
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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CRAZY SPORTS GROUP LIMITED

瘋狂體育集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 82)

PROPOSALS FOR
(1) GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
(2) RE-ELECTION OF DIRECTORS
(3) ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company to be held at 17/F, Tower C, Dongjin International Center, East of Yaowahu Bridge, East 4th Ring Road, Chaoyang District, Beijing, PRC on Thursday, 26 May 2022 at 10:30 a.m. is set out on pages 31 to 34 of this circular. Whether or not you are able to attend the meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjourned meeting. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish.

25 April 2022

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DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at 17/F, Tower C, Dongjin International Center, East of Yaowahu Bridge, East 4th Ring Road, Chaoyang District, Beijing, PRC on Thursday, 26 May 2022 at 10:30 a.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 31 to 34 of this circular, or any adjournment thereof;
“associates”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Branch Share Registrar”	Tricor Tengis Limited of Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong;
“Business Day”	a day on which banks generally are open for business in Hong Kong;
“Bye-laws”	the bye-laws of the Company currently in force with any amendments thereto from time to time;
“Company”	Crazy Sports Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Eligible Participant(s)”	eligible participant(s) of the New Share Option Scheme as set out in paragraph (ii) of Appendix III to this circular;
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company on 30 April 2012;
“Grantee(s)”	any Eligible Participant who accepts the Offer in accordance with the terms of the New Share Option Scheme;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Holding Company”	a company from time to time being a controlling shareholder (as defined in the Listing Rules) of the Company;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Invested Entity”	any entity in which the Group holds an equity interest;
“Issuance Mandate”	as defined in paragraph 2(b) of the letter from the Board of this circular;
“Latest Practicable Date”	14 April 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“New Share Option Scheme”	the new share option scheme which is proposed to be adopted by the Company at the AGM, the principal terms of which are set out in Appendix III to this circular;
“Offer”	an offer for the grant of an Option made in accordance with the New Share Option Scheme;
“Offer Date”	the date on which an Offer is made to an Eligible Participant;
“Option(s)”	option(s) granted or to be granted to Eligible Participant(s) to subscribe for Share(s) under the New Share Option Scheme;
“Option Period”	has the meaning ascribed to it under paragraph (vi) of Appendix III to this circular;
“PRC”	the People’s Republic of China;
“Repurchase Mandate”	as defined in paragraph 2(a) of the letter from the Board of this circular;
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Share Option(s)”	share options granted under the Existing Share Option Scheme;
“Shareholder(s)”	holder(s) of the Share(s);

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

LETTER FROM THE BOARD



CRAZY SPORTS GROUP LIMITED

瘋狂體育集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 82)

Executive Directors:

ZHANG Lijun (*Chairman*)

PENG Xitao (*Chief Executive Officer*)

CHENG Po Chuen

Independent Non-executive Directors:

LOKE Yu (alias LOKE Hoi Lam)

ZANG Dongli

ZHOU Jingping

LIU Haoming (appointed on 1 January 2022)

Registered Office:

Victoria Place, 5th Floor

31 Victoria Street

Hamilton, HM10

Bermuda

Principal place of business

in Hong Kong:

Suites 3702-3

37/F, Tower Two

Times Square

Causeway Bay

Hong Kong

25 April 2022

To the Shareholders

Dear Sir/Madam,

**PROPOSALS FOR
(1) GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
(2) RE-ELECTION OF DIRECTORS
(3) ADOPTION OF NEW SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting to be held at 17/F, Tower C, Dongjin International Centre, East of Yaowahu Bridge, East 4th Ring Road, Chaoyang District, Beijing, PRC on Thursday, 26

LETTER FROM THE BOARD

May 2022 at 10:30 a.m. relating to, among other things, (i) the granting of general mandates to the Directors for the issue and repurchase of the Shares; (ii) the re-election of Directors; and (iii) adoption of the New Share Option Scheme.

2. PROPOSED GRANTING OF THE REPURCHASE AND ISSUANCE MANDATES

At the last annual general meeting of the Company held on 7 May 2021, general mandates were granted to the Directors to exercise the powers of the Company to repurchase Shares and to issue new Shares respectively. Such mandates will lapse at the conclusion of the Annual General Meeting.

Ordinary resolutions will be proposed at the Annual General Meeting to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares on the Stock Exchange up to 10% of the total number of the Shares in issue (“**Repurchase Mandate**”) on the date of passing such resolution (i.e. up to 452,613,544 Shares on the basis that the total number of issued Shares remains unchanged on the date of the Annual General Meeting);
- (b) to allot, issue or deal with Shares up to 20% of the total number of the Shares in issue (“**Issuance Mandate**”) on the date of passing such resolution (i.e. up to 905,227,088 Shares on the basis that the total number of issued Shares remains unchanged on the date of the Annual General Meeting); and
- (c) to extend the Issuance Mandate by the total number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Company had 4,526,135,442 Shares in issue as at the Latest Practicable Date. The Repurchase Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the Annual General Meeting or any earlier date as referred to in the proposed ordinary resolutions contained in items 4 and 5 of the notice of the Annual General Meeting as set out on pages 31 to 34 of this circular. With reference to the Repurchase Mandate and the Issuance Mandate, the Directors wish to state that they have no immediate plan to repurchase any Shares or issue any Shares pursuant thereto.

In accordance with the requirements of the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

LETTER FROM THE BOARD

3. PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 102.(B) of the Bye-laws, the Directors shall have power from time to time to appoint any person as a Director as an addition to the Board. Any Director so appointed by the Board shall hold office only until the next following general meeting of the Company or until the next following annual general meeting and shall then be eligible for re-election at that meeting. Ms. Liu Haoming (“**Ms. Liu**”), who was appointed as an independent non-executive Director with effective date from 1 January 2022, will hold office until the Annual General Meeting and, being eligible, will offer herself for re-election.

Pursuant to Bye-law 99.(A) of the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. Dr. Zhang Lijun (“**Dr. Zhang**”) and Dr. Loke Yu will retire by rotation at the Annual General Meeting. Dr. Zhang, being eligible, will offer himself for re-election, whereas Dr. Loke Yu will not offer himself for re-election.

Pursuant to Rule 13.74 of the Listing Rules, an issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any directors proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders’ approval at that relevant general meeting. The requisite details of Dr. Zhang and Ms. Liu are set out in Appendix II to this circular. Separate resolutions will be proposed at the Annual General Meeting for re-election of each retiring Director.

4. PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME

Existing Share Option Scheme

Pursuant to (i) an ordinary resolution passed by the Shareholders at an annual general meeting on 27 April 2012, the Company had adopted the Existing Share Option Scheme, pursuant to which the Board was authorised to grant Share Options to any eligible participants, including any employee, executive (including executive director), non-executive and independent non-executive director, manager, consultant and adviser of any member of the Group, or any Holding Company or any Invested Entity; and (ii) an ordinary resolution passed by the Shareholders at an annual general meeting on 28 May 2019, the 10% General Scheme Limit of the Existing Share Option Scheme had been refreshed.

Subsequent to the adoption and refreshment of the Existing Share Option Scheme and up to the Latest Practicable Date, a total of 417,000,000 Share Options had been granted by the Company, immediately vested and exercisable upon date of grant, under the Existing Share Option Scheme to subscribe for an aggregate of 417,000,000 Shares, out of which 73,910,000 Share Options were exercised, 214,900,000 Share Options were lapsed, and 128,190,000 Share

LETTER FROM THE BOARD

Options remain outstanding. The Directors confirm that no further Share Options will be granted under the Existing Share Option Scheme from the Latest Practicable Date up to and including 29 April 2022. The Existing Share Option Scheme will expire on 30 April 2022.

Details of the Share Options granted under the Existing Share Option Scheme are set out below:

Categories	Date of grant	Number of Share Options granted	Number of Share Options exercised	Number of Share Options lapsed	Number of Share Options held as at Latest Practicable Date	Exercise price (HK\$)
Directors						
Zhang Lijun	9-Sep-2013	1,500,000	—	(1,500,000)	—	0.604
	17-Apr-2014	2,100,000	—	(2,100,000)	—	0.750
	16-Oct-2015	3,000,000	—	(3,000,000)	—	0.570
	2-Sep-2016	2,000,000	—	(2,000,000)	—	0.371
	25-Jan-2018	2,000,000	(2,000,000)	—	—	0.229
	19-Mar-2021	1,000,000	—	—	1,000,000	1.120
	Subtotal	11,600,000	(2,000,000)	(8,600,000)	1,000,000	
Peng Xitao	19-Mar-2021	2,000,000	—	—	2,000,000	1.120
Cheng Po Chuen	30-Mar-2020	15,000,000	—	—	15,000,000	0.385
	5-Oct-2020	10,000,000	—	—	10,000,000	0.385
	19-Mar-2021	2,000,000	—	—	2,000,000	1.120
	Subtotal	27,000,000	—	—	27,000,000	
Loke Yu (alias Loke Hoi Lam)	9-Sep-2013	400,000	—	(400,000)	—	0.604
	17-Apr-2014	400,000	—	(400,000)	—	0.750
	16-Oct-2015	2,000,000	—	(2,000,000)	—	0.570
	2-Sep-2016	700,000	—	(700,000)	—	0.371
	25-Jan-2018	750,000	(750,000)	—	—	0.229
	5-Jul-2019	1,000,000	—	—	1,000,000	0.385
	5-Oct-2020	500,000	—	—	500,000	0.385
	Subtotal	5,750,000	(750,000)	(3,500,000)	1,500,000	
Zang Dongli	30-Mar-2020	3,000,000	—	—	3,000,000	0.385
Zhou Jingping	5-Oct-2020	3,000,000	—	—	3,000,000	0.385
Former Directors						
Wang Chun	9-Sep-2013	1,500,000	—	(1,500,000)	—	0.604
	17-Apr-2014	2,100,000	—	(2,100,000)	—	0.750
	16-Oct-2015	5,700,000	—	(5,700,000)	—	0.570
	2-Sep-2016	2,000,000	—	(2,000,000)	—	0.371
	25-Jan-2018	3,000,000	—	(3,000,000)	—	0.229
	Subtotal	14,300,000	—	(14,300,000)	—	
Ji Qiang	17-Apr-2014	200,000	—	(200,000)	—	0.750
	16-Oct-2015	1,000,000	—	(1,000,000)	—	0.570
	25-Jan-2018	750,000	(750,000)	—	—	0.229
	5-Jul-2019	3,000,000	(2,000,000)	—	1,000,000	0.385
	5-Oct-2020	3,000,000	—	—	3,000,000	0.385
	Subtotal	7,950,000	(2,750,000)	(1,200,000)	4,000,000	

LETTER FROM THE BOARD

Categories	Date of grant	Number of Share Options granted	Number of Share Options exercised	Number of Share Options lapsed	Number of Share Options held as at Latest Practicable Date	Exercise price (HK\$)
Gong Zhankui	16-Oct-2015	2,000,000	—	(2,000,000)	—	0.570
	2-Sep-2016	700,000	—	(700,000)	—	0.371
	25-Jan-2018	750,000	—	(750,000)	—	0.229
	5-Jul-2019	1,000,000	—	—	1,000,000	0.385
	5-Oct-2020	500,000	—	—	500,000	0.385
Subtotal		4,950,000	—	(3,450,000)	1,500,000	
Wang Linan	9-Sep-2013	300,000	(300,000)	—	—	0.604
	17-Apr-2014	300,000	—	(300,000)	—	0.750
	16-Oct-2015	2,000,000	—	(2,000,000)	—	0.570
	2-Sep-2016	700,000	—	(700,000)	—	0.371
	25-Jan-2018	750,000	—	(750,000)	—	0.229
	5-Jul-2019	1,000,000	(1,000,000)	—	—	0.385
	5-Oct-2020	500,000	(500,000)	—	—	0.385
Subtotal		5,550,000	(1,800,000)	(3,750,000)	—	
Wang Zhichen	9-Sep-2013	300,000	—	(300,000)	—	0.604
	17-Apr-2014	300,000	—	(300,000)	—	0.750
Subtotal		600,000	—	(600,000)	—	
Employees	13-Sep-2012	6,000,000	(4,300,000)	(1,700,000)	—	0.700
	9-Sep-2013	6,000,000	(5,500,000)	(500,000)	—	0.604
	17-Apr-2014	14,600,000	—	(14,600,000)	—	0.750
	16-Oct-2015	32,300,000	(23,500,000)	(8,800,000)	—	0.570
	2-Sep-2016	8,900,000	(5,000,000)	(3,900,000)	—	0.371
	25-Jan-2018	12,000,000	(12,000,000)	—	—	0.229
	3-May-2018	150,000,000	—	(150,000,000)	—	0.550
	5-Jul-2019	42,000,000	(5,310,000)	—	36,690,000	0.385
	30-Mar-2020	2,000,000	(500,000)	—	1,500,000	0.385
	5-Oct-2020	29,500,000	(500,000)	—	29,000,000	0.385
	19-Mar-2021	4,000,000	—	—	4,000,000	1.120
	Subtotal		307,300,000	(56,610,000)	(179,500,000)	71,190,000
Consultants						
Former consultants (Number of former consultants = 6)	5-Jul-2019	16,000,000	(10,000,000)	—	6,000,000	0.385
Consultants (Number of consultants = 3)	5-Jul-2019	4,000,000	—	—	4,000,000	0.385
	30-Mar-2020	3,000,000	—	—	3,000,000	0.385
	19-Mar-2021	1,000,000	—	—	1,000,000	1.120
Subtotal		8,000,000	—	—	8,000,000	
Total		<u>417,000,000</u>	<u>(73,910,000)</u>	<u>(214,900,000)</u>	<u>128,190,000</u>	

LETTER FROM THE BOARD

The Company had granted Share Options to three consultants and six former consultants under the Existing Share Option Scheme who provided corporate and strategic advisory services to facilitate the business development of the Group and to introduce potential business partners to the Group (Note). Save as disclosed, no consultants have any continuing relationship with the Group and its connected persons. In return for the services provided, the Company has granted Share Options to these consultants as compensation. As the consultants will have the opportunities to become a shareholder of the Company when they exercise the Share Options, these consultants will be more committed to the success of the Group as their compensation will hinge on the Company's performance and thus the Company considered that a grant of Share Options could provide more incentives to them to provide more valuable advice to the Group than a fixed consultancy fee, which is in line with the purpose of the Existing Share Option Scheme. Furthermore, there will not be any actual cash outflow of the Group by granting Share Options to provide incentives to the consultants.

New Share Option Scheme

The purpose of the New Share Option Scheme is to enable the Company to continue to grant Options to the Eligible Participants who, in the sole discretion of the Board, have made or may make contribution to the Group as well as to provide incentives and help the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct economics interest in attaining the long term business objectives of the Group. There are no differences in major terms between the New Share Option Scheme and the Existing Share Option Scheme.

The rules of the New Share Option Scheme provide that the Company may specify the Eligible Participants to whom Options shall be granted, the number of Shares subject to each Option and the date on which the Options shall be granted. The basis for determining the subscription price is also specified precisely in the rules of the New Share Option Scheme.

In determining the basis of eligibility of each Eligible Participant, the Board would take into account such factors as the Board may at its discretion consider appropriate. In respect of Eligible Participants who are employees and directors of the Group, the Board will assess the eligibility of the Eligible Participants based on their individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, or where appropriate, contribution to the revenue, profits or business development of the Group during the financial year or in the future.

Note: One former consultant of the Group, who provided advisory services to the Company on investor relationships in Hong Kong for about two years until 2019, and one current consultant of the Group, who has been providing consultancy services and introduced business partners to the Group for more than five years, had received consultancy fees in addition to Share Options from the Group as compensation for their services. Save as the foregoing, the other consultants of the Group, who provided or have been providing (as applicable) advisory services for about one to three years in relation to strategic development of the business of the Group that led to the long-term development and growth of the Group, had received Share Options but did not receive any consultancy fees from the Group as compensation for their services.

LETTER FROM THE BOARD

While the scope of the Eligible Participants does not limit to the employees and directors of the Group, the Board considers that there can be circumstances when other Eligible Participants would make contribution to the Group. As the purpose of the New Share Option Scheme is to recognize contributions made and to be made to attain long term business objectives of the Group, the Board is of the view that the wide scope of Eligible Participants will allow flexibility to provide incentives to those Eligible Participants who will contribute to the Group. No Options would be granted to persons who would not or may not contribute to the Group. The Board is of the view that the grant of Options to such other Eligible Participants would not only align the interest of the Group with these Grantees but also provide incentives and rewards for (i) their participation and involvement in promoting the business of the Group, (ii) their joint and collaborative efforts in co-creating value for the Group's customers, and (iii) maintaining a good and long-term relationship with the Group. The Board believes that through the grant of Options, such other Eligible Participants will have a common goal as the Group in the growth and development of the Group's business. Furthermore, the Board believes that rewarding customers and shareholders of any member of the Group with Options would act as an incentive to continue their existing relationship with the Group as well as encouraging them to introduce potential business opportunities or business partners to the Group, hence benefiting the long-term development of the Group. In assessing the eligibility of an Eligible Participant other than directors or employees of the Group, the Board will take into account a wide range of factors, including but not limited to the scale of their business dealings with the Group (in terms of fees payable to them, if applicable), the length of business relationships between them and the Group, the positive impacts they have brought to the Group's business development and such other factors as the Board may at its discretion consider appropriate.

In respect of Eligible Participants who are consultants of the Group, the Board considers it appropriate to include those persons who are not directors or employees of any member of the Group, but who may otherwise contribute to the success of the Group, as the long-term growth and development of the Group requires the co-operation and contributions from such parties who play a vital role as consultants of the Group. The grant of Options under the New Share Option Scheme may serve to offer incentives for the consultants to provide the Group with improved services, more valuable advice and/or valuable assistance in business development and collaboration opportunities, thereby cultivating sustainable relationships with the Group, which in turn contribute to the long-term development and growth of the Group and is in line with the purpose of the New Share Option Scheme. In determining the granting of Options to Eligible Participants who are consultants of the Group, the Company would consider the individual performance of the Eligible Participants, their contributions to the profits and business development of the Group and such other factors as the Board may at its discretion consider appropriate.

The New Share Option Scheme does not stipulate either a minimum period for which an Option must be held or any performance targets a Grantee is required to achieve before an Option can be exercised. The Board may however specify in the Offer of grant of an Option the minimum period, if any, for which an option must be held or performance targets, if any,

LETTER FROM THE BOARD

that must be achieved before the Option can be exercised. The Directors believe that will provide the Board with more flexibility in setting the terms of the Options having considered the particular circumstances of each grant with an aim to offer valuable incentive to attract and retain quality personnel and other persons to work to increase the value of the Company.

Although the New Share Option Scheme is not subject to any performance target and does not prescribe any minimum period for which an Option must be held before it can be exercised, the Board believes that:

- (i) the requirement for a minimum subscription price;
- (ii) the selection criteria prescribed by the rules of the New Share Option Scheme; and
- (iii) the necessary conditions that may be imposed by the Board as it thinks fit when offering to grant an Option to any Eligible Participant (including specifying specific performance targets),

will serve to protect the value of the Shares as well as to achieve the purpose of the New Share Option Scheme.

A resolution will be proposed at the AGM to seek approval of the Shareholders for the Board to grant Options under the New Share Option Scheme for the subscription of not more than 10% of the entire issued capital of the Company (excluding, for this purpose, share options which have lapsed in accordance with the terms of any other share option scheme of the Group, and the outstanding Share Options granted and yet to be exercised pursuant to the Existing Share Option Scheme) as at the date of the passing of the relevant resolution.

As at the Latest Practicable Date, there were 4,526,135,442 Shares in issue. Assuming that no further Share will be allotted, issued or repurchased prior to the AGM, the total number of the Shares issuable pursuant to the New Share Option Scheme would be 452,613,544 Shares, representing 10% of the total number of Shares in issue as at the date of approval of the New Share Option Scheme, which is within the overall limit of 30% prescribed under Rule 17.03(3) of the Listing Rules. The number of 452,613,544 Options under the New Share Option Scheme together with the 128,190,000 outstanding Share Options under the Existing Share Option Scheme represent approximately 12.83% of the issued share capital of the Company as at the Latest Practicable Date (i.e. 580,803,544 Shares), which is below the 30% limit as abovementioned.

The Directors consider that it is not appropriate to state the value of all the Options that can be granted under the New Share Option Scheme as if they had been granted at the Latest Practicable Date prior to the approval of the New Share Option Scheme given that the variables which are critical for the calculation of the value of such Options cannot be determined. The variables which are critical for the determination of the value of such Options include, the subscription price for the Shares upon the exercise of the subscription rights attaching to the Options, whether or not Options will be granted under the New Share Option

LETTER FROM THE BOARD

Scheme and the timing of the granting of such Options, the period during which the subscription rights may be exercised, the discretion of the Board to impose any performance target that has to be achieved before the subscription rights attaching to the Options can be exercised and any other conditions that the Board imposed on the Options and whether or not such Options if granted will be exercised by the Grantees. The subscription price payable for the Shares depends on the price of the Shares as quoted on the Stock Exchange, which in turn depends on when the Board is to grant Options under the New Share Option Scheme. With a scheme life of ten years, the Board is of the view that it is too premature to state whether or not Options will be granted under the New Share Option Scheme, and if so, the number of Options that may be granted. It is also difficult to ascertain with accuracy the subscription price of the Shares given the volatility the Share price may be subject to during the 10-year life span of the New Share Option Scheme. In these premises, the Directors are of the view that the value of the Options depends on a number of variables which are either difficult to ascertain or can only be ascertained subject to a number of theoretical basis and speculative assumptions. Accordingly, the Directors believe that any calculation of the value of the Options will not be meaningful and may be misleading to the Shareholders in the circumstances.

As at the Latest Practicable Date, the Company does not have any concrete plans to grant Options under the New Share Option Scheme.

With respect to the operation of the New Share Option Scheme, the Company will, where applicable, comply with the relevant requirements under Chapter 17 of the Listing Rules.

None of the Directors is a trustee of the New Share Option Scheme or has a direct or indirect interest in the trustee. As at the Latest Practicable Date, the Company had not appointed and had no intention to appoint a trustee for the New Share Option Scheme.

Conditions Precedent of the New Share Option Scheme

The adoption of the New Share Option Scheme is conditional upon:

- (a) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in any Shares which may fall to be issued by the Company pursuant to the exercise of the Options in accordance with the terms and conditions of the New Share Option Scheme; and
- (b) the passing of an ordinary resolution to adopt the New Share Option Scheme by the Shareholders at the AGM.

Subject to the obtaining of the Shareholders' approval with respect to the adoption of the New Share Option Scheme at the AGM, the total number of the Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme must not in aggregate exceed 10% of the total issued capital of the Company as at the date of approval of the New Share Option Scheme by the Shareholders unless the Company obtains a fresh

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approval from Shareholders to renew the 10% limit on the basis that the maximum number of the Shares in respect of which the Options may be granted under the New Share Option Scheme together with any Options outstanding and yet to be exercised under the New Share Option Scheme and any other schemes shall not exceed 30% of the issued share capital of the Company from time to time.

A summary of the principal terms of the New Share Option Scheme which is proposed to be approved and adopted by the Company at the AGM is set out in the Appendix III to this circular on pages 22 to 30. A copy of the rules of the New Share Option Scheme is available for inspection at the Company's principal place of business in Hong Kong at Suites 3702-3, 37/F, Tower Two, Times Square, Causeway Bay, Hong Kong during normal business hours from the date hereof up to and including 26 May 2022.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolution to be proposed at the AGM. The Board confirms that to the best of their knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, there was no voting trust or other agreement or other arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his/her Shares to a third party, either generally or on a case-by-case basis.

5. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Annual General Meeting is set out on pages 31 to 34 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, *inter alia*, the granting of the Repurchase Mandate and the Issuance Mandate, extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate, re-election of Directors and the adoption of the New Share Option Scheme.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.ir.crazysports.com). 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 notarially certified copy of that power of attorney or authority, at the Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof. Completion and delivery of the form of proxy shall not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof if you so wish.

LETTER FROM THE BOARD

6. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the Annual General Meeting will therefore demand voting on the resolutions set out in the notice of the Annual General Meeting be taken by way of poll.

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy shall have one vote for every full paid Share held. A Shareholder entitled to more than one vote is under no obligation to cast all his/her votes in the same way.

After the conclusion of the Annual General Meeting, the poll results will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.ir.crazysports.com).

7. RESPONSIBILITY STATEMENT

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

8. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, the granting and extension of the Issuance Mandate, the re-election of the retiring Directors and the proposed adoption of the New Share Option Scheme are in the best interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the Annual General Meeting.

9. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Repurchase Mandate), Appendix II (Details of the Directors proposed to be re-elected at the Annual General Meeting) and Appendix III (Summary of the principal terms of the New Share Option Scheme) to this circular.

Yours faithfully,
On behalf of the Board
Crazy Sports Group Limited
ZHANG Lijun
Chairman

The following is an explanatory statement required by the Listing Rules to be sent to the Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the Annual General Meeting in relation to the granting of the Repurchase Mandate.

1. REASONS FOR REPURCHASE OF SHARES

The Directors believe that the granting of the Repurchase Mandate is in the interests of the Company and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,526,135,442 Shares.

Subject to the passing of the ordinary resolution set out in item 4 of the notice of the Annual General Meeting in respect of the granting of the Repurchase Mandate and on the basis that the total number of Shares in issue remains unchanged on the date of the Annual General Meeting, i.e. being 4,526,135,442 Shares, the Directors would be authorised under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, up to 452,613,544 Shares, representing 10% of the total number of Shares in issue as at the date of the Annual General Meeting.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws, the laws of Bermuda and/or any other applicable laws, as the case may be.

The Company is empowered by its memorandum of association and the Bye-laws to repurchase Shares. The laws of Bermuda provide that the amount of capital paid in connection with a share repurchase by a company may only be paid out of either the capital paid up on the relevant shares, or the funds of the company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for such purpose. The amount of premium payable on repurchase may only be paid out of the funds of the Company which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the shares are repurchased.

4. IMPACT OF REPURCHASES

Repurchased Shares shall be treated as cancelled and the amount of the Company's issued capital shall be diminished by the nominal value of those Shares accordingly; but the purchase of Shares under this section shall not be taken as reducing the amount of the Company's authorised share capital.

There might be a material adverse impact on the working capital or gearing position of the Company in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

5. TAKEOVERS CODE

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

To the best knowledge of the Company, as at the Latest Practicable Date, Dr. Zhang, a substantial shareholder and the single largest shareholder of the Company, together with his spouse Ms. Wang Chun ("**Ms. Wang**") were interested in 1,034,563,113 Shares representing approximately 22.86% of the total number of issued Shares. In the event that the Directors exercise the proposed Repurchase Mandate in full, the aggregate shareholding of Dr. Zhang and Ms. Wang would be increased to approximately 25.40% of the total number of issued Shares. The Directors are not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Repurchase Mandate. In addition, the Directors consider that the full exercise of the Repurchase Mandate will not lead to the percentage of the Company's public float falling below 25.0% of the total number of issued Shares.

6. GENERAL

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

7. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have traded on the Stock Exchange during each of the previous 12 months were as follows:

Month	Highest HK\$	Lowest HK\$
2021		
April	0.750	0.610
May	0.730	0.620
June	0.860	0.670
July	0.740	0.440
August	0.610	0.495
September	0.540	0.390
October	0.470	0.395
November	0.415	0.330
December	0.350	0.300
2022		
January	0.335	0.295
February	0.405	0.330
March	0.380	0.280
April (up to the Latest Practicable Date)	0.345	0.305

8. REPURCHASES OF SHARES MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the Annual General Meeting according to the Bye-laws, are provided below.

(1) DR. ZHANG LIJUN**Position and experience**

Dr. Zhang, aged 58, holds a Doctoral degree in Economics and is the Chairman of the Board. He is a Research Fellow at Stanford University and an advocate of “disruptive innovation”. Dr. Zhang is the Chairman of China Asia-Pacific Economic Cooperation (APEC) Development Council, Vice Chairman of Internet Society of China (ISC), Vice President of China Netcasting Services Association (CNSA), Honorary Chairman of Bank of Asia, Honorary President of Beijing Internet Association, Chairman of Dubai CATV, Senior Partner of CICC Qianhai Weiyi Fund. He was Chairman of the Board of the former CMGE Group, a company listed on NASDAQ. Dr. Zhang is an acclaimed entrepreneur and civil diplomat in China. With a strong innovative mind and industry leadership capabilities, he is one of the creators and leaders in China’s communication and internet netcasting industry. Dr. Zhang is also a renowned strategic investor and well-connected in the international politics and commercial circles.

Saved as disclosed above, Dr. Zhang did not hold any other directorships in any listed public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or had other major appointment and qualification and does not hold any other positions with the Company or other members of the Group.

Length of service

Dr. Zhang has entered into a service agreement with the Company. He has no fixed term of Director’s service with the Company. Dr. Zhang’s directorship with the Company is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

Relationships

Dr. Zhang is the spouse of Ms. Wang, a substantial Shareholders (as defined in the Listing Rules). Apart from this, Dr. Zhang does not have any relationships with other directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As at the Latest Practicable Date, Dr. Zhang held and was deemed to hold under the SFO in aggregate 1,034,563,113 Shares, representing approximately 22.86% of the Company's issued share capital. These 1,034,563,113 Shares comprised: (i) 72,514,113 Shares directly held by Dr. Zhang; (ii) deemed interest of 9,350,000 Shares directly held by Ms. Wang; and (iii) deemed interest of 330,199,000 Shares held by Big Step Group Limited and 622,500,000 Shares held by Blazing Ace Limited, both of which wholly owned by Avis Trend Limited. Avis Trend Limited is wholly owned by Cantrust (Far East) Limited in its capacity as the trustee of a discretionary family trust established by Dr. Zhang as settlor, and the discretionary beneficiaries of the trust include Dr. Zhang, Ms. Wang and their family members. Dr. Zhang also held 1,000,000 Shares Options.

As at the Latest Practicable Date, Dr. Zhang is also deemed to hold the following interests in the associated corporations (within the meaning of Part XV of the SFO) of the Company within the meaning of Part XV of the SFO.

Name of associated corporation	Capacity	Number of ordinary shares held	% of total issued share capital
Clear Concept International Limited (<i>Note 1</i>)	Interest of controlled corporation	98	49%
VODone Holdings Limited (<i>Note 2</i>)	Interest of controlled corporation	2	100%
Bank of Asia (BVI) Limited (<i>Note 3</i>)	Interest of controlled corporation	8,800,000	5.16%

Note 1: Clear Concept International Limited ("**Clear Concept**") is owned as to 51% by the Company and 49% by Bigland Limited, a company wholly-owned by Dr. Zhang. Dr. Zhang is deemed to be interested in Bigland Limited's 49% in Clear Concept under the SFO.

Note 2: VODone Holdings Limited ("**VODone Holdings**") is a wholly-owned subsidiary of Clear Concept. Dr. Zhang is deemed to be interested in 100% of VODone Holdings under the SFO by virtue of his deemed interest in Clear Concept.

Note 3: Bank of Asia (BVI) Limited ("**Bank of Asia**") is owned as to 45.49% by the Company and 5.16% by Oasis Sun Investments Limited ("**Oasis Sun**"), a company wholly-owned by Dr. Zhang. Dr. Zhang is deemed to be interested in Oasis Sun's 5.16% in BOA under the SFO.

Save as disclosed above, Dr. Zhang is not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations (within the meaning of Part XV of the SFO) pursuant to Part XV of the SFO.

Director's emoluments

Dr. Zhang's annual emoluments is HK\$18,000,000 which was determined by the Board based on the recommendation of the remuneration committee of the Company, with reference to his duties and responsibilities with the Company and the market rate for the position.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is/was Dr. Zhang involved in any of the matters required to be disclosed pursuant to any of the requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in connection with the re-election of Dr. Zhang as an executive Director.

(2) MS. LIU HAOMING**Position and experience**

Ms. Liu, aged 34, was appointed as independent non-executive Director on 1 January 2022. She has more than eight years of work experience in the fields of accounting, auditing and financing. She started her career with a leading national accounting, tax and business consulting firm in Canada in January 2013 and currently serves as an Assurance Manager. Ms. Liu is a Chartered Professional Accountant in Canada, and she holds an Honours Bachelor of Commerce degree (major in Accounting) from Laurentian University, Canada.

Saved as disclosed above, Ms. Liu did not hold any other directorships in any listed public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years or had other major appointment and qualification and does not hold any other positions with the Company or other members of the Group.

Length of service

Ms. Liu has entered into a service agreement with the Company. She has a fixed term of three years to 31 December 2024. Ms. Liu's directorship with the Company is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws.

Relationships

As far as the Directors are aware, Ms. Liu does not have any relationships with other directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

Interests in shares

As at the Latest Practicable Date, Ms. Liu is not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations (within the meaning of Part XV of the SFO) pursuant to Part XV of the SFO.

Director's emoluments

Ms. Liu's annual emoluments is HK\$120,000 which was determined by the Board based on the recommendation of the remuneration committee of the Company, with reference to her duties and responsibilities with the Company and the market rate for the position.

Information that needs to be disclosed and matters that need to be brought to the attention of the Shareholders

There is no information which is discloseable nor is/was Ms. Liu involved in any of the matters required to be disclosed pursuant to any of the requirements under rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders in connection with the re-election of Ms. Liu as an independent non-executive Director.

Set out below is a summary of the principal terms and conditions of the New Share Option Scheme to provide sufficient information to the Shareholders for their consideration of the New Share Option Scheme proposed to be adopted at the AGM.

(i) PURPOSE OF THE SCHEME

The purpose of the New Share Option Scheme is to enable the Group to grant Options to the Eligible Participants as incentives or rewards for their contribution to the Group. The Directors consider that the New Share Option Scheme, with its broadened basis of participation, absence of performance target to be achieved and minimum period for which an Option must be held unless otherwise determined by the Directors, will enable the Group to reward the employees, the Directors and other Eligible Participants for their contribution to the Group and will also assist the Group in its recruitment and retention of high calibre professionals, executives and employees who are instrumental to the growth of the Group.

(ii) WHO MAY JOIN

The Directors may, in accordance with the provisions of the New Share Option Scheme, at their absolute discretion invite any person belonging to any of the following classes of participants to take up Options to subscribe for the Shares:

- (a) any employee, executive (including any executive director but excluding any non-executive director), manager, consultant or proposed employee, manager, consultant of the Company, any of its subsidiaries (“**Subsidiary**”), any controlling shareholder (as defined in the Listing Rules) of the Company (“**Holding Company**”) or any entity (“**Invested Entity**”) in which any member of the Group holds any equity interest (“**Eligible Employees**”);
- (b) any non-executive director (including independent non-executive director) of the Company, any Subsidiary, any Holding Company or any Invested Entity;
- (c) any supplier of goods or services to any member of the Group or any Holding Company or any Invested Entity;
- (d) any customer of the Group or any Holding Company or any Invested Entity;
- (e) any person or entity that provides research, development or other technological support to the Group or any Holding Company or any Invested Entity;
- (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
- (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Holding Company or any Invested Entity; and

- (h) any joint venture partner or business alliance that co-operates with any member of the Group or any Holding Company or any Invested Entity in any area of business operation or development.

For the avoidance of doubt, the grant of any share options by the Company for the subscription of Shares or other securities of the Group to any person who falls within any of the above classes of Eligible Participants shall not, by itself, unless the Directors otherwise determine, be construed as a grant of Option under the New Share Option Scheme.

The eligibility of any of the above class of Eligible Participants to the grant of any share options shall be determined by the Directors from time to time on the basis of their contribution to the development and growth of the Group.

(iii) MAXIMUM NUMBER OF SHARES

- (a) The maximum number of Shares which may be allotted and issued upon exercise of all outstanding Options granted and yet to be exercised under the New Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the share capital of the Company in issue from time to time.
- (b) Subject to the limit mentioned in paragraph (iii)(a) above, the total number of Shares which may be allotted and issued upon exercise of all Options (excluding, for this purpose, Options which have lapsed in accordance with the terms of the New Share Option Scheme and any other share option scheme of the Company) to be granted under the New Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the Shares in issue as at the date of passing the relevant resolution adopting the New Share Option Scheme (the “**General Scheme Limit**”) provided that:
 - (aa) the Company may seek approval of the Shareholders at general meeting to refresh the General Scheme Limit (a circular containing the information required by the Listing Rules to be despatched to Shareholders for that purpose) provided that the total number of Shares which may be allotted and issued upon exercise of all Options to be granted under the New Share Option Scheme and any other share option scheme of the Company must not exceed 10% of the Shares in issue as at the date of approval of the limit and for the purpose of calculating the limit, Options (including those outstanding, cancelled, lapsed or exercised in accordance with the New Share Option Scheme and any other share option scheme of the Company) previously granted under the New Share Option Scheme and any other share option scheme of the Company will not be counted; and

- (bb) the Company may seek separate Shareholders' approval at general meeting to grant Options beyond the General Scheme Limit or, if applicable, the Options under the extended limit will be granted only to Eligible Participants specifically identified by the Company (a circular containing the information required by the Listing Rules to be despatched to Shareholders for that purpose) before such approval is sought.

(iv) MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The total number of Shares issued and which may fall to be issued upon exercise of the Options granted under the New Share Option Scheme and any other share option scheme of the Company (including both exercised or outstanding Options) to each Grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being (the "**Individual Limit**"). Any further grant of Options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the Shareholders' approval at general meeting of the Company (a circular containing the information required by the Listing Rules to be despatched to Shareholders for that purpose) with such Grantee and his/her associates abstaining from voting. The circular must disclose the identity of the Eligible Participant, the number and terms of the Options to be granted (and Options previously granted to such Eligible Participant), 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 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.

(v) GRANT OF OPTIONS TO CONNECTED PERSONS

- (a) Any grant of Options under the New Share Option Scheme to a Director, chief executive or substantial shareholder of the Company or any of their respective associates must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is also a Grantee).
- (b) Where any grant of Options to a substantial shareholder or an independent non-executive Director or any of their respective associates, would result in the Shares issued and to be allotted and issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:
- (aa) representing in aggregate over 0.1% of the Shares in issue; and
- (bb) having an aggregate value, based on the closing price of the Shares at the Offer Date of each Offer, in excess of \$5 million;

such further grant of Options must be approved by the Shareholders at general meeting. The Company must send a circular to the Shareholders containing the information required under the Listing Rules. In particular, the circular must contain details of the number and terms (including the subscription price) of the Options to be granted to each Eligible Participant, which must be fixed before the Shareholders' meeting, and the date of Board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the subscription price. The Grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting, except that any connected person may vote against the relevant resolution at the general meeting provided that his/her intention to do so has been stated in the circular. Any vote taken at the meeting to approve the grant of such Options must be taken on a poll. Any change in the terms of Options granted to a substantial shareholder or an independent non-executive Director, or any of their respective associates must be approved by the Shareholders at general meeting.

(vi) TIME OF ACCEPTANCE AND OPTION PERIOD

An Offer may be accepted by an Eligible Participant by signing and sending to the Company the duplicate of the offer letter together with a remittance in favour of the Company of HK\$1.00 as consideration for the grant within such time as may be specified in the offer letter (which shall be within 10 Business Days from the Offer Date).

An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during a period to be determined and notified by the Directors to each Grantee, which period may commence from the date of acceptance of the Offer for the grant of Options but shall end in any event not later than 10 years from the Offer Date of that Option subject to the provisions for early termination thereof.

(vii) PERFORMANCE TARGETS

Unless otherwise determined by the Directors and stated in the Offer of the grant of Options to a Grantee, a Grantee is not required to achieve any performance targets before any Options granted under the New Share Option Scheme can be exercised.

(viii) SUBSCRIPTION PRICE FOR SHARES

The subscription price for Shares under the New Share Option Scheme shall be a price determined by the Directors but shall not be less than the highest of (a) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of Shares on the Offer Date which must be a Business Day; (b) the average closing price of Shares as stated in the Stock Exchange's daily quotations sheets for trade in one or more board lots of Shares for the five trading days immediately preceding the Offer Date which must be a Business Day; and (c) the nominal value of a Share.

(ix) RANKING OF SHARES

- (a) Shares allotted and issued upon the exercise of an Option will be subject to all the provisions of the Bye-laws and will rank *pari passu* in all respects with the fully paid Shares in issue as from the date when the name of the Grantee is registered on the register of members of the Company and accordingly will entitle the holders thereof to participate in all dividends or other distributions paid or made on or after the date when the name of the Grantee is registered on the register of members of the Company other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date when the name of the Grantee is registered on the register of members of the Company. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until completion of the registration of the Grantee as the holder thereof.
- (b) Unless the context otherwise requires, references to “Shares” in this paragraph include references to shares in the ordinary equity share capital of the Company of such nominal amount as shall result from a sub-division, consolidation, reclassification or reduction of the share capital of the Company from time to time.

(x) RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS

- (a) The Company may not grant any Options after inside information has come to its knowledge until (and including) the trading day after it has announced the information. In particular, during the period commencing one month immediately preceding the earlier of (aa) the date of the meeting of the Directors (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company’s results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules), and (bb) the last date on which the Company must publish an announcement of its results and ending on the date of the announcement of such results, no Option may be granted. No Option may be granted during any period of delay in publishing a results announcement.
- (b) The Directors may not grant any Option to a participant who is a Director during the periods or times in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

(xi) PERIOD OF THE NEW SHARE OPTION SCHEME

The New Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the New Share Option Scheme becomes unconditional.

(xii) RIGHTS ON CEASING EMPLOYMENT

If the Grantee is an Eligible Employee or a non-executive Director and ceases to be an Eligible Employee or a non-executive Director, as the case may be, for any reason other than death, ill-health or retirement in accordance with his/her contract of employment or service agreement or other grounds referred to in paragraph (xiv) below before exercising his/her Option in full, the Option (to the extent not already exercised) will lapse on the date of cessation and will not be exercisable unless the Directors otherwise determine in which event the Grantee may exercise the Option (to the extent not already exercised) in whole or in part within such period as the Directors may determine following the date of such cessation, which will be taken to be the last day on which the Grantee was at work or in service with the Group, the Holding Company or the Invested Entity whether salary is paid in lieu of notice or not.

(xiii) RIGHTS ON DEATH, ILL-HEALTH OR RETIREMENT

If the Grantee is an Eligible Employee or a non-executive Director and ceases to be an Eligible Employee or a non-executive Director, as the case may be, by reason of his/her death, ill-health or retirement in accordance with his/her contract of employment or service agreement before exercising the Option in full, his/her personal representative(s), or, as appropriate, the Grantee may exercise the Option (to the extent not already exercised) in whole or in part a period of 12 months following the date of cessation which date shall be the last day on which the Grantee was at work or in service with the Group, the Holding Company or the Invested Entity whether salary is paid in lieu of notice or not or such longer period as the Directors may determine.

(xiv) RIGHTS ON DISMISSAL

If the Grantee is an Eligible Employee or a non-executive Director and ceases to be an Eligible Employee or a non-executive Director, as the case may be, by reason that he has been guilty of persistent or serious misconduct or has committed any act of bankruptcy or has become insolvent or has made any arrangements or compromise with his/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), his/her Option will lapse automatically and will not in any event be exercisable on or after the date of cessation to be an Eligible Employee or a non-executive Director, as the case may be.

(xv) RIGHTS ON BREACH OF CONTRACT

In respect of a Grantee other than an Eligible Employee, if the Directors shall at their absolute discretion determine that (a) the Grantee or his/her associate has committed any breach of any contract entered into between the Grantee or his/her associate on one part and the Group, any Holding Company or any Invested Entity on the other part or that the Grantee has committed any act of bankruptcy or has become insolvent or is subject to any winding-up, liquidation or analogous proceedings or has made any arrangement or compromise with his/her creditors generally; and (b)

the Option granted to the Grantee under the New Share Option Scheme shall lapse, his/her Option will lapse automatically and will not in any event be exercisable on or after the date on which the Directors have so determined.

(xvi) RIGHTS ON A GENERAL OFFER

If a general or partial offer, whether by way of take-over offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Shares, 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 with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, *mutatis mutandis*; and assuming that they will become, by the exercise in full of the Options granted to them, Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, a Grantee shall be entitled to exercise his/her Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in exercise of his/her Option at any time before the close of such offer (or any revised offer) or the record date for entitlements under a scheme of arrangement. Subject to the above, an Option (to the extent not already exercised) will lapse automatically after the closure of such offer (or any revised offer) or the record for entitlements under a scheme of arrangement, as the case may be.

(xvii) RIGHTS ON WINDING UP

In the event of an effective resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee, may subject to the provisions of all applicable laws, by notice in writing to the Company at any time prior to the date on which such resolution is passed, exercise his/her Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the New Share Option Scheme and shall accordingly be entitled, in respect of the Shares falling to be allotted and issued upon the exercise of his/her Option, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the Shares in issue on the day prior to the date of such resolution.

(xviii) ADJUSTMENTS TO THE SUBSCRIPTION PRICE

In the event of any alteration in the capital structure (including a capitalisation issue, rights issue, or other offer of securities to holders of the Shares (including any securities convertible into the share capital or warrants or options to subscribe for any share capital of the Company, but excluding the Options under the New Share Option Scheme and options under any other similar employee share option scheme of the Company), sub-division or consolidation of Shares or reduction of capital) of the Company whilst an Option remains exercisable such corresponding alterations (if any) certified by the auditor for the time being or an independent financial adviser to the Company as fair and reasonable will be made to the number or nominal amount of Shares which is the subject matter of the New Share Option Scheme and the Option so far as unexercised and/or the subscription price and/or the number of Shares comprised in an Option and/or the

method of exercise of the Option concerned and/or the maximum number of Shares referred to in paragraph (iii) above, provided that (a) any adjustments shall give a Grantee the same proportion of the issued share capital of the Company for which he would have been entitled to subscribe prior to such alteration; (b) no adjustment shall be made the effect of which would be to enable a Share to be allotted and issued at less than its nominal value. In addition, in respect of any such adjustments, other than any adjustment made on a capitalisation issue, such auditor or independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of the relevant provision of the Listing Rules; and (c) the issue of Shares or other securities of the Group as consideration in a transaction may not be regarded as a circumstance requiring adjustment.

(xix) CANCELLATION OF OPTIONS

Subject to the cancellation right mentioned in paragraph (xxi) below, any cancellation of Options granted but not exercised must be subject to the prior written consent of the relevant Grantee and approved by the Directors. Where the Company cancels Options and issues new ones to the same participant, the issue of such new options may only be made under a scheme with available unissued options (excluding the cancelled options) within the limit approved by Shareholders at general meeting as referred to in paragraph (iii) above.

(xx) TERMINATION OF THE NEW SHARE OPTION SCHEME

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

(xxi) RIGHTS ARE PERSONAL TO THE GRANTEE

An Option is personal to the Grantee and shall not be transferable or assignable. The Grantee shall not sell, transfer, charge, mortgage, encumber or in any way dispose of or create any interest in any Option granted. Any breach of the foregoing will entitle the Company to cancel any outstanding Option or any part thereof granted to the Grantee in breach without incurring any liability on the part of the Company.

(xxii) LAPSE OF OPTION

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

- (a) the expiry of the period referred to in paragraph (vi); and

- (b) the expiry of the periods or dates referred to in paragraphs (xii), (xiii), (xiv), (xv), (xvi) and (xvii).

(xxiii) MISCELLANEOUS

- (a) The New Share Option Scheme is conditional on the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the Shares to be allotted and issued pursuant to the exercise of any Options which may be granted under the New Share Option Scheme.
- (b) The terms and conditions of the New Share Option Scheme relating to the matters set out in rule 17.03 of the Listing Rules shall not be altered to the advantage of Grantees except with the approval of the Shareholders at general meeting.
- (c) Any alterations to the terms and conditions of the New Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders at general meeting, except where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- (d) Amended terms of the New Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules.
- (e) Any change to the authority of the Directors or the scheme administrators in relation to any alteration to the terms of the New Share Option Scheme shall be approved by the Shareholders at general meeting.

PRESENT STATUS OF THE NEW SHARE OPTION SCHEME

Application will be made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any Options which may be granted under the New Share Option Scheme.

NOTICE OF THE ANNUAL GENERAL MEETING



CRAZY SPORTS GROUP LIMITED

瘋狂體育集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 82)

NOTICE IS HEREBY GIVEN that an Annual General Meeting of Crazy Sports Group Limited (the “**Company**”) will be held at 17/F, Tower C, Dongjin International Center, East of Yaowahu Bridge, East 4th Ring Road, Chaoyang District, Beijing, PRC on Thursday, 26 May 2022 at 10:30 a.m. for the following purposes:

ORDINARY RESOLUTIONS

As Ordinary Business

1. To receive and consider the audited consolidated financial statements of the Company and the reports of the Company’s directors (the “**Directors**”) and auditor for the year ended 31 December 2021;
2.
 - (a) To re-elect Dr. Zhang Lijun as an executive Director;
 - (b) To re-elect Ms. Liu Haoming as an independent non-executive Director;
 - (c) To authorise the board of Directors to fix the remuneration of the Directors.
3. To re-appoint BDO Limited as the auditor of the Company and to authorize the board of Directors to fix their remuneration;

As Special Business

To consider as special business and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

4. “**THAT:**
 - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;

NOTICE OF THE ANNUAL GENERAL MEETING

- (b) the total number of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of shares of the Company in issue on the date of passing this resolution and the said approval shall be limited accordingly; and
- (c) for the purpose of this resolution, “Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
 - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held.”;

5. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
 - (i) a Rights Issue (as defined below);
 - (ii) the exercise of share options under a share option scheme of the Company; and

NOTICE OF THE ANNUAL GENERAL MEETING

- (iii) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company;

shall not exceed 20% of the total number of shares of the Company in issue on the date of passing this resolution and this approval shall be limited accordingly; and

- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”;

- 6. “**THAT** conditional upon the passing of the resolutions set out in items 4 and 5 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 5 of the Notice be and is hereby extended by the addition to the aggregate number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the Directors pursuant to such general mandate of the total number of the shares purchased by the Company pursuant to the mandate referred to in the resolution set out in item 4 of the Notice, provided that such amount shall not exceed 10% of the total number of shares of the Company in issue on the date of passing this resolution.”

NOTICE OF THE ANNUAL GENERAL MEETING

7. “**THAT** conditional upon The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the shares (the “**Shares**”) of HK\$0.01 each in the capital of the Company falling to be allotted and issued pursuant to the new share option scheme (the “**New Share Option Scheme**”), the terms of which are set out in the document marked “A” which has been produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the rules of the New Share Option Scheme be and are hereby approved and adopted by the Company and the directors of the Company be and are hereby authorised to grant options and to allot, issue and deal in the Shares pursuant to the exercise of any option granted thereunder and to take all such steps as they may consider necessary or expedient to implement the New Share Option Scheme.”

By order of the Board
Crazy Sports Group Limited
ZHANG Lijun
Chairman

Hong Kong, 25 April 2022

Notes:

1. Any member of the Company (“**Member**”) entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a Member. A Member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his/her behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he/she were solely entitled thereto, but if more than one of such joint holders present at the meeting personally or by proxy, the most senior shall alone be entitled to vote, whether in person or by proxy, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members in respect of joint holding.
3. To be effective, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company’s Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a Member 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. The register of members of the Company will be closed from 23 May 2022 to 26 May 2022, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the above meeting, unregistered holders of shares of the Company should ensure that all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company’s Branch Share Registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong, for registration not later than 4:30 p.m. on 20 May 2022.
5. In relation to the ordinary resolutions set out in items 4, 5 and 6 of the above notice, the Directors wish to state that they have no immediate plan to issue any new shares or repurchase any existing shares of the Company.