

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

Hong Kong Exchanges and Clearing Limited and the Stock Exchange 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.



Century Sage Scientific Holdings Limited

世紀睿科控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1450)

**(1) PROPOSED ADOPTION OF NEW SHARE AWARD PLAN
(2) PROPOSED TERMINATION OF
EXISTING SHARE OPTION SCHEME
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Capitalised terms used in this cover shall have the same meanings as those defined in the section headed “Definitions” in this circular. A letter from the Board is set out on pages 6 to 15 of this circular.

A notice convening the EGM to be held at Building H8, Privy Council, No. 10 Jiachuang Road, Opto-Mechatronics Industrial Park, Tongzhou District, Beijing, the PRC at 3:00 p.m. on Thursday, 8 December 2022 is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is also enclosed. Whether or not you intend to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof if you so wish and in such event, the form of proxy shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE EGM

Please refer to page 1 of this circular for precautionary measures that will be implemented at the EGM to prevent the COVID-19 pandemic, including:

- (i) Compulsory body temperature check;
- (ii) Compulsory wearing of surgical face mask throughout the EGM;
- (iii) No refreshments will be provided and there will be no corporate gift; and
- (iv) Maintaining proper distance between seats.

Any person who does not comply with the precautionary measures may be denied entry into the EGM venue. The Company requests attendees to wear face masks and reminds Shareholders that they may appoint the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

18 November 2022

CONTENTS

	<i>Page</i>
PRECAUTIONARY MEASURES FOR THE EGM	1
DEFINITIONS	2
LETTER FROM THE BOARD	6
INTRODUCTION	6
PROPOSED ADOPTION OF THE NEW SHARE AWARD PLAN AND PROPOSED TERMINATION OF THE EXISTING SHARE OPTION SCHEME	7
GENERAL	14
RESPONSIBILITY STATEMENT	15
THE EGM	15
RECOMMENDATION	15
APPENDIX — THE SUMMARY OF THE RULES OF THE NEW SHARE AWARD PLAN	APP-1
NOTICE OF EGM	EGM-1

PRECAUTIONARY MEASURES FOR THE EGM

To safeguard the health and safety of stakeholders and participants attending the EGM under the ongoing Coronavirus (COVID-19) pandemic, the Company will implement the following precautionary measures at the EGM:

- (i) Compulsory body temperature checks will be conducted for every attendee entering the EGM venue. Any person with a body temperature above 37.4 degrees Celsius, or who exhibits flulike symptoms, may be denied entry to the EGM venue or be required to leave the EGM venue;
- (ii) Each attendees will be required to wear a surgical face mask inside the EGM venue and throughout the EGM;
- (iii) No refreshment will be served and there will be no corporate gift; and
- (iv) Seating at the EGM venue will be arranged to ensure appropriate social distancing. Attendees of the EGM are reminded to observe good personal hygiene and to maintain appropriate social distance with others at all times.

Shareholders are reminded that physical attendance in person at the meeting venue is not necessary for the purpose of exercising voting rights. Shareholders may appoint the chairman of the EGM as their proxy to vote according to their indicated voting instructions as an alternative to attending the EGM in person by completing and returning the proxy form attached to this document.

If any Shareholder chooses not to attend the EGM in person but has any question about any resolution or about the Company, or has any matter for communication with the Directors, he/she is welcome to send such question or matter in writing to our principal place of business in Hong Kong.

If Shareholders have any question relating to the EGM, please contact Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong, as follows:

Tricor Investor Services Limited
17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
Tel: +852 2980 1333
Fax: +852 2810 8185
Email: is-enquiries@hk.tricorglobal.com

DEFINITIONS

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

“Adoption Date”	the date on which the New Share Award Plan is approved by the Shareholders at the EGM
“associates”	has the same meaning ascribed thereto under the Listing Rules
“Award”	a provisional award of the Awarded Shares made in accordance with the New Share Award Plan
“Award Notice”	the notice to be sent to the Trustee upon the making of an Award
“Awarded Share(s)”	the Share(s) provisionally awarded to a Selected Participant pursuant to an Award
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the business of dealing in securities
“Company”	Century Sage Scientific Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose Shares are listed on the Main Board of the Stock Exchange with stock code 1450
“Committee”	the person(s) from time to time delegated by the Board with the power and authority to administer the New Share Award Plan
“connected person(s)”	shall have the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Earliest Vesting Date”	the earliest date on which the Trustee may vest the legal and beneficial ownership of the Awarded Shares in the relevant Selected Participant, which shall be a date not less than 12 months from the date of acceptance of the Award by the relevant Selected Participant unless otherwise permitted under the Listing Rules

DEFINITIONS

“EGM”	the extraordinary general meeting of the Company to be convened and held at 3:00 p.m. on Thursday, 8 December 2022 at Building H8, Privy Council, No. 10 Jiachuang Road, Opto-Mechatronics Industrial Park, Tongzhou District, Beijing, the PRC or at any adjournment thereof (as the case may be) to consider and, if thought fit, approve, inter alia, the proposed adoption of the New Share Award Plan
“Eligible Participant(s)”	has the meaning ascribed to it under the paragraph headed “Eligibility” in the Appendix to this circular
“Employee Participant(s)”	any director and employee of the Company or the Group
“Excluded Participant”	any person who is resident in a place where the award of the Awarded Shares and/or the vesting and transfer of Shares pursuant to the terms of the New Share Award Plan is not permitted under the laws and regulations of such place or where in the view of the Board or the Committee or the Trustee (as the case may be) compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such person
“Existing Share Award Plan”	the existing share award plan adopted by the Company on 24 March 2014, which will expire in 23 March 2024
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company on 13 June 2014
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“inside information”	shall have the meaning ascribed to it under the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)
“Latest Practicable Date”	15 November 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in the circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time

DEFINITIONS

“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules
“New Chapter 17”	the new Chapter 17 of the Listing Rules as published by the Stock Exchange on 29 July 2022, which will become effective on 1 January 2023
“New Share Award Plan”	the new share award plan to be adopted by the Shareholders at the EGM
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable to a deceased Selected Participant, is or are entitled to collect and receive the Awarded Shares which have been vested in such Selected Participant and formed part of his estate
“PRC”	the People’s Republic of China, which for the purpose of this circular shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Related Entity(ies)”	the holding companies, fellow subsidiaries or associated companies of the Company
“Related Entity Participant(s)”	directors and employees of the Related Entity
“Remuneration Committee”	the remuneration committee of the Company as appointed by the Board from time to time
“Residual Cash”	being cash remaining in the trust fund in respect of an Awarded Share (including interest income derived from deposits maintained with licensed banks in Hong Kong, and sale proceeds which have not been applied in the acquisition of Shares)
“Returned Shares”	such Awarded Shares which are not vested and/or forfeited in accordance with the terms of the New Share Award Plan (whether as a result of a lapse or otherwise), or such Shares being deemed to be Returned Shares
“Selected Participant”	any Eligible Participant for whom Shares have been provisionally set aside pursuant to an Award or (where the context so permits under the New Share Award Plan) his Personal Representative(s)

DEFINITIONS

“Service Provider(s)”	persons providing services to the Group on a continuing basis in its ordinary and usual course of business which are in the interests of the long term growth of the Group as determined by the Board pursuant to the criteria set out in the paragraph headed “Eligibility” in the Appendix to this circular
“Shareholder(s)”	the holder(s) of the Share(s)
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company
“Shares Pool”	the pool of Shares from which the Award shall be made
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	a company which is for the time being and from time to time a subsidiary (within the meaning of Division 4 of Part 1 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) of the Company, whether incorporated in Hong Kong or elsewhere
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Trust Deed”	the trust deed to be entered into by the Company as settlor and the Trustee as trustee in respect of the New Share Award Plan, the Awarded Shares, and other trust fund (if any) held or to be held by the Trustee subject to the terms thereof, as amended from time to time
“Trustee”	Tricor Trust (Hong Kong) Limited or other trustee or trustees as shall be appointed pursuant to and in accordance with the terms of the Trust Deed
“Vesting Date”	the date on which the legal and beneficial ownership of the Awarded Shares are vested in such Selected Participant pursuant to an Award
“Vesting Period”	the period commencing on the date on which the Awarded Shares have been provisionally set aside from the Shares Pool by the Trustee upon receipt of an Award Notice and ending on the Vesting Date (both dates inclusive)
“%”	per cent



Century Sage Scientific Holdings Limited
世紀睿科控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1450)

Executive Directors:

Mr. Lo Chi Sum (*Chairman*)
Mr. Li Jun
Mr. Li Jinping
Ms. Zhao Hui Li

Independent non-executive Directors:

Mr. Cui Xiao Bo
Mr. Ma Zhan Kai
Dr. Yu Guo Jie

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Principal place of

business in Hong Kong:

Unit 910, 9/F
Tins Enterprises Centre
777 Lai Chi Kok Road
Cheung Sha Wan
Kowloon
Hong Kong

18 November 2022

To the Shareholders

Dear Sir or Madam,

(1) PROPOSED ADOPTION OF NEW SHARE AWARD PLAN
(2) PROPOSED TERMINATION OF
EXISTING SHARE OPTION SCHEME
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information and to seek your approval, inter alia, on the proposed adoption of the New Share Award Plan and proposed termination of the Existing Share Option Scheme. A notice of the EGM containing the resolutions to be proposed at the EGM is set out in this circular.

LETTER FROM THE BOARD

PROPOSED ADOPTION OF THE NEW SHARE AWARD PLAN AND PROPOSED TERMINATION OF THE EXISTING SHARE OPTION SCHEME

In July 2022, the Stock Exchange published its consultation conclusions to its consultation paper “Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers” (the “**Consultation Conclusion**”). Pursuant to the Consultation Conclusion, Chapter 17 of the Listing Rules will be amended to govern both share option schemes and share award schemes with effect from 1 January 2023 and the Company will only be able to award new Awarded Shares under the Existing Share Award Plan using general mandate up to the date of the second annual general meeting after 1 January 2023. In light of the above, the Company proposed to adopt the New Share Award Plan to comply with the requirements of the New Chapter 17.

Termination of the Existing Share Option Scheme

The Existing Share Option Scheme was conditionally adopted by resolutions in writing passed by the shareholders of the Company on 13 June 2014. Under the Existing Share Option Scheme, the Directors were authorised to grant to the executive Directors and senior management of the Group the options to subscribe for Shares as incentives or rewards for their contribution to the Group.

The maximum number of Shares that may be granted under the Existing Share Option Scheme was 100 million Shares, representing 10% of the total issued Shares as at 7 July 2014, being the listing date of the Company on the Stock Exchange. As at the Latest Practicable Date, the total number of Shares available for issue under the Existing Share Option Scheme was 372,000, representing approximately 0.03% of the total issued Shares as at the Latest Practicable Date. As at the Latest Practicable Date, the Company did not have any share options granted pursuant to the Existing Share Option Scheme which remained outstanding and not exercised.

Subject to any earlier termination in accordance with its rules, the Existing Share Option Scheme shall remain in force for a period of 10 years commencing on 13 June 2014. As at the Latest Practicable Date, the Existing Share Option Scheme had a remaining life of approximately 1.5 years.

Having considered that (i) the total number of Shares available for issue under the Existing Share Option Scheme are limited, (ii) the Existing Share Option Scheme only have a short remaining life and (iii) the Company proposed to adopt the New Share Award Plan in compliance with the requirements of the New Chapter 17 to provide incentives or rewards to the Eligible Participants for their contribution to the Group, it is proposed that, subject to the approval of the Shareholders for the adoption of the New Share Award Plan, the Existing Share Option Scheme will be terminated upon the adoption of the New Share Award Plan.

LETTER FROM THE BOARD

The Existing Share Award Plan

The Company adopted the Existing Share Award Plan on 24 March 2014. The purpose of the Existing Share Award Plan is to recognise and reward the contribution of certain selected participants to the growth and development of our Group, to give incentives thereto in order to retain them for the continual operation and development of our Group and to attract suitable personnel for further development of our Group through an award of Shares.

Under the Existing Share Award Plan, in any given financial year of the Company, the Board shall fix the maximum number of Shares (“**Maximum Shares Annual Threshold**”) to be subscribed for and/or purchased by the Trustee by applying not more than the maximum amount of funds allocated by the Board out of resources of the Group for the purpose of the Existing Share Award Plan (“**Maximum Group Contribution**”) at the beginning of such financial year (after having regard to all the relevant circumstances and affairs including the business and financial performance during the preceding financial year, business plans and cash flow requirements). The Board has previously determined on 1 April 2022 that the Maximum Shares Annual Threshold and Maximum Group Contribution for the year ending 31 December 2022 shall be 18,000,000 Shares (representing 1.65% of the total number of Shares in issue as at 1 April 2022) and HK\$180,000, respectively.

On 1 April 2022, the Board resolved to grant a total of 17,040,000 awarded Shares at nil consideration to eleven selected participants pursuant to the Existing Share Award Plan (the “**2022 Award**”). As at the Latest Practicable Date, 3,408,000 awarded Shares granted under the Existing Share Award Plan remained unvested and will become vested on 31 October 2023.

Subject to any earlier termination in accordance with its rules, the Existing Share Award Plan shall remain in force for a period of 10 years commencing on 24 March 2014. As at the Latest Practicable Date, the Existing Share Award Plan had a remaining life of approximately 1.5 years.

As the Existing Share Award Plan does not comply with the requirements of the New Chapter 17, the Company intends to grant award Shares under the New Share Award Plan only. Having considered that awarded Shares granted under the Existing Share Award Plan will become immediately vested in the event of termination of the Existing Share Award Plan in accordance with its rules, the Company will not terminate the Existing Share Award Plan upon the adoption of the New Share Award Plan in order to incentivise the grantees under the 2022 Award to contribute to the long-term growth of the Group. As at the Latest Practicable Date, the Company has no plan to issue further award Shares under the Existing Share Award Plan and undertakes that it will not issue further award Shares under the Existing Share Award Plan upon the adoption of the New Share Award Plan.

Other than the Existing Share Option Scheme and the Existing Share Award Plan, the Company currently does not maintain any other share schemes.

LETTER FROM THE BOARD

Adoption of the New Share Award Plan

Reasons for the adoption of the New Share Award Plan

The purposes and objectives of the New Share Award Plan are to through an Award (a) to recognise and reward the contribution of Eligible Participants (being Employee Participants, Related Entity Participants and Service Providers) to the growth and development of the Group and to give incentives thereto in order to retain them for the continual operation and development of the Group; and (b) to attract suitable personnel for further development of the Group.

(a) Scope of Eligible Participants

The Board considers that the New Share Award Plan will motivate more people to contribute to the Group's development. The award of Awarded Shares under the New Share Award Plan will enable the Group to recruit, incentivise and retain high-calibre talents, and as such, it is in the interests of the Group to adopt the New Share Award Plan. Furthermore, the Board considers that the Eligible Participant(s) will share the same interests and objectives with the Group by acquiring entity interest in the Company through the Awarded Shares. This is beneficial to the long-term development of the Group. In addition, the adoption of the New Share Award Plan is in line with modern commercial practice that full-time or part-time employees, directors, members of the management of the Group and the Related Entities and Service Providers be given incentives to work towards the goal of enhancing the enterprise value and attaining to the long-term objectives of the Company for the benefit of the Group as a whole. As such, the Directors consider that the adoption of the New Share Award Plan is in the interests of the Company and the Shareholders as a whole. The provisions of the New Share Award Plan will comply with the requirements of New Chapter 17.

In assessing the eligibility of an Employee Participant, the Board or the Committee will consider a range of factors, such as the length of service, job position, job duties and performance evaluation results of the Employee Participant.

In assessing the eligibility of an Related Entity Participant, the Board or the Committee will consider a range of factors, such as the length of service, job position and job duties in the Related Entity, the shareholding relationship between the Group and the Related Entity and the benefits and synergies provided by the Related Entity to the Group.

Service Providers who are eligible under the New Share Award Plan shall include any contractor, adviser, consultant or expert who provides advisory services, consultancy services, sales and marketing services and technology services to any member of the Group on a continuing or recurring basis (where the continuity and frequency of their services are akin to those of employees of the Group) in its ordinary and usual course of business which are in the interests of the long term growth of the Group provided that (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity must not be Service Provider for the purposes of the New Share Award Plan.

LETTER FROM THE BOARD

In assessing whether the Service Provider provides services to the Group on a continuing and recurring basis, the Board or the Committee shall take into consideration the length and type of services provided and the recurrences and regularity of such services, and will benchmark such metrics against the performance of the employees, officers and directors of the Group to whom the Group provides equity incentives, while taking into account the purpose of the New Share Award Plan and the objectives in engaging the Service Provider.

In assessing whether the Service Provider provides services to the Group in the Company's ordinary and usual course of business, the Board or the Committee shall take into consideration the nature of the services provided to the Group by the Service Provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group, as disclosed in the Company's financial reports.

Having considered the above, the Board (including the independent non-executive Directors) are of the view that the Service Providers identified under such criteria are instrumental to the ongoing and continuous growth of the Group, and therefore the criteria for determining the eligibility of the Service Providers align with the purpose of the New Share Award Plan.

Given the success of the Group requires the co-operation and contribution not only from its directors and employees or proposed employees, but also from various other parties who play an instrumental role in and/or make actual or potential contributions to the business and development of the Group, the Board (including the independent non-executive Directors) are of view that the grant of the Awards to the Eligible Participant(s) who are Related Entity Participants and the Service Providers would not only align the interest of the Group and the Shareholders with the interest of these Eligible Participants, but also provide incentives and rewards for:

- (i) the participation and involvement in promoting the business of the Group;
- (ii) providing better services or products as well as timely market intelligence to the Group in their capacity; or
- (iii) maintaining a good and long-term relationship with the Group.

The Group is a leading all-media service provider in China, mainly providing services of one-stop video application involving full-chain services including product sales, video content production, live streaming, and system maintenance to broadcasters, new media platforms and industrial customers, etc.. The Group is always committed to leveraging on video technology and services to further expand the Group's service capabilities in the all-media market, especially the new media market.

While "media convergence and all-media communication" has been mentioned in the 14th Five-Year Plan of China, all-media industry rushed in rapid development and the business focus of all-media industry will also convert to a new operational mode integrating government affairs, new media and business services. It also provides new application scenarios and huge development opportunities for the Group's video live streaming media technology.

LETTER FROM THE BOARD

To cope with the Group's expansion of its business scale in light of the rapid development of the all-media industry, the Directors (including the independent non-executive Directors) consider all of the business of the Group, including application solutions, new media services, sales and self-developed products and system maintenance services, would, from time to time, require advisory services, consultancy services, sales and marketing services and technology services from external Service Providers. Such Service Providers could provide forward-looking advices and suggestions to help the Group's business diversification and development, introduce potential projects and client resources to the Group, provide technical guidance and trainings to the Group's employees, and provide professional technical advices to the Group. The services provided by the Service Providers to the Group will enable the Group to establish a wider range of customer relations, accelerate the cooperation of strategic customer resources, adhere to scientific and technological innovation, improve technology and service capabilities, attract outstanding talents and steadfastly promote the development strategy to maximise the return for the Shareholders.

The Group requires contribution from all classes of talented people to assist its growth, which includes consultants, contractors or agents and other Service Providers. These parties are usually seasoned people in their own fields and professionals with many business connections which the Group may not be able to recruit them as employees. Besides their normal compensation for their contribution and services, it is necessary to maintain long term and sustainable business relationship with these parties and to align their interest with the Group under the incentive.

In addition, the inclusion of the Service Providers in the New Share Award Plan is consistent with the ongoing practice of the Group to grant awarded shares to its Service Providers from time to time in order to incentivise them to contribute to the long term growth of the Company. The Group had granted a total of 3.77 million awarded Shares to the Service Providers of the Group (including well-known advertising and marketing expert in China) under the Existing Share Award Plan.

Therefore, the Board (including independent non-executive Directors) consider that the proposed categories of the Related Entity Participants and the Service Providers are in line with the Company's business needs and the industry norm, desirable and necessary from a commercial perspective and help maintain or enhance the competitiveness of the Group. Through the grant of the Awards, such Eligible Participants and the Group will have a common goal in the growth and development of the Group's business, and they could participate in the future prospect of the Group and share the additional reward through their sustainable contribution.

In light of the above and having considered that attracting and recruiting high-calibre talents are of importance to the Group's further development, the Board (including the independent non-executive Directors) is of the view that the current categories of Eligible Participants as applied under the New Share Award Plan are fair and reasonable as this will offer the Board with sufficient flexibility to attract and incentivise those Selected Participants to contribute to the overall growth and development of the Group while preserving cash resources of the Group and thus, is in the interest of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

The Company has sought legal advice on the prospectus requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) in relation to the New Share Award Plan proposed to be adopted and, where applicable, will comply with the relevant requirements when granting Awards to the Eligible Participants.

(b) Plan Mandate Limit and Service Provider Sub-limit

As at the Latest Practicable Date, there were 1,311,270,995 Shares in issue. Assuming that no further Share will be allotted, issued, repurchased or cancelled prior to the EGM and after the resolution regarding the proposed adoption of the New Share Award Plan is passed at the EGM, (i) the total number of Shares which may be issued in respect of all options and awards under the New Share Award Plan and other share schemes of the Company after the resolution regarding the proposed adoption of the New Share Award Plan is passed at the EGM would be no more than 131,127,099 Shares, representing no more than approximately 10% of the total number of Shares in issue; and (ii) the total number of Shares that may be issued under the New Share Award Plan to the Service Provider would be no more than 6,556,354 Shares, representing no more than approximately 0.5% of the total number of Shares in issue.

The Service Provider Sublimit is determined based on the Company's history of grants by the Company to the Service Providers, the estimated number of Awarded Shares that the Company intends to grant to the Service Providers, and the Company's future business and development plan. The Board considers that the Service Provider Sublimit (namely, 0.5% of the total number of issued Shares as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sub-limit) is appropriate and reasonable since (i) the percentage of the number of award shares granted to the Service Providers under the Existing Share Award Plan since the adoption date of the Existing Share Award Plan and up to the Latest Practicable Date is not more than 0.4% of the total issued Shares on the date of adoption of the Existing Share Award Plan, (ii) the grant of Awards to the Service Providers under the New Share Award Plan will be decided on a case-by-case basis based on his/her contributions to the development and growth of the Company from time to time, and (iii) the Company estimates that the percentage of the number of Awarded Shares that the Company intends to grant to the Service Providers will be less than 0.5% of the total number of issued Shares as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sub-limit.

The Board is of the view that the Service Provider Sub-limit is appropriate and reasonable given the nature of the all-media industry and the Group's business needs, and such a limit provides the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with persons who are not employees or officers of the Group, but who may have exceptional expertise in their field or who may be able to provide valuable expertise and services to the Group, which is in line with the purpose of the New Share Award Plan.

LETTER FROM THE BOARD

(c) Vesting Period

As disclosed in the paragraph headed “Vesting of Awarded Shares” in the Appendix to this circular, the vesting period of the Awarded Shares shall not be less than 12 months from the Grant Date saved for certain circumstances permitted under the rules of the New Share Award Plan. The Board believes that its ability to provide for flexible accelerated exercisability or vesting of an Award in certain cases allows it to provide a competitive remuneration package to attract and retain individuals to provide services to the Group, and to provide for succession planning and the effective transition of employee responsibilities.

(d) Basis of determining the purchase price of the Awarded Shares

The purchase price of the Awarded Shares (if any) shall be such price determined by the Board or the Committee, based on considerations such as the prevailing closing price of the Shares, the purpose of the Award and the characteristics and profile of the Selected Participant. Such room for discretion provides the Board and the Committee with flexibility to stipulate, if necessary, a purchase price for Awarded Shares, while balancing the purpose of the Award and the interests of Shareholders.

(e) Performance target and clawback mechanism

The Board may at its discretion specify any conditions (including performance targets) which must be satisfied before the Award may be vested in the Award Notice. Such performance targets may include financial and non-financial parameters, including but not limited to value creation parameters (such as revenue, gross profit and gross merchandise value) and other strategic and organizational health parameters (such as timeliness and accuracy in handling customer feedback and compliance with internal business procedures).

In addition, all Awarded Shares awarded to them which are unvested shall automatically lapse under certain circumstances specified in the New Share Award Plan, such as the Eligible Participants has committed any breach of any contract, any act of bankruptcy or has become insolvent, become convicted of criminal offence involving his integrity or honesty, or could no longer make any contribution to the growth and development of any member of the Group or the Related Entity or has caused any material misstatement in the financial statements of the Company. For details of the circumstances in which Award Shares which are unvested shall lapse, please refer to the paragraph headed “Lapse of Awards” in the Appendix to this circular.

The Board believes that the aforesaid will provide the Board with more flexibility in setting the terms and conditions of the Awards under particular circumstances of each grant and facilitate the Board’s aim to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the Board intended to grant Awarded Shares in the coming 12 months upon the adoption of the New Share Award Plan but had not formulated any concrete plan regarding the timing and scale of the potential grant(s). The Board will from time to time consider whether to grant any Awarded Shares to the Eligible Participants based on a number of factors including, among others, the Group's overall financial performance, the individual performance of the Eligible Participants and their contribution to the revenue, profits or business development of the Group.

Conditions of the adoption of the New Share Award Plan

The adoption of the New Share Award Plan is conditional upon (i) the passing of an ordinary resolution by the Shareholders at a general meeting to approve the adoption of the New Share Award Plan and authorising the Directors to grant Awards thereunder and to allot, issue and deal with Shares pursuant to the grant of any Awards in accordance with the terms and conditions of the New Share Award Plan; and (ii) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, such number of Shares representing the Plan Mandate Limit to be allotted and issued by the Company pursuant to the grant of Awards in accordance with the terms and conditions of the New Share Award Plan.

Application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be allotted and issued by the Company pursuant to the grant of Awards in accordance with the terms and conditions of the New Share Award Plan.

GENERAL

None of the Directors is a trustee of the New Share Award Plan nor has a direct or indirect interest in the Trustees.

As at Latest Practicable Date, the Company had not granted or proposed to grant or intended to grant any Awarded Shares under the New Share Award Plan.

A summary of the principal rules of the New Share Award Plan is set out in Appendix to this circular. A copy of the New Share Award Plan will be made available for inspection at the EGM and will be published on the websites of Stock Exchange (<https://www.hkexnews.hk>) and the Company (<https://www.css-group.net>) for not less than 14 days before the date of the EGM.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the award of the Awarded Shares under the New Share Award Plan.

As at the Latest Practicable Date, no Shareholder had a material interest in the adoption of the New Share Award Plan and termination of the Existing Share Option Scheme. As such, no Shareholder is required to abstain from voting on the resolutions in relation thereto.

LETTER FROM THE BOARD

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 Group. 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.

THE EGM

A notice convening the EGM to be held at 3:00 p.m. on Thursday, 8 December 2022 at Building H8, Privy Council, No. 10 Jiachuang Road, Opto-Mechatronics Industrial Park, Tongzhou District, Beijing, the PRC as set out in this circular and a form of proxy for the EGM are despatched together with this circular. Whether or not you are able to attend the EGM, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the enclosed form of proxy will not preclude you from attending and voting in person at such meeting or any adjournment meeting should you so wish.

RECOMMENDATION

The Directors are of the opinion that the proposed adoption of the New Share Award Plan and proposed termination of the Existing Share Option Scheme are in the interests of the Company and the Shareholders as a whole and, accordingly, the Directors recommend all Shareholders to vote in favour of the resolutions relating to the proposed adoption of the New Share Award Plan and the proposed termination of the Existing Share Option Scheme set out in the notice of the EGM contained therein.

Yours faithfully,
By order of the Board of
Century Sage Scientific Holdings Limited
Lo Chi Sum
Chairman

The following is a summary of the principal rules of the New Share Award Plan but does not form part of, nor was it intended to be, part of the New Share Award Plan nor should it be taken as effecting the interpretation of the New Share Award Plan:

1. PURPOSE AND OBJECTIVES OF THE NEW SHARE AWARD PLAN

The purposes and objectives of the New Share Award Plan are to through an Award (a) to recognise and reward the contribution of certain Eligible Participants to the growth and development of the Group and to give incentives thereto in order to retain them for the continual operation and development of the Group; and (b) to attract suitable personnel for further development of the Group.

2. ADMINISTRATION

The New Share Award Plan shall be subject to the administration of the Board or the Committee whose decisions on all matters arising in relation to the New Share Award Plan or its interpretation or effect shall be final, conclusive and binding on all persons who may be affected thereby, provided that such administration shall not prejudice the powers of the Trustee as provided under the Trust Deed.

3. ELIGIBILITY

The following classes of participants are eligible for participation in the New Share Award Plan:

- (a) any Employee Participant;
- (b) any Related Entity Participant; and
- (c) any Service Provider.

Service Provider shall include any contractor, adviser, consultant or expert who provides advisory services, consultancy services, sales and marketing services and technology services to any member of the Group on a continuing or recurring basis (where the continuity and frequency of their services are akin to those of employees of the Group) in its ordinary and usual course of business which are in the interests of the long term growth of the Group provided that (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, or (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity must not be Service Provider for the purposes of the New Share Award Plan.

The eligibility of any of the Eligible Participants to an Award shall be determined by the Board or the Committee from time to time on the basis of the Board's or the Committee's opinion as to his contribution and/or future contribution to the development and growth of the Group.

4. SHARES POOL

Subject to the Plan Mandate Limit, the Trustee may by utilising the trust fund of the trust constituted by the Trust Deed to purchase the Shares on the Stock Exchange at the prevailing market price (subject to the maximum price as may be from time to time prescribed by the Board or the Committee), or off-market or by subscription (as the case may be). In the event that the Trustee effects any purchases by off-market transactions, the purchase price for such purchases shall not be higher than the lower of the following: (i) the closing market price on the date of such purchase, and (ii) the average closing market price for the five preceding trading days on which the Shares were traded on the Stock Exchange.

The Trustee shall set aside from the Shares Pool the Awarded Shares awarded or provisionally awarded to the Selected Participants pending the transfer and vesting of the Awarded Shares under the Award. The Trustee shall hold the Awarded Shares so set aside during the Vesting Period on the terms of the Trust Deed.

At any time during any particular financial year, the Board or the Committee, after having regard to all relevant circumstances and affairs of the Group (including without limitation the Group's business and operational conditions, its business plans and cashflow requirements currently and in the near future), may from time to time cause to be paid to the Trustee from the Company's resources such amount of moneys which may be utilised by the Trustee to purchase and/or subscribe for Shares which will constitute the Shares Pool.

5. MAXIMUM NUMBER OF SHARES

(a) Plan Mandate Limit and Service Provider Sub-limit

The total number of Shares ("**Plan Mandate Limit**") which may be issued in respect of all options and awards to be granted under the New Share Award Plan and other share schemes of the Company shall not be more than 10% of the total number of issued Shares as at the Adoption Date or the relevant date of approval of the refreshment of the Plan Mandate Limit.

The total number of Shares ("**Service Provider Sub-limit**") which may be issued in respect of the Awarded Shares to be granted to Service Provider under the New Share Award Plan shall not be more than 0.5% of the total number of issued Shares as at the Adoption Date or the relevant date of approval of the refreshment of the Service Provider Sub-limit.

Awards lapsed in accordance with the terms of the New Share Award Plan will not be regarded as utilised for the purpose of calculating the Plan Mandate Limit or the Service Provider Sub-limit.

The Board or the Committee shall not instruct the Trustee to subscribe for and/or purchase any Shares for the purpose of the New Share Award Plan when such subscription and/or purchase will result in the Plan Mandate Limit or the Service Provider Sub-limit being exceeded.

(b) Refreshment of the New Share Award Plan Mandate Limit and Service Provider Sublimit

The Company may seek approval by its shareholders in general meeting for refreshing the Plan Mandate Limit and/or the Service Provider Sub-limit after three years from the date of shareholders' approval for the last refreshment or the adoption of the New Share Award Plan and in accordance with the applicable Listing Rules.

6. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT OTHER THAN ANY DIRECTOR, CHIEF EXECUTIVE OR SUBSTANTIAL SHAREHOLDER OF THE COMPANY

The maximum number of Shares, in a 12-month period up to and including the date of Award, which may be subject to an Award or Awards to a Selected Participant together with any Shares issued and to be issued under any options granted to such Selected Participant under any share option schemes of the Company shall not (i) in aggregate exceed 1% of the issued share capital of the Company as at the Adoption Date; and (ii) exceed any limits applicable to such Selected Participant under the Listing Rules.

7. AWARD OF AWARDED SHARES

The Board or the Committee shall, subject to and in accordance with the rules of the New Share Award Plan, be entitled (but shall not be bound) to, at any time during the continuation of the New Share Award Plan, make an Award to any of the Eligible Participants (as it shall in its absolute discretion select but excluding any Excluded Participant) such number of issued Shares, fully paid or credited as fully paid.

Any grant of Awards to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the remuneration committee of the Board (excluding any member who is a proposed recipient of the grant of the Award) and the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of Awards). In addition:

- (a) where any grant of Awards (excluding grant of share options) to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the New Share Award Plan) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue at the date of such grant; or

- (b) where any grant of Awards to an independent non-executive Director or substantial shareholder of the Company (or any of their respective associates) would result in the number of Shares issued and to be issued upon the grant of all awards and exercise of all options already granted (excluding any Awards lapsed in accordance with the terms of the New Share Award Plan) to such person in the 12 month period up to and including the date of such grant representing in aggregate over 0.1% (or such other higher percentage as may from time to time be specified by the Stock Exchange) of Shares in issue,

such further grant of Awards must be approved by Shareholders in general meeting in the manner required, and subject to the requirements set out, in the Listing Rules. In particular, the Company send a circular to the Shareholders. The Selected Participants, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting. The Company must comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

8. DEALING RESTRICTIONS

An award or, as the case may be, any instruction of the Board or the Committee to the Trustee to acquire Shares for purpose of increase the Shares in the Shares Pool may not be made or given when inside information has come to the Company's knowledge until (and including) the trading day after such inside information has been published in accordance with the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board or the Committee may not make any Award to any Eligible Participant or give any instruction to the Trustee to acquire Shares for the purpose of increasing the Shares in the Shares Pool during the periods or times when such an Award is prohibited under the Listing Rules, any corresponding code or securities dealing restrictions adopted by the Company and all applicable laws from time to time. Without limiting the generality of the foregoing, no Award may be made and no instruction may be given by the Board or the Committee to the Trustee to acquire Shares for the purpose of increasing the Shares in the Shares Pool during the period commencing one month immediately before the earlier of:

- (a) the date of the board meeting (as such date is first notified to the Stock Exchange under the Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
- (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules),

and ending on the date of the results announcement.

9. VESTING OF AWARDED SHARES

Subject to the terms and conditions of the New Share Award Plan, the Trustee shall transfer to and vest in any Selected Participant the legal and beneficial ownership of the Awarded Shares (or net sale proceeds thereof) to which such Selected Participant is entitled under the relevant Award as soon as practicable after the latest of:

- (a) the Earliest Vesting Date;
- (b) the receipt by the Trustee of the requisite information and documents stipulated by the Trustee; and
- (c) where applicable, the date on which the condition(s) and/or performance target(s) (if any) to be attained or paid by such Selected Participant as specified in the related Award Notice have been attained or paid and notified to the Trustee by the Board or the Committee in writing.

Subject to the terms and conditions of the New Share Award Plan, at any time prior to a Vesting Date, unless the Board or the Committee otherwise determines, in respect of a Selected Participant who: (a) has died, all the Awarded Shares of the Selected Participant shall be deemed to be vested in respect of that Selected Participant on the day immediately prior to his death; or (b) (in the case of a Selected Participant who is an Employee) has retired at his normal retirement date or an earlier retirement date (with prior agreement given by the Company or the subsidiary or the Related Entity), all the Awarded Shares of the Selected Participant shall be deemed to be vested in respect of that Selected Participant on the day immediately prior to his retirement date.

If a general or partial offer, whether by way of takeover offer, share repurchase offer or scheme of arrangement or otherwise in like manner being made to all the Shareholders (or all Shareholders other than the offeror, any persons controlled by the offeror and any persons acting in association or concert with the offeror) becoming or being declared unconditional prior to the vesting of the Awarded Shares, the Selected Participant shall be entitled to, subject to the direction of the Board or the Committee, be vested with all of his Awarded Shares at any time before the expiry of the period of ten (10) Business Days following the date on which the offer becomes or is declared unconditional.

Subject to the Listing Rules, the Board or the Committee may from time to time, at its discretion, determine the Earliest Vesting Date and other subsequent date(s), if any, upon which the Awarded Shares (or the net sale proceeds thereof) held by the Trustee upon trust and which are referable to a Selected Participant shall vest in that Selected Participant.

The Vesting Date in respect of any Award shall be not less than 12 months from the Grant Date, provided that for Employee Participants, the Vesting Date may be less than 12 months from the Grant Date (including on the Grant Date) in the following circumstances:

- (a) grants of “make whole” Awards to new Employee Participants or Related Entity Participants to replace share awards such Employee Participants or Related Entity Participants forfeited when leaving their previous employers;
- (b) grants to an Employee Participant or a Related Entity Participant whose employment is terminated due to death or disability or event of force majeure;
- (c) grants of Awards which are subject to the fulfilment of performance targets specified in the Award Notice;
- (d) grants of Awards the timing of which is determined by administrative or compliance requirements not connected with the performance of the relevant Employee Participant or Related Entity Participants, in which case the Vesting Date may be adjusted to take account of the time from which the Award would have been granted if not for such administrative or compliance requirements;
- (e) grants of Awards with a mixed vesting schedule such that the Awards vest evenly over a period of 12 months; or
- (f) grants of Awards with a total vesting and holding period of more than 12 months.

10. LAPSE OF AWARDS

Any Award made to Selected Participant(s) shall lapse forthwith and be cancelled on the occurrence of any of the following:

- (a) a Selected Participant ceases to be an Employee Participant or Related Entity Participant other than due to retirement or death (including without limitation, ceasing to be an Employee Participant or Related Entity Participant by virtue of a corporate reorganisation of the Group or the Related Entity); or
- (b) the Subsidiary or Related Entity by which a Selected Participant is employed ceases to be a Subsidiary or Related Entity of the Company (or of a member of the Group); or
- (c) the Board or the Committee shall at its absolute discretion determine in respect of a Selected Participant that (a) the Selected Participant or his associate has committed any breach of any contract entered into between the Selected Participant or his associate on one part and any member of the Group or any Related Entity on the other part as the Board or the Committee may in its absolute discretion determine; or (b) the Selected Participant has fallen into any of the following conditions: (i) the results of the economic responsibility audit and other similar assessment(s) show that duties of the Selected Participant are not performed effectively or is in serious

dereliction of duty or malfeasance; (ii) non-compliance with all relevant laws and regulations and the articles of association of the Company; (iii) during his/her term of office, the Selected Participant is subject to disciplinary actions by virtue of illegal behaviours, including but not limited to bribery, corruption, theft, leakage of the Group's business and technical secrets, damages to the Group's interests and reputation through related party transactions and resulting in material negative impact on the Group's image; and (iv) the Selected Participant fails to perform or fails to properly perform his/her duties, resulting in substantial asset losses and other serious adverse consequences to the Group; or (c) the Selected Participant 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 composition with his creditors generally, or has been convicted any criminal offence involving his integrity or honesty; or (d) the Selected Participant could no longer make any contribution to the growth and development of any member of the Group or the Related Entity by reason of the cessation of its relationship with the Group or its Related Entity or by any other reasons whatsoever; or (e) the Selected Participants has caused any material misstatement in the financial statements of the Company; or

- (d) 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
- (e) a Selected Participant is found to be an Excluded Participant; or
- (f) a Selected Participant fails to return duly executed transfer documents prescribed by the Trustee for the relevant Awarded Shares within the stipulated period.

In the event of lapse of any Award, the Award or the relevant part of an Award made to such Selected Participant shall automatically lapse forthwith and all the Awarded Shares or the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the New Share Award Plan.

11. PERFORMANCE TARGETS

At the time of grant of the Awarded Shares, the Board or the Committee may, in its sole and absolute discretion, specify any performance target(s) for vesting of Awards in the Award Notice. Such performance targets may include financial and non-financial parameters, including but not limited to value creation parameters (such as revenue, gross profit and gross merchandise value) and other strategic and organizational health parameters (such as timeliness and accuracy in handling customer feedback and compliance with internal business procedures).

12. AMOUNT PAYABLE ON APPLICATION OR ACCEPTANCE OF AN AWARD

The Board or the Committee may determine in its absolute discretion the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, which amounts (if any) and periods shall be set out in the Award Notice.

13. PURCHASE PRICE OF AWARDED SHARES

The Board and the Committee may determine and specify the purchase price of the Awarded Shares (if any) in the Award Notice.

14. VOTING AND DIVIDEND RIGHTS

The Trustee shall not exercise the voting rights in respect of any Shares held under the trust constituted by the Trust Deed. In particular, the Trustee holding unvested Shares under the New Share Award Plan, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

Any dividends and other distributions declared and made in respect of any Awarded Shares during the Vesting Period shall be held by the Trustee in accordance with the terms of the New Share Award Plan and the Trust Deed and treated and dealt with as income of the trust constituting the Trust Deed generally.

15. DURATION AND TERMINATION OF THE NEW SHARE AWARD PLAN

Subject to early termination, the New Share Award Plan shall be valid and effective for a term of 10 years commencing on the Adoption Date, after which period no further Awards shall be made but the provisions of the New Share Award Plan shall remain in full force and effect the extent necessary to give effect to any Awards made prior thereto and the administration of the trust property held by the Trustee pursuant to the Trust Deed.

The New Share Award Plan shall terminate on the earlier of (i) the 10th anniversary date of the Adoption Date; and (ii) such date of early termination as determined by the Board or the Committee and notified to the Trustee in writing, provided that such termination shall not affect any subsisting rights of any Selected Participant(s).

Upon termination of the New Share Award Plan:

- (a) Subject to the decision of the Board or the Committee and in the event that the Selected Participant died or retired as provided in the paragraph headed "Vesting of Awarded Shares" of this circular, all the Awarded Shares shall become vested in the Selected Participant on such date of termination, save in respect of the events of lapse of all the Awarded Shares pursuant to the terms of the New Share Award Plan;

- (b) Returned Shares and such non-cash income remaining in the trust fund shall be sold by the Trustee, within twenty-one (21) Business Days (on which the trading of the Shares has not been suspended) of receiving notice of such termination of the New Share Award Plan (or such longer period as the Board or the Committee may otherwise determine);
- (c) Residual Cash, net proceeds of sale referred to in preceding paragraph (ii) above and such other funds remaining in the trust constituted by the Trust Deed (after making appropriate deductions in respect of all disposal costs, liabilities and expenses in accordance with the Trust Deed) shall be remitted to the Company forthwith after the sale. For the avoidance of doubt, the Trustee may not transfer any Shares to the Company nor may the Company otherwise hold any such Shares as described in the preceding paragraph (ii) above whatsoever (other than its interest in the proceeds of sale of the same).

16. ADJUSTMENTS AND EFFECT OF ALTERATION OF CAPITAL STRUCTURE

If the Company conducts any capitalisation issue, rights issue, share consolidation, share sub-division or capital reduction, the maximum number of Shares that may be issued by the Company, subscribed for and/or purchased by the Trustee pursuant to the New Share Award Plan and all other share option schemes of the Company under the unutilised Plan Mandate Limit or the Service Provider Sub-limit shall be adjusted accordingly, with reference to the total number of issued Shares at the date immediately before and after such event and rounded to the nearest whole Share, such that the Select Participants will be entitled to the same proportion of the Company's equity capital as to which such Select Participants previously entitled to.

In respect of any such adjustments, other than any made on a capitalisation issue, an independent financial adviser or the Company's auditors must confirm to the Directors in writing that the adjustments satisfy the requirements under the Notes to Rule 17.03(13) of the Listing Rules.

17. RANKING OF SHARES

The Awarded Shares shall be identical to all existing issued Shares and shall be allotted and issued subject to all the provisions of the articles of association of the Company for the time being in force and will rank *pari passu* with the other fully paid Shares in issue, save that the Selected Participants shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders prior to vested.

18. TRANSFERABILITY

An Award shall be personal to the Selected Participant and shall not be transferable or assignable and no Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any security or adverse interest whatsoever in favour of any third party over or in relation to an Award or enter or purport to enter into any agreement to do so. Any breach of the foregoing by any Selected Participant shall entitle the Company to cancel the Award made to such Selected Participant, and the Board or Committee shall notify the Trustee in writing accordingly.

19. CANCELLATION OF AWARDS

Where the Company cancels any Award granted to a Selected Participant, and makes a new grant of Award to the same Selected Participant, such new grant of Award may only be made under the New Share Award Plan with available Plan Mandate Limit approved by Shareholders. The Award cancelled will be regarded as utilised for the purpose of calculating the Plan Mandate Limit and Service Provider Sub-limit.

20. ALTERATION OF THE NEW SHARE AWARD PLAN

Subject to compliance with the relevant requirements under the Listing Rules, the rules of the New Share Award Plan may be altered by the prior sanction of a resolution passed by the Board or the Committee provided that no such alteration shall operate to affect adversely any rights of any Selected Participant in respect of his Awarded Shares which remain unvested except with the consent in writing of the majority of the Selected Participants whose Awarded Shares remained unvested on that date (but, for the avoidance of doubt, excluding for this purpose any such Shares in respect of which that date is a Vesting Date), provided that no such consent shall be required if the Board or the Committee determines in its sole discretion that such amendment or alteration either:

- (a) is necessary or advisable in order for the Company, the New Share Award Plan or the Award to satisfy any applicable law or Listing Rules or to meet the requirements of, or avoid adverse consequences under, any accounting standard; or
- (b) is not reasonably likely to diminish materially the benefits provided under such Award, or that any such diminishment has been adequately compensated.

The amended terms of the Rules of the New Share Award Plan must comply with all applicable laws, rules and regulations (including without limitation the Listing Rules).

The approval of the Shareholders in general meeting is required for any amendment or alteration to the terms and conditions of the New Share Award Plan which are of a material nature or to those provisions of the New Share Award Plan which relate to the matters set out in Rule 17.03 of the Listing Rules to the extent that such alteration or amendment operates to the advantage of Eligible Participants. Any change to the authority of the Directors or the Committee to alter the terms of the New Share Award Plan must be approved by Shareholders in general meeting.

Any amendment or alteration to the terms of any Award the grant of which was subject to the approval of a particular body (such as the Board or any committee thereof, the independent non-executive Directors, or the Shareholders in general meeting) shall be subject to approval by that same body, provided that this requirement does not apply where the relevant alteration takes effect automatically under existing terms of the New Share Award Plan. Without limiting the generality of the foregoing, any change in the terms of Awards granted to any Grantee who is a Director, chief executive or substantial Shareholder of the Company, or any of their respective associates, must be approved by the Shareholders in general meeting in the manner required in the Listing Rules if the initial grant of the Awards requires such approval (except where the changes take effect automatically under the rules of the New Share Award Plan).

NOTICE OF EGM



Century Sage Scientific Holdings Limited **世紀睿科控股有限公司**

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1450)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless otherwise specified, terms defined in this notice shall have the same meanings in the circular of the Company dated on the same day as this notice (the “**Circular**”). Details regarding the resolutions in this notice are set out in the Circular.

NOTICE IS HEREBY GIVEN that an EGM of the Company will be held at Building H8, Privy Council, No. 10 Jiachuang Road, Opto-Mechatronics Industrial Park, Tongzhou District, Beijing, the PRC at 3:00 p.m. (Hong Kong time) on Thursday, 8 December 2022 for the purposes of considering and, if thought fit, passing with or without modifications, the following resolutions which will be proposed as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. To approve the adoption of the New Share Award Plan with effect from the Adoption Date, and to authorize the Directors to do all acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the New Share Award Plan, including without limitation:
 - (a) to administer or authorize a committee of the Board to administer the New Share Award Plan under which Awards will be awarded to the Eligible Participants (as defined in the New Share Award Plan) under the New Share Award Plan, including but not limited to determining and granting the Awards in accordance with the terms of the New Share Award Plan;
 - (b) to modify and/or amend the New Share Award Plan from time to time provided that such modification and/or amendment is effected in accordance with the terms of the New Share Award Plan and subject to the Listing Rules;

NOTICE OF EGM

- (c) to allot and issue from time to time such Shares which shall not in aggregate exceed 10% of the total number of Shares outstanding as at the date of approval of the New Share Award Plan by the Shareholders, as may be required to be allotted and issued pursuant to the grant of the Awards under the New Share Award Plan and subject to the Listing Rules;
 - (d) to allot and issue to Service Providers (as defined in the New Share Award Plan) from time to time such Shares which shall not in aggregate exceed 0.5% of total number of Shares outstanding as at the date of approval of the New Share Award Plan by the Shareholders, as may be required to be allotted and issued pursuant to the grant of the Awards under the New Share Award Plan and subject to the Listing Rules; and
 - (e) to consent, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Award Plan.
2. Conditional upon resolution no. 1 above being passed, existing share option scheme which was adopted by the Company on 13 June 2014 be and is hereby terminated with effect from the adoption of the New Share Award Plan.

By order of the Board of
Century Sage Scientific Holdings Limited
Lo Chi Sum
Chairman

Hong Kong, 18 November 2022

Principal place of business in Hong Kong:

Unit 910, 9/F
Tins Enterprises Centre
777 Lai Chi Kok Road
Cheung Sha Wan
Kowloon
Hong Kong

Notes:

1. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy/more than one proxy to attend and vote instead of him. 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.

NOTICE OF EGM

2. 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 notorially certified copy of that power or authority must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time of holding the meeting (i.e. 3:00 p.m. on Tuesday, 6 December 2022), Hong Kong time or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder from attending and voting in person at the meeting and, in such event, the form of proxy shall be deemed to be revoked.
3. For determining the entitlement to attend and vote at the above meeting, the register of members of the Company will be closed from Monday, 5 December 2022 to Thursday, 8 December 2022, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the EGM, unregistered holders of the shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, 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. (Hong Kong time) on Friday, 2 December 2022.
4. The resolutions set out in this notice shall be decided by poll.
5. As at the date of this notice, the executive Directors are Mr. Lo Chi Sum, Mr. Li Jun, Mr. Li Jinping and Ms. Zhao Hui Li and the independent non-executive Directors are Mr. Cui Xiao Bo, Mr. Ma Zhan Kai and Dr. Yu Guo Jie.