. The number and terms of the Awards to be granted to such Eligible Award Participant must be fixed before Shareholders' approval.

(e) Where any grant of Awards to an Eligible Award Participant would result in the Awarded Shares transferred and to be transferred or allotted and issued and to be allotted and issued in respect of all options and awards granted to such Eligible Award 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 over 1% of the Shares in issue, such grant must be separately approved by the Shareholders in general meeting with such Eligible Award Participant and his/her close associates (or associates if the Eligible Award Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders, which must disclose the identity of the Eligible Award Participant, the number and terms of the Awards to be granted (and awards and options previously granted to such Eligible Award Participant in such twelve (12)-month period), the purpose of granting Awards to the Eligible Award 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 of Awards to be granted to such Eligible Award Participant must be fixed before Shareholders' approval.

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

Any grant of Awards to any of the Directors, chief executive of the Company or substantial Shareholder(s) (as defined in the GEM Listing Rules), or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of the Award (if any)).

Where any grant of Awards to a Director (other than an independent non-executive Director) or chief executive of the Company or any of their associates would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the Share Award Scheme) 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, such further grant of awards must be approved by Shareholders in general meeting of the Company in the manner set out below.

Where any grant of Awards or options to an independent non-executive Director or a substantial Shareholder or any of their respective associates would result in the Shares transferred and to be transferred or allotted and issued and to be allotted and issued 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 over 0.1% of the Shares in issue, such further grant of Awards or options must be approved by the Shareholders in a general meeting of the Company in the manner set out below.

In the above 2 circumstances, the Company must send a circular to the Shareholders. The Grantee, his/her 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 at the general meeting pursuant to Rule 23.04(1) of the GEM 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. Any vote taken at the general meeting to approve the grant of such Awards or options must be taken on a poll and comply with the requirements under the GEM Listing Rules. The circular must contain:

(a) details of the number and terms of the Awards or options to be granted to each Eligible Award Participant, which must be fixed before the Shareholders' meeting;

(b) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting; and

(c) the information as may be required under the GEM Listing Rules or by the Stock Exchange from time to time.

Shareholders' approval as required above is also required for any change in the terms of Awards granted to an Eligible Award Participant who is a substantial Shareholder (as defined in the GEM Listing Rules) or an independent non-executive Director, or any of their respective associates.

10. TIMING OF AWARDS

No Award shall be made or vested to Selected Award Participants pursuant to the Share Award Scheme and no directions or recommendation shall be given to the Trustee with respect to granting or vesting of an Award or any acquisition, receipt or disposal of or dealing in Shares under the Share Award Scheme after inside information (has the meaning defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) has come to the knowledge of the Company until (and including) the trading day after it has been announced pursuant to the requirements of the GEM Listing Rules. In particular, during the period commencing one (1) month immediately preceding the earlier of:

(i) the date of Board meeting (as such date is first notified to the Stock Exchange under the GEM Listing Rules) for the approval of the Company's results for any year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules); and

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

and ending on the date of the results announcement, and for the avoidance of doubt, no Awards may be made during any period of delay in publishing a results announcement; and in any circumstances which are prohibited under the GEM Listing Rules or where the requisite approval from any applicable regulatory authorities has not been granted.

For the avoidance of doubt, in compliance with the GEM Listing Rules, a Director must not deal in any securities of the Company (and no Awards may be granted to a Director) on any day on which its financial results are published and:

(a) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(b) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results,

unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met as described in Rule 5.67 of the GEM Listing Rules.

11. TRANSFERABILITY AND OTHER RIGHTS TO AWARDED SHARES

Any Award granted but not yet vested shall be personal to the Selected Award Participant to whom it is made and shall not be assignable nor transferable, and no Selected Award Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any other person over or in relation to any Award, or enter into any agreement to do so.

The Stock Exchange may consider granting a waiver to allow a transfer to a vehicle (such as a trust or a private company) for the benefit of the participant and any family members of such participant (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the Share Award Scheme and comply with Chapter 23 of the GEM Listing Rules. Where such waiver is granted, the Stock Exchange shall require the Company to disclose the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle.

Any actual or purported breach of the above shall entitle the Company to cancel any outstanding Award or part thereof granted to such Selected Award Participant.

For the avoidance of doubt, the Awards do not carry any right to vote at general meetings of the Company, or any dividend, transfer or other rights (including those arising on a liquidation of the Company). No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Award under the Share Award Scheme, unless and until the Shares underlying the Award are actually allotted and issued or transferred (as the case may be) to the Grantee pursuant to the vesting or exercise of such Award.

Subject to the foregoing, the Shares to be allotted and issued or transferred upon the vesting or exercise of the Awards shall be subject to all the provisions of the Bye-laws for the time being in force and shall rank *pari passu* in all respects with, and shall have the same voting, dividend, transfer and other rights (including those rights arising on a liquidation of the Company) as the existing fully paid Shares in issue on the date on which those Shares are allotted and issued or transferred pursuant to the vesting or exercise of the Awards and, without prejudice to the generality of the foregoing, shall entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which Shares are allotted and issued, or transferred, other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be before the date on which the Shares are allotted and issued or transferred.

12. CESSATION OF EMPLOYMENT AND OTHER EVENTS; CANCELLATION OF AWARDS

(a) If a Selected Award Participant ceases to be an Eligible Award Participant by reason of retirement of the Selected Award Participant, any outstanding Awarded Shares not yet vested shall continue to vest in accordance with the Vesting Dates set out in the Award Letter, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.

(b) If a Selected Award Participant ceases to be an Eligible Award Participant by reason of (i) his/her employer terminating the contract of employment without notice or payment in lieu of notice, or the Selected Award Participant having been convicted of any criminal offence involving his/her integrity or honesty; (ii) termination of the Selected Award Participant's employment or contractual engagement with the Group by reason of his/her permanent physical or mental disablement; or (iii) termination of the Selected Award Participant's employment or contractual engagement with the Group by reason of redundancy, any outstanding Awarded Shares not yet vested shall be immediately forfeited, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.

(c) In the event of death of a Selected Award Participant, the Board or the committee of the Board or person to which the Board has delegated its authority shall promptly notify the Trustee in writing as to whether the outstanding Awarded Shares to the deceased Selected Award Participant or any part thereof shall be deemed to have been vested immediately prior to his death. All outstanding Awarded Shares not deemed to have been so vested shall be deemed forfeited upon the death of the Selected Award Participant.

(d) In the event of the Grantee who is a Service Provider ceases to be an Eligible Award Participant by reason of breach of contract entered into between such Eligible Award Participant and the Group, or termination of his/her/its engagement or appointment, in the absolute determination of the Board or the Board in its sole and absolute opinion believes such Grantee has become a competitor of the Group, or if a Selected Award Participant is declared bankrupt or becomes insolvent or makes any arrangements or composition with his or her creditors generally, has committed any serious misconduct, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute), any outstanding Awarded Shares not yet vested shall be immediately forfeited, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.

(e) If a Selected Award Participant ceases to be an Eligible Award Participant for reasons other than those set out above, any outstanding Awarded Shares not yet vested shall be immediately forfeited, unless the Board or the committee of the Board or person to which the Board has delegated its authority determines otherwise at their absolute discretion.

(f) Subject to the Share Award Scheme, any Award granted but not vested may not be cancelled or forfeited except with the written consent of the relevant Grantee and the prior approval of the Directors. Where the Company cancels and/or forfeits the Awards granted to a Selected Award Participant and makes a new grant to the same Grantee, such new grant may only be made under the Share Award Scheme with available limit approved by Shareholders pursuant to paragraph 8 above. The Awards cancelled and/or forfeited will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Limit.

13. RIGHTS ON CHANGE IN CONTROL

If there is an event of change in control of the Company by way of a merger, a privatisation of the Company by way of a scheme or by way of an offer, the Board or the committee of the Board or person to which the Board has delegated its authority shall at their sole discretion determine whether the Vesting Dates of any Awards will be accelerated. If the Vesting Dates of any Awards are accelerated, the procedures as set out in the Share Award Scheme shall apply except that the vesting notice will be sent to such Selected Award Participant affected by this rule as soon as practicable once the proposed Vesting Date is known. The Trustee shall act on the vesting notice in accordance with the Share Award Scheme.

14. RIGHTS ON OPEN OFFER AND RIGHTS ISSUE

In the event the Company undertakes an open offer of new securities in respect of any Shares which are held by the Trustee under the Share Award Scheme, the Trustee shall not subscribe for any new Shares. In the event of a rights issue, the Trustee shall seek instruction from the Company on the steps or actions to be taken in relation to the nil-paid rights allotted to it.

15. RIGHTS ON BONUS WARRANTS

In the event the Company issues bonus warrants in respect of any Shares which are held by the Trustee, the Trustee shall not, unless otherwise instructed by the Company, subscribe for any new Shares by exercising any of the subscription rights attached to the bonus warrants, and shall sell the bonus warrants (provided that there is an open market for such rights) created and granted to it, and the net proceeds of sale of such bonus warrants shall be held as funds of the Trust.

16. RIGHTS ON SCRIP DIVIDEND

In the event the Company undertakes a scrip dividend scheme, the Trustee shall elect to receive the scrip Shares in respect of the Shares held by the Trustee under the Share Award Scheme and such scrip Shares will be treated as related income in respect of the underlying Awarded Shares.

17. RIGHTS ON REORGANISATION OF CAPITAL STRUCTURE

In the event the Company undertakes a sub-division or consolidation of the Shares or a reduction of capital, corresponding changes will be made to the number of outstanding Awarded Shares that have been granted and, if necessary and applicable, the purchase price for the Awarded Shares, provided that the adjustments shall be made in such manner as the Board determines to be fair and reasonable in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Share Award Scheme for the Selected Award Participants. Any adjustment must give an Eligible Award Participant the same proportion of the equity capital, rounded to the nearest whole Share, as that to which that person was previously entitled. However, no such adjustments may be made to the extent that a Share would be issued at less than its nominal value, and the issue of securities of the Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment. All fractional shares (if any) arising out of such adjustment in respect of the Awarded Shares of a Selected Award Participant shall be deemed as Returned Shares and shall not be transferred to the relevant Selected Award Participant on the relevant Vesting Date. Save for the case of capitalisation issue, the auditors or independent financial advisers of the Company for the time being must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements.

In the event of an issue of Shares by the Company credited as fully paid to the holders of the Shares by way of capitalisation of profits or reserves (including share premium account), the Shares attributable to any Awarded Shares held by the Trustee shall be deemed to be an accretion to such Awarded Shares and shall be held by the Trustee as if they were Awarded Shares purchased by the Trustee and all the provisions in relation to the original Awarded Shares shall apply to such additional Shares.

Notwithstanding the foregoing provisions, the Board may at its absolute discretion give written directions to the Trustee to deal with such distribution, dividends or other benefits and rights in respect of or in connection with the Awarded Shares.

18. ALTERATION OF THE SHARE AWARD SCHEME

Subject to the Scheme Mandate Limit, the Share Award Scheme may be altered in any respect by a resolution of the Board or administrator of the Share Award Scheme provided that:

(a) any alterations to the terms and conditions of the Share Award Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 23.03 of the GEM Listing Rules to the advantage of Eligible Award Participants must be approved by Shareholders in a general meeting;

(b) any change to the terms of Awards granted to an Eligible Award Participant must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Award was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be), except where the alterations take effect automatically under the existing terms of the Share Award Scheme;

(c) any change to the authority of the Directors or the administrator of the Share Award Scheme to alter the terms of the Share Award Scheme must be approved by the Shareholders in a general meeting; and

(d) the amended terms of the Share Award Scheme or the Awards must still comply with the relevant requirements of Chapter 23 of the GEM Listing Rules.

19. LAPSE OF AWARDS

Save as provided in paragraph 12 and subject to the GEM Listing Rules and determined otherwise by the Board in its sole discretion, in the event that prior to or on the Vesting Date:

(i) the relevant Selected Award Participant ceases to be an Eligible Award Participant;

(ii) the condition(s) or performance target(s) specified in the relevant Award Letter(s) are not attained by the relevant Grantee before the deadline as specified therein;

(iii) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company; or

(iv) there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise is made to all Shareholders,

whichever occurs the earliest, an Award granted shall lapse automatically forthwith, and the Awarded Shares and other distributions attributable thereto shall not vest on the relevant Vesting Date, but shall be cancelled for the purposes of the Share Award Scheme and will not be counted for the purpose of the Scheme Mandate Limit.

20. TERMINATION OF THE SHARE AWARD SCHEME

The Share Award Scheme shall terminate on the earlier of:

(a) the end of the Award Period, except in respect of any non-vested Awarded Shares granted prior to the expiration of the Share Award Scheme, the provisions of the Share Award Scheme shall remain in full force and effect to the extent necessary to give effect to the vesting of such Awarded Shares granted or otherwise as may be required in accordance with the provisions of the Share Award Scheme; or

(b) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Award Participant hereunder; provided further that for the avoidance of doubt, the change in the subsisting rights of a Selected Award Participant in this provision refers solely to any change in the rights in respect of the Awarded Shares already granted to a Selected Award Participant.

After the expiry or termination of the Scheme, no further Award shall be offered or granted under the Share Award Scheme.

On the Business Day following the vesting, forfeiture or cancellation (as the case may be) of the last outstanding Award made under the Share Award Scheme, the Trustee shall sell all the Shares remaining in the Trust within a reasonable time period as agreed between the Trustee and the Company upon receiving notice of the vesting, forfeiture or cancellation (as the case may be) of such last outstanding Award (or such longer period as the Company may otherwise determine), and remit all cash and net proceeds of such sale referred to in this provision and other funds remaining in the Trust (after making appropriate deductions in respect of all disposal costs, expenses and other existing and future liabilities in accordance with the Trust Deed) to the Company. For the avoidance of doubt, the Trustee shall not transfer any Shares to the Company nor may the Company otherwise hold any interest in Shares whatsoever (other than its interest in the proceeds of the sale of such Shares pursuant to this provision).

21. MISCELLANEOUS

The Share Award Scheme is subject to the provisions of Chapter 23 of the GEM Listing Rules.

Any decision to be made under the Share Award Scheme, including matters of interpretation with respect to or any dispute arising in connection with the Share Award Scheme, shall be made by the Board or the committee of the Board or person to which the Board has delegated its authority. The aforesaid decision shall be final and binding.

The following is a summary of the principal terms of the Share Option Scheme which does not form part of, nor was it intended to be, part of the Share Option Scheme, nor should it be taken as affecting the interpretation of the rules of the Share Option Scheme:

1. PURPOSE

The purpose of the Share Option Scheme is to attract and retain the best available personnel of the Group, to provide additional incentive or rewards to the Eligible Option Participants for the contribution or potential contribution to the Group, and to promote the success of the business of the Group. The Share Option Scheme will give the Eligible Option Participants an opportunity to have a personal stake in the Company and will help motivate the Eligible Option Participants in optimising their performance and efficiency and attract and retain the Eligible Option Participants whose contributions are important to the long-term growth and profitability of the Group.

2. ADMINISTRATION OF THE SHARE OPTION SCHEME

The Share Option Scheme shall be subject to the administration of the Board whose decision on all matters arising in relation to the Share Option Scheme or its interpretation or application or effect shall (save as otherwise provided in the Share Option Scheme and in the absence of manifest error) be final and binding on all persons who may be affected thereby. For the avoidance of doubt, subject to compliance with the requirements of the GEM Listing Rules and the provisions of the Share Option Scheme, the Board shall have the right to (i) interpret and construe the provisions of the Share Option Scheme; (ii) determine the persons who will be offered Options under the Share Option Scheme, and the number of Shares and the subscription price of the Shares, in relation to such Options; (iii) make such appropriate and equitable adjustments to the terms of Options granted under the Share Option 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 Option Scheme.

3. ELIGIBLE OPTION PARTICIPANTS AND THE BASIS OF ELIGIBILITY OF THE PARTICIPANTS OF THE SHARE OPTION SCHEME

Eligible Option Participants for the Share Option Scheme include:

(a) Employee Participant(s) including the director(s) and employee(s) (whether full-time or part-time) of any member of the Group (including persons who are granted Options under the Share Option Scheme as inducement to enter into employment contracts with the Group); and

(b) Service Provider(s) including person(s) who provide services to any members of the Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group, which include any independent distributor, contractor, supplier, agent, consultant or adviser to any member of the Group: (i) where the continuity and frequency of their services are akin to those of employees of the Group; or (ii) after stepping down from an employment or director position with the Group, who provide advisory services, consultancy services and/or other professional services to the Company on areas relating to the Group's principal business activities in (i) the media and entertainment business segment; and/or (ii) the cremation and funeral services businesses segment that are desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group, for example, offering specific industry advice on the Group's business and financial or commercial strategy, and provided that any placing agent or financial adviser providing advisory services for fundraising, mergers or acquisitions, and other professional services provider such as auditor or valuer who provide assurance or are required to perform their services with impartiality and objectivity are excluded from such category,

provided that the Board may, from time to time, at its absolute discretion select any Eligible Option Participant to be a Selected Option Participant.

In determining the basis of eligibility of each Eligible Option Participant, the Board would like into account of (i) the experience of the Eligible Option Participant on the Group's business; (ii) the length of service of the Eligible Option Participant with the Group (if the Eligible Option Participant is an Employee Participant); (iii) the actual degree of involvement in and/or cooperation with the Group and length of collaborative relationship the Eligible Option Participant has established with the Group (if the Eligible Option Participant is a Service Provider); and (iv) the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Option Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Option Participant is likely to be able to give or make towards the success of the Group in the future.

With respect to Employee Participants, the Board will consider, amongst others, their general working experience, time commitment (full-time or part-time), length of their service within the Group, working experience, responsibilities and employment conditions according to the prevailing market practice and industry standard, or where appropriate, contribution or potential contribution to the Group. In determining whether a person has contributed or will contribute to the Group, the Group will take into account, among other things, whether contribution has been made to or will be made to the Group in terms of operation, financial performance, prospects, growth, reputation and image of the Group.

For Service Providers, the factors in assessing whether such Service Provider is eligible to participate in the Share Option Scheme include, in particular: (i) the individual performance of relevant Service Providers; (ii) the length of business relationship with the Group; (iii) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (iv) track record in the quality of services provided to and/or cooperation with the Group; and (v) the scale of business dealings with the Group with regard to factors such as the actual or expected change in the Group's revenue or profits which is or may be attributable to the Service Provider.

Further, with respect to the eligibility of each category of the Service Providers, the Board will, on a case by case basis, specifically consider the following factors:

(1) Supplier

Service Providers under this category are mainly suppliers of services, who/which support the Group's businesses of (i) the media and entertainment business; and/or (ii) the cremation and funeral services business that are desirable or necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group.

The Board will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such supplier, including but not limited to: (1) the nature, reliability and quality of the services supplied; (2) the value of the services provided by the relevant supplier; (3) the frequency of collaboration and length of business relationship with the Group; (4) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (5) the background, reputation and track record of the relevant supplier; (6) the replacement cost of such supplier and/or the services (including continuity and stability of supply or provision of such goods or services); and (7) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such supplier could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the services supplied and/or provided by such supplier.

(2) Independent contractor, agent, consultant and adviser

Service Providers under this category are mainly independent contractors, agents, consultants and advisers who provide advisory services, consultancy services and/or other professional services to the Group on areas relating to the Group's principal business activities in (i) the media and entertainment business; and/or (ii) the cremation and funeral services business that are desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group by way of introducing new customers or business opportunities to the Group and/or applying their specialised skills and/or knowledge in the abovementioned fields.

The Board will, on a case by case basis, take into account both qualitative and quantitative factors when determining the eligibility of such contractor, agent, consultant and/or adviser, including but not limited to: (1) individual performance of the relevant contractor, agent, consultant and/or adviser; (2) their knowledge, experience and network in the relevant industry; (3) the frequency of collaboration and length of business relationship with the Group; (4) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (5) the background, reputation and track record of the relevant contractor, agent, consultant and/or adviser; (6) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such contractor, agent, consultant and/or adviser could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by services provided by such contractor, agent, consultant and/or adviser; (7) the replacement cost of such contractor, agent, consultant and/or adviser (including continuity and stability of provision of the necessary services); and (8) other factors, including but not limited to the capability, expertise, technical know-how and/or business connections of the relevant contractor, agent, consultant and/or adviser, and/or the synergy between the relevant contractor, agent, consultant and/or adviser and the Group.

4. GRANT AND ACCEPTANCE OF OPTIONS

The Board shall, subject to the terms of the Share Option Scheme and the GEM Listing Rules, be entitled (but shall not be bound) at any time and from time to time on any Business Day within a period of ten (10) years commencing on the adoption date on 2 May 2024 to make an Offer to such Eligible Option Participant as it may in its absolute discretion select, and subject to such conditions as the Board may think fit, to subscribe for such number of Shares (being a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof) as the Board may, subject to paragraph (7) below, determine the subscription price pursuant to paragraph (6) below, provided that no such grant 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 the Directors of any applicable securities laws and regulations in any jurisdiction.

An Offer shall be made to Eligible Option Participants in writing (and unless so made shall be invalid) in such form as the Board may from time to time determine either generally or on a case-by-case basis specifying the number of Shares and the Option Period in respect of which the Offer is made and further requiring the Eligible Option Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the Share Option Scheme and shall remain open for acceptance by the Eligible Option Participant concerned (and by no other person, including his or her Personal Representative(s)) for a period of twenty-one (21) days inclusive of, and from the Offer Date provided that no such Offer shall be open for acceptance after the earlier of the Termination Date or the termination of the Share Option Scheme.

An Offer shall be deemed to have been accepted by an Eligible Option Participant concerned in respect of all Shares which are offered to such Eligible Option Participant when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Option Participant with the number of Shares in respect of which the Offer is accepted as stated therein, together with a remittance in favour of the Company of HK$1.00 by way of consideration for the grant thereof is received by the Company.

Any Offer may be accepted by an Eligible Option Participant in respect of less than the number of 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.

5. VESTING PERIOD

Save for the circumstances prescribed below, an Option must be held by the Grantee for at least twelve (12) months before the Option can be exercised.

The Board (or the remuneration committee of the Company where it relates to grants of Options to an Employee Participant who is a Director and/or senior manager of the Company) may at its discretion grant a shorter vesting period to an Employee Participant in the following circumstances:

(a) grants of "make-whole" Option(s) to new joiners to replace the share options they forfeited when leaving the previous employers;

(b) grants to an Employee Participant whose employment is terminated due to death or occurrence of any out of control event;

(c) grants that are made in batches during a year for administrative and compliance reasons, which include Options that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the Option would have been granted;

(d) grants of Options with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of twelve (12) months; or

(e) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

6. EXERCISE OF OPTIONS AND SUBSCRIPTION PRICE OF SHARES

An Option may be exercised in whole or in part by the Grantee (or, as the case may be, his Personal Representative(s)) giving notice in writing to the Company stating that the Option is thereby exercised and the number of Shares in respect of which it is so exercised. Each of such notice must be accompanied by a remittance for the full amount of the subscription price for the Shares in respect of which the notice is given. Within twenty-eight (28) days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate of the Company's auditors or independent financial advisers, the Company shall accordingly allot and issue the relevant number of Shares to the Grantee (or, in the event of an exercise of Option by his or her Personal Representative, to the estate of the Grantee) credited as fully paid and instruct the share registrar of the Company to issue to the Grantee (or his or her Personal Representative(s)) a share certificate for the Shares so allotted.

Holders of the Options are not entitled to voting, dividend, transfer and other rights of the holders of the Shares, including those arising on a liquidation of the Company, save as otherwise provided in paragraph 23 to this Appendix or under the relevant laws or the memorandum of association and the Bye-laws in effect from time to time.

The subscription price for Shares to be subscribed under the Share Option Scheme may be determined by the Board at its absolute discretion, provided that it shall not be 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 Offer Date, which must be a Business Day;

(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 Business Days immediately preceding the Offer Date; and

(c) the nominal value of the Share on the Offer Date.

Where a relevant Option is to be granted under paragraph (8) or (9), for the purposes of the sub-paragraph (a) and (b) above, the date of the Board meeting at which the grant was proposed shall be taken to be the Offer Date for such relevant Option, and the provisions as set above shall apply *mutatis mutandis*.

7. MAXIMUM NUMBER OF SHARES AVAILABLE FOR ISSUE

(a) Subject to the GEM Listing Rules, the total number of Shares which may be issued in respect of all Options which may be granted at any time under the Share Option Scheme, all Awards which may be granted at any time under the Share Award Scheme, together with options and awards which may be granted under any other share schemes for the time being of the Company shall not exceed such number of Shares as equals to 10% of the issued share capital of the Company as at the date of SGM, unless Shareholders' approval has been obtained pursuant to sub-paragraphs (c) and (d) below. Options lapsed in accordance with the terms of the Share Option Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

(b) Subject to the limit mentioned in (7)(a) above, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Options which may be granted at any time under the Share Option Scheme, all Awards which may be granted at any time under the Share Award Scheme, together with options and awards which may be granted under any other share schemes for the time being of the Company to Service Providers shall not exceed such number of Shares as equals to 1 % of the issued share capital of the Company as at the Adoption Date (i.e. the Service Provider Sublimit).

(c) The Company may seek approval of the Shareholders in general meeting to refresh the Scheme Mandate Limit and/or the Service Provider Sublimit under the Share Option Scheme after three (3) years from the adoption date on 2 May 2024 (or the date of Shareholders' approval for the last refreshment), provided that the limit so refreshed must not exceed 10% of the relevant class of Shares in issue as at the date of passing the relevant resolution. The Company must send a circular to the Shareholders containing such information as required under the GEM Listing Rules. Any refreshment of the Scheme Mandate Limit and/or the Service Provider Sublimit to be made within three (3) years from the adoption date on 2 May 2024 (or the date of Shareholders' approval for the last refreshment) shall be subject to independent Shareholders' approval pursuant to Rule 23.03C(1) of the GEM Listing Rules.

(d) The Company may also seek separate approval of the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit provided that the Options in excess of the Scheme Mandate Limit are granted only to Eligible Option Participants specifically identified by the Company before such approval is sought. For the purpose of seeking approval of Shareholders under this sub-paragraph (d), the Company must send a circular to the Shareholders containing a generic description of the specified Eligible Option Participants who may be granted such Options, the number and terms of Options to be granted, the purpose of granting Options to the specified Eligibl Option Participants with an explanation as to how the terms of the Options serve such

purpose and such other information as required under the GEM Listing Rules. The number and terms (including the subscription price) of Options to be granted to such Eligible Option Participant must be fixed before Shareholders' approval and the date of Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the subscription price.

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

Any grant of Options to a Director, a chief executive of the Company or substantial Shareholder (as defined under the GEM Listing Rules), 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 an Option).

Where Options or awards are proposed to be granted to an independent non-executive Director or a substantial Shareholder (as defined in the GEM Listing Rules) or any of their respective associates and if such grant would result in the Shares issued and to be issued in respect of all options and awards granted and to be granted (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) to such person in any twelve (12)-month period up to and including the date of grant representing in aggregate over 0.1% of the total issued Shares, such further grant of Options or awards must be approved by Shareholders in a general meeting of the Company with such Grantee, his/her associates and all core connected persons of the Company abstaining from voting in favour of the proposed grant at such general meeting. Parties that are required to abstain from voting in favour at the general meeting pursuant to Rule 23.04(1) of the GEM 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. Any vote taken at the general meeting to approve the grant of such Options or awards must be taken on a poll and comply with the requirements under the GEM Listing Rules.

A circular must be prepared by the Company explaining the proposed grant, containing, among other matters, (i) details of the number and terms of the Options or awards to be granted to each Eligible Option Participant, which must be fixed before Shareholders' approval; (ii) the views of the independent non-executive Directors (excluding any independent non-executive Director who and whose associate is a Grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting; and (iii) information as may be required by the Stock Exchange from time to time.

Shareholders' approval in a general meeting is also required for any change in the terms of Options granted to an Eligible Option Participant who is a substantial Shareholder (as defined in the GEM Listing Rules) or an independent non-executive Director, or any of their respective associates.

9. MAXIMUM ENTITLEMENT OF EACH ELIGIBLE OPTION PARTICIPANT

Where any grant of Options to an Eligible Option Participant would result in the Shares issued and to be issued in respect of all options and awards granted to such Eligible Option 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 over 1% of the Shares in issue, such grant must be separately approved by the Shareholders in general meeting with such Eligible Option Participant and his/her close associates (or associates if the Eligible Option 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 Option Participant, the number and terms of the Options to be granted (and options previously granted to such Eligible Option Participant in the twelve (12)-month period), the purpose of granting Options to the Eligible Option Participant, an explanation as to how the terms of the Options serve such purpose and such information as may be required by the Stock Exchange from time to time. The number and terms (including the subscription price) of Options to be granted to such Eligible Option Participant must be fixed before Shareholders' approval and the date of Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

10. TIME OF EXERCISE OF OPTIONS

Subject to the terms of the Share Option Scheme, an Option may be exercised in whole or in part at any time during the period to be determined and notified by the Directors to the Grantee thereof at the time of making an Offer provided that such period shall not exceed the period of ten (10) years from the date of the grant of the particular Option but subject to the provisions for early termination of the Share Option Scheme.

The Board may at its discretion specify any condition in the offer letter at the grant of the relevant Option which must be satisfied before an Option may be exercised. Save as determined by the Board on a case-by-case basis taking into account the nature of the duties of and services provided by the Eligible Participant(s) and set out in the offer of the grant of the relevant Option at the discretion of the Board, there is no performance target which must be achieved before an Option can be exercised under the terms of the Share Option Scheme, and save as set out in paragraphs 12 to 17, there is no any clawback mechanism for the Company to recover or withhold any Options granted to any Eligible Option Participant.

11. RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS

Grant of Options may not be made:

(a) after inside information (having the meaning defined in the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong) has come to the knowledge of the Company until (and including) the trading day after it has been announced pursuant to the requirements of the GEM Listing Rules; and

(b) during the period commencing from one (1) month immediately preceding the earlier of:

(i) the date of the meeting of the Board (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for approving the Company's results for any year, half-year or quarter-year period or any other interim period (whether or not required under the GEM Listing Rules); and

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

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

For the avoidance of doubt, in compliance with the GEM Listing Rules, a Director must not deal in any securities of the Company (and no Options may be granted to a Director) on any day on which its financial results are published and:

(i) during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(ii) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results,

unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met as described in Rule 5.67 of the GEM Listing Rules.

12. RIGHTS ARE PERSONAL TO GRANTEES

An Option shall be personal to the Grantee and shall not be assignable 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 Option or enter into any agreement so to do. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any Option or any part thereof granted to such Grantee to the extent not already exercised.

13. RIGHTS ON CESSATION OF EMPLOYMENT OR DIRECTORSHIP

If the Grantee of an Option is an employee or a director of the Group and ceases to be an Eligible Option Participant by reason of voluntary resignation or dismissal or upon expiration of his or her term of directorship (unless immediately renewed upon expiration), or by termination of his or her employment or directorship on any one or more of the grounds that he or she has been guilty of persistent or serious misconduct, or has become bankrupt or has become insolvent or has made any arrangement or composition with his or her creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute) or any other ground(s) on which the Group would be entitled to terminate the Grantee's employment or directorship pursuant to any applicable law before exercising the Option in full, his or her Option (to the extent not already exercised) will lapse on the date of cessation or termination and not be exercisable.

14. RIGHTS ON DEATH

If the Grantee of an Option ceases to be an Eligible Option Participant by reason of his or her death before exercising the Options in full, and where the Grantee is an employee or a director of the Group, none of the events referred to in paragraph (13) above as ground for termination of his or her employment or directorship arises, his or her Personal Representative(s) may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the terms of the Share Option Scheme within a period of twelve (12) months following the date of death, or up to the expiration of the Option Period, whichever is earlier, failing which it will lapse. If any of the events referred to in paragraphs (18) to (20) below occurs during such period, his or her Personal Representative(s) may exercise the Option pursuant to paragraphs (18) to (20) respectively.

15. RIGHTS ON ILL-HEALTH OR RETIREMENT

If the Grantee of an Option is an employee or a director of the Group ceases to be an Eligible Option Participant by reason of ill-health or retirement as an employee in accordance with his or her contract of employment before exercising the Option in full, he or she may exercise the Option (to the extent not already exercised) in whole or in part in accordance with the terms of the Share Option Scheme within a period of three (3) months following the date of such cessation, failing which it will lapse. The date of cessation shall be the last day on which the

Grantee is actually at work with the Group whether salary is paid in lieu of notice or not. If any of the events referred to in paragraphs (18) to (20) below occurs during such period, he or she may exercise the Option pursuant to paragraphs (18) to (20) respectively.

16. RIGHTS ON CESSATION FOR OTHER REASONS

If the Grantee of an Option who is an employee or a director of the Group ceases to be an Eligible Option Participant for any reason other than the reasons set out in paragraphs (13) to (15) above, his or her Option (to the extent not already exercised) will lapse on the date of cessation of his or her employment with the Group.

17. RIGHTS ON BREACH OF CONTRACT

If the Grantee of an Option who is a Service Provider ceases to be an Eligible Option Participant by reason of breach of contract entered into between such Eligible Option Participant and the Group, or termination of his/her/its engagement or appointment, in the absolute determination of the Board or the Board in its sole and absolute opinion believes such Grantee has become a competitor of the Group, or the Grantee has become bankrupt or has become insolvent or has made any arrangement or composition with his/her/its creditors generally, has committed any serious misconduct, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute), the Options (to the extent not already exercised) shall lapse on the date of the Board's determination and not be exercisable.

Note: Paragraphs 13, 15 and 16 do not apply to a Grantee who is not an employee or a director of the Group. Unlike employees or directors who are employed or appointed on a continuous basis, the relationship between the Group and the Grantees who are not employees or directors are based on different contracts which may or may not be consecutive or continuous in nature and may be on a project or order basis.

18. RIGHTS ON A GENERAL OFFER

In the event of a general or partial offer, whether by way of take-over offer, share repurchase offer, or scheme of arrangement or otherwise in like manner being made to all Shareholders (or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert (as defined in the Takeovers Code) with the offeror) and such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders during the Option Period of the relevant Option, the Grantee (or his or her Personal Representative(s)) shall be entitled to exercise the Option in full (to the extent not already exercised) at any time within one (1) month after the date on which such offer becomes or is declared unconditional, or within one (1) month after the record date for entitlements under the scheme of arrangement, as the case may be.

19. RIGHTS ON WINDING UP

In the event a notice is given by the Company to its Shareholders to convene a special general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as it despatches such notice to each Shareholder give notice thereof to all Grantees and any Grantee or his or her Personal Representative(s) may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate subscription price in respect of the relevant Option (such notice shall be received by the Company no later than two (2) Business Days prior to the proposed general meeting) exercise the Option (to the extent not already exercised) either to its full extent or to the extent that he or she may specify in his or her notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot and issue such number of Shares to the Grantee credited as fully paid.

20. RIGHTS ON RECONSTRUCTION, COMPROMISE OR ARRANGEMENT

If a compromise or arrangement between the Company and the Shareholders or its creditors being proposed for the purpose of or in connection with a scheme for the reconstruction or amalgamation of the Company, the Company shall give notice thereof to all Grantees on the same date as it gives notice of the meeting to the Shareholders or creditors to summon a meeting to consider such a scheme or arrangement and the Options (to the extent not already exercised) shall become exercisable in whole or in part on such date until the earlier of (i) two (2) months after that date or (ii) at any time not later than two (2) Business Days prior to the date of the meeting directed to be convened by the court for the purposes of considering such a scheme or arrangement (the "**Suspension Date**"), accompanied by a remittance of the full amount of the aggregate subscription price for the Shares in respect of which the notice is given exercise the Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice and the Company shall as soon as possible and in any event no later than 3:00 p.m. on the Business Day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee or his or her Personal Representative(s) which falls to be issued on such exercise of the Option credited as fully paid and register the Grantee as holder thereof. With effect from the Suspension Date, the rights of all Grantees to exercise their respective Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Options shall, to the extent that they have not been exercised, lapse and terminated.

21. CANCELLATION OF OPTIONS

Any Option granted but not exercised may not be cancelled except with the written consent of the relevant Grantee and the prior approval of the Directors. Where the Company cancels Options and makes a new grant to the same Grantee, such new grant may only be made under the Share Option Scheme with available unissued Options within the limit approved by the Shareholders pursuant to paragraph (7). The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

22. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration in the capital structure of the Company by way of 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 while any Option remains exercisable), such corresponding alterations (if any) will be made in (i) the number or nominal amount of Shares subject to the Share Option Scheme or any Option so far as such Option remains unexercised; and/or (ii) the subscription price per Share as the auditors or independent financial advisers for the time being of the Company shall at the request of the Company or any Grantee certify in writing to be in their opinion fair and reasonable (other than in the case of capitalisation issue), provided that any such adjustment shall be made on the basis that the Grantee shall have the same proportion of the issued share capital of the Company to which he or she would have been entitled to had he or she exercised all the Options held by him or her immediately prior to such event and the aggregate subscription price payable by the Grantee on the full exercise of any Option shall remain as nearly as possible the same as (but not greater than) it was before such event, but so that no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value and the issue of securities of the Company as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment. Save in the case of capitalisation issue, the auditors or independent financial advisers for the time being of the Company must confirm to the Directors in writing that such adjustment(s) satisfy the aforesaid requirements.

23. RANKING OF SHARES

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Bye-laws for the time being in force and will rank *pari passu* in all respects with the fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members (the "**Exercise Date**") and accordingly will entitle the holders of Shares to participate in all dividends or other distributions paid or made on or after the Exercise Date other than any dividends or other distributions previously declared or recommended or resolved to be paid or made with respect to a record date which shall be before the Exercise Date. A Share allotted upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered onto the register of members of the Company as the holder thereof.

24. DURATION OF THE SHARE OPTION SCHEME

The Share Option Scheme shall continue in force for the period commencing from the adoption date on 2 May 2024, and expiring at the close of business on the date which falls ten (10) years after the adoption date on 2 May 2024, after such period no further Options will be granted but the provisions of the Share Option Scheme shall remain in full force and effect in respect of any Options granted before its expiry or termination but not yet exercised.

25. ALTERATIONS TO THE TERMS OF THE SHARE OPTION SCHEME

Save for the provisions prescribed below, the Share Option Scheme may be altered in any respect by a resolution of the Board or administrator of the Share Option Scheme without the approval of Shareholders in general meeting.

(a) The provisions relating to the matters set out in Rule 23.03 of the GEM Listing Rules cannot be altered to the advantage of Eligible Option Participants without the prior approval of Shareholders in a general meeting.

(b) Any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by Shareholders, except where the alterations take effect automatically under the existing terms of the Share Option Scheme.

(c) Any change to the authority of the Directors or the administrator of the Share Option Scheme to alter the terms of Share Option Scheme must be approved by the Shareholders in a general meeting.

(d) The amended terms of the Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 23 of the GEM Listing Rules.

26. CONDITIONS OF THE SHARE OPTION SCHEME

The Share Option Scheme is conditional upon:

(a) the GEM Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in any new Shares which may fall to be allotted and issued by the Company upon the exercise of the Options that may be granted under the Share Option Scheme; and

(b) the passing of ordinary resolutions at the SGM approving the termination of the Existing Share Option Scheme and the adoption of the Share Option Scheme.

27. LAPSE OF OPTIONS

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

(a) the expiry of the Option Period;

(b) the date on which the Grantee commits a breach of paragraph (12);

(c) the expiry of the relevant period or the occurrence of the relevant event referred to in paragraphs (13) to (20); and

(d) the date of the commencement of the winding-up of the Company.

28. TERMINATION

The Company by ordinary resolution in general meeting may at any time terminate the operation of the Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted but not yet exercised prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

29. MISCELLANEOUS

The terms of the Share Option Scheme (and any other schemes adopted by the Company from time to time) shall be in accordance with the requirements set out in Chapter 23 of the GEM Listing Rules. The Company will comply with the relevant statutory requirements and the GEM Listing Rules from time to time in force on a continuing basis in respect of the Share Option Scheme and any other schemes of the Company. Any dispute arising in connection with the number of Shares of an Option and any of the matters referred to in paragraph (22) above 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.



Qing Hua Holding Group Company Limited
擎華控股集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8082)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the "**SGM**") of Qing Hua Holding Group Company Limited (the "**Company**") will be held at 15th Floor, Fun Tower, 35 Hung To Road, Kwun Tong, Kowloon, Hong Kong on Thursday, 2 April 2026 at 12:00 noon for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTION

1. "**THAT** conditional upon the listing committee of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in, shares of HK$0.025 each of the Company (each a "**Share**") that may be issued pursuant to further awards which may be granted by the Company under its share award scheme (the "**Share Award Scheme**") adopted by the shareholders of the Company by way of an ordinary resolution passed at the special general meeting of the Company held on 2 May 2025, and options of the Company that may be granted pursuant to further options which may be granted by the Company under its share option scheme (the "**Share Option Scheme**") adopted by the shareholders of the Company by way of an ordinary resolution passed at the special general meeting of the Company held on 2 May 2025, the Scheme Mandate Limit (as defined in the Share Award Scheme and the Share Option Scheme, which is applicable to all share awards which may be granted or awarded under the Share Award Scheme, share options which may be granted under the Share Option Scheme and any other share award scheme(s) and share option scheme(s) of the Company) be and is hereby refreshed and that the directors of the Company be and are hereby authorised to grant further share awards under the Share Award Scheme in accordance with the rules thereof pursuant to the Scheme Mandate Limit as refreshed, provided that:

   (a) the total number of Shares which may be allotted and issued pursuant to further share awards which may be granted under the Share Award Scheme, the total number of option which may be allotted and issued pursuant to further options which may be granted under the Share Option Scheme and other further options and awards which may be granted under any other share option scheme(s) and share award scheme(s) of the Company under the Scheme Mandate Limit as refreshed hereby shall not exceed 10% of the total number of Shares in issue as (excluding treasury shares) at the date of passing this resolution (the "**Refreshed Limit**"); and

(b) awards previously granted under the Share Award Scheme, options previous granted under the Share Option Scheme and options and share awards previously granted under any other share option scheme(s) and share award scheme(s) of the Company (including those outstanding, cancelled, lapsed, exercised or vested in accordance with the terms of the Share Award Scheme, Share Option Scheme or any other share option scheme(s) and share award scheme(s) of the Company) will not be counted for the purpose of calculating the Refreshed Limit."

2. **THAT** conditional upon the passing of resolution numbered 1 above and such resolution becoming unconditional, the Service Provider Sublimit (as defined in the Share Award Scheme) be and is hereby refreshed and the directors of the Company be and are hereby authorised to grant further awards to Service Providers (as defined in the Share Award Scheme and the Share Option Scheme) under the Share Award Scheme and the Share Option Scheme in accordance with the rules thereof pursuant to the Service Provider Sublimit as refreshed, provided that the total number of Shares which may be allotted and issued pursuant to further share awards and options which may be granted under the Service Provider Sublimit as refreshed hereby shall not exceed 1% of the total number of Shares in issue (excluding treasury shares) as at the date of passing this resolution."

3. **THAT** the grant of 9,040,000 Shares under Strategic Cooperation Agreement and the Share Award Scheme to Chessman Entertainment Concert Company Limited on the terms and conditions as set out in the Circular be and is hereby approved, confirmed and ratified in all respects and that any one Director be and is hereby authorised to do all such acts and/or execute all such documents as he/she may deem necessary or expedient in order to give full effect to such grant and vesting of such Shares.

By order of the Board
Qing Hua Holding Group Company Limited
Xiong Guorui
Executive Director

Hong Kong, 17 March 2026

As at the date of this notice, the board comprises an executive Director, namely Mr. Xiong Guorui, three non-executive Directors, namely Mr. Ma Xinying, Mr. Ye Chao and Ms. Yuan Xiaomei and three independent non-executive Directors, namely Dr. Ip Wai Hung, Mr. Chan Wai Man and Mr. Siu Hi Lam, Alick.

This notice for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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 announcement 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 announcement misleading.

This notice will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the day of its publication and on the website of the Company at www.8082.com.hk.

Notes:

1. All the resolutions set out in this Notice shall be decided by poll.

2. Any shareholder of the Company entitled to attend and vote at the meeting is entitled to appoint more than one proxy to attend and vote instead of him/her/it. A proxy need not be a shareholder of the Company. If more than one proxy is appointed, the number of shares in respect of which each such proxy so appointed must be specified in the relevant form of proxy. Every shareholder present in person or by proxy shall be entitled to one vote for each share held by him/her/it.

3. 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 of that power of attorney or authority, must be deposited at the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. not later than 12:00 noon on Tuesday, 31 March 2026 (Hong Kong time) or the adjourned meeting (as the case may be). Completion and return of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. In the case of an appointment of corporate representative by a corporate shareholder (other than a shareholder which is a Clearing House (as defined in the Company's bye-laws) (or its nominee(s))), a copy of the resolution of its directors or other governing body of the shareholder authorising the appointment of the corporate representative or a form of notice of appointment of corporate representative issued by the Company for such purpose or a copy of the relevant power of attorney, together with an up-to-date copy of the shareholder's constitutive documents and a list of directors or members of the governing body of the shareholder as at the date of such resolution, or, as the case may be, power of attorney, in each case certified by a director, secretary or a member of the governing body of that shareholder and notarised, must be deposited at the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the meeting (i.e. not later than 12:00 noon on Tuesday, 31 March 2026) or the adjourned meeting (as the case may be).

5. For determining the entitlement to attend and vote at the meeting, the Register of Members of the Company will be closed from Monday, 30 March 2026 to Thursday, 2 April 2026, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the SGM, unregistered holders of shares of the Company shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 27 March 2026.

6. References to time and dates in this notice are to Hong Kong time and dates.