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China Yongda Automobiles Services Holdings Limited
(中國永達汽車服務控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03669)

**PROPOSALS FOR TERMINATION OF EXISTING SHARE OPTION SCHEME
AND ADOPTION OF 2023 SHARE OPTION SCHEME
AND
AMENDMENTS TO THE SHARE AWARD SCHEME
AND
ADOPTION OF THE SCHEME MANDATE LIMIT
AND
ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND
ARTICLES OF ASSOCIATION
AND
GENERAL MANDATES TO ISSUE SECURITIES AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS
AND
RE-APPOINTMENT OF AUDITOR
AND
DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of China Yongda Automobiles Services Holdings Limited to be held at 10:30 a.m. on Thursday, June 1, 2023 at 26/F Yongda International Tower, 2277 Longyang Road, Pudong, Shanghai, the People's Republic of China, is set out on pages 102 to 107 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed (i.e. before 10:30 a.m. on Tuesday, May 30, 2023) for holding the Annual General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Annual General Meeting if they so wish.

April 26, 2023

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DEFINITIONS

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

“2023 Share Option Scheme”	the Company’s 2023 share option scheme proposed to be approved and adopted by the Shareholders at the Annual General Meeting
“Amended and Restated Memorandum and Articles and Association”	the amended and restated memorandum of association and the amended and restated articles of association of the Company incorporating and consolidating all the Proposed M&A Amendments
“Annual General Meeting”	the annual general meeting of the Company to be held at 10:30 a.m. on Thursday, June 1, 2023 at 26/F Yongda International Tower, 2277 Longyang Road, Pudong, Shanghai, the People’s Republic of China, or any adjournment thereof and notice of which is set out on pages 102 to 107 of this circular
“Articles of Association”	the amended and restated articles of association of the Company adopted on May 5, 2012 and effective on July 12, 2012
“Award(s)”	award(s) granted by the Board to a SAS Selected Participant pursuant to the Share Award Scheme, which vest(s) in the form of Awarded Shares in accordance with the Share Award Scheme
“Awarded Share(s)”	Share(s) underlying the Award(s) granted to the SAS Selected Participants under the Share Award Scheme
“Board”	board of Directors
“Business Day(s)”	a day (other than Saturday, Sunday or public holiday) on which the Stock Exchange is open for trading and on which the banks are open for business in Hong Kong
“Company”	China Yongda Automobiles Services Holdings Limited, an exempted company incorporated on November 7, 2011 in the Cayman Islands with limited liability, with its Shares listed on the Main Board of the Stock Exchange
“Companies Act”	the Companies Act Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Consultation Conclusions”	the consultation conclusions on the proposed amendments to listing rules relating to share schemes of listed issuers and housekeeping rule amendment published by the Stock Exchange in July 2022
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Share Option Scheme”	the Company’s share option scheme adopted on October 10, 2013
“General Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and/or otherwise deal with securities not exceeding 20% of the number of the issued Shares as at the date of passing of the relevant resolution granting the General Mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Latest Practicable Date”	April 19, 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Approval”	the Listing Committee’s approval of the listing of, and the permission to deal in, any Shares on the Stock Exchange which may be issued by the Company pursuant to the exercise of any Awards and/Options under the Share Incentive Schemes
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
“Memorandum”	the amended and restated memorandum of association of the Company adopted on May 5, 2012 and effective on July 12, 2012
“Nomination Committee”	the nomination committee of the Company
“Option(s)”	the option(s) to be granted under the 2023 Share Option Scheme

DEFINITIONS

“PRC”	The People’s Republic of China
“Pre-IPO Incentive Scheme”	the Company’s employee pre-IPO incentive scheme conditionally approved and adopted by the Company on April 3, 2012 and amended on August 30, 2013 and June 18, 2020
“Proposed M&A Amendments”	the proposed amendments to the existing Memorandum and Articles of Association set out in Appendix V to this circular
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the number of issued Shares as at the date of passing of the relevant resolution granting the Repurchase Mandate
“Residual Cash”	cash in the Trust Fund (including without limitation (i) any cash income or dividends derived from Shares held under the Trust; (ii) other cash income or net proceeds of sale of non-cash and non-scrip distribution derived from or in respect of the Shares held under the Trust; and (iii) all interest or income derived from deposits maintained with licensed banks in Hong Kong) which has not been applied
“RMB”	Renminbi, the lawful currency of the PRC
“SAS Adoption Date”	being June 1, 2022, the date on which the Share Award Scheme was adopted by the Company upon the approval by the Shareholders
“SAS Amendment Date”	being the date on which the Share Award Scheme is amended by the Company upon the approval by the Shareholders of the proposed amendments to the Share Award Scheme and the grant by the Shareholders of the Scheme Mandate Limit
“SAS Excluded Participant”	under the Share Award Scheme, any participant who is resident in a place where the grant of Award, award of the Awarded Shares and/ or the vesting and transfer of the Awarded Shares pursuant to the terms of the Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such participant

DEFINITIONS

“SAS Eligible Participant”	includes (i) any Director of the Company or employee of the Group (including persons who are granted awards under the Share Award Scheme as an inducement to enter into employment contracts with the Group) and (ii) any director or employee of the holding companies, fellow subsidiaries or associated companies of the Company, the basis of eligibility of which to the grant of any Awards shall be determined by the Board from time to time on the basis of their contribution their contribution to the development and growth of the Group
“SAS Selected Participant”	participant selected by the Board for participation in the Share Award Scheme
“Scheme Mandate Limit”	the limit on grants of share awards and/or options over new shares of the Company under all share schemes of the Company approved by its Shareholders, which must not exceed 10% of the issued Shares of the Company as at the date of the Shareholders’ approval of the limit
“Securities and Futures Ordinance”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
“SOS Adoption Date”	being the date on which the 2023 Share Option Scheme is adopted by the Company upon the approval by the Shareholders of the 2023 Share Option Scheme and the grant by the Shareholders of the Scheme Mandate Limit
“SOS Eligible Person”	include (a) any Director of the Company or employee of the Group (including persons who are granted options under the 2023 Share Option Scheme as an inducement to enter into employment contracts with the Group); and (b) any director or employee of the holding companies fellow subsidiaries or associated companies of the Company, the basis of eligibility of which to the grant of any Options shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group
“SOS Exercise Price”	the price at which each Share subject to an Option under the 2023 Share Option Scheme may be subscribed for on the exercise of that Option
“SOS Selected Participant”	participant selected by the Board for participation in the 2023 Share Option Scheme
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the capital of the Company

DEFINITIONS

“Share Award Scheme”	the share award scheme adopted by the Company on the SAS Adoption Date
“Share Incentive Schemes”	the share options schemes and/or share award schemes involving issuance of new Shares adopted and to be adopted by the Company from time to time, including the 2023 Share Option Scheme and the Share Award Scheme
“Shareholder(s)”	the holder(s) of the Share(s)
“SSE”	Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	a subsidiary (within the meaning of Section 2 of the Companies Ordinance, Chapter 32 of the Laws of Hong Kong) of the Company from time to time
“Substantial Shareholder”	has the meaning ascribed thereto under the Listing Rules
“SZSE”	Shenzhen Stock Exchange
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy backs, as amended from time to time
“Trust”	the trust constituted by the Trust Deed
“Trust Deed”	a trust deed to be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time)
“Trust Fund”	the funds and properties held under the Trust and managed by the Trustee for the benefit of the SAS Selected Participants (other than the SAS Excluded Participants), including without limitation: (a) HK\$100 as initial sum; (b) all Shares acquired by the Trustee for the purpose of the Trust and such other scrip income (including but not limited to bonus Shares and scrip dividends declared by the Company) derived from the Shares held upon the Trust; (c) any Residual Cash; (d) any Awarded Shares to be vested or not vested with the SAS Selected Participants under the terms of the Share Award Scheme; and (e) all other properties from time to time representing (a), (b), (c) and (d) above
“Trust Period”	means the period beginning with the SAS Adoption Date and ending upon the expiry of the period of ten years beginning from the SAS Adoption Date or such date of early termination as determined by the Board

DEFINITIONS

“Trustee”	BOCI Trustee (Hong Kong) Limited (which is independent and not connected with the Company, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed
“Vesting Date”	in respect of a SAS Selected Participant, the date on which his/her/ its entitlement to the Awarded Shares is vested in such SAS Selected Participant in accordance with the Share Award Scheme

LETTER FROM THE BOARD



China Yongda Automobiles Services Holdings Limited
(中國永達汽車服務控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03669)

Executive Directors:

Mr. Cheung Tak On
Mr. Cai Yingjie
Mr. Wang Zhigao
Mr. Xu Yue
Ms. Chen Yi
Mr. Tang Liang

Independent Non-Executive Directors:

Ms. Zhu Anna Dezhen
Mr. Lyu Wei
Mr. Mu Binrui

Registered Office:

Ogier Global (Cayman) Limited
89 Nexus Way, Camana Bay
Grand Cayman, KY1-9009
Cayman Islands

Corporate Headquarters:

299 Ruijin Nan Road
Huangpu District
Shanghai
PRC

Principal Place of Business in Hong Kong:

Unit 5708, 57/F, The Center
99 Queen's Road Central
Central
Hong Kong

April 26, 2023

To the Shareholders

Dear Sir or Madam

**PROPOSALS FOR TERMINATION OF EXISTING SHARE OPTION SCHEME
AND ADOPTION OF 2023 SHARE OPTION SCHEME
AND
AMENDMENTS TO THE SHARE AWARD SCHEME
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ADOPTION OF THE SCHEME MANDATE LIMIT
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ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND
ARTICLES OF ASSOCIATION
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GENERAL MANDATES TO ISSUE SECURITIES AND REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS
AND
RE-APPOINTMENT OF AUDITOR
AND
DECLARATION OF FINAL DIVIDEND
AND
NOTICE OF ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to give you the notice of Annual General Meeting and the following proposals (among others) to be put forward at the Annual General Meeting including: a) termination of the Existing Share Option Scheme and adoption of the 2023 Share Option Scheme; b) amendments to the Share Award Scheme; c) adoption of the Scheme Mandate Limit, d) adoption of the Amended and Restated Memorandum and Articles of Association; e) granting of the General Mandate to issue securities and the Repurchase Mandate to repurchase Shares; f) the re-election of Directors; g) re-appointment of auditor; and h) declaration of final dividend.

2. TERMINATION OF EXISTING SHARE OPTION SCHEME AND ADOPTION OF 2023 SHARE OPTION SCHEME

Reference is made to the Company's announcement dated March 24, 2023, in relation to, among others, the proposed termination of the Existing Share Option Scheme and the proposed adoption of the 2023 Share Option Scheme.

The Company adopted the Existing Share Option Scheme on October 10, 2013 upon the approval by the Shareholders, valid and effective of a period of ten years commencing the same date. The Stock Exchange published its conclusions to the consultation on the proposals to amend the Listing Rules relating to share schemes of listed issuers (i.e. the Consultation Conclusions), pursuant to which, inter alia, the requirements for share schemes as set out in Chapter 17 of the Listing Rules have been amended with effect from January 1, 2023. As a result of the aforesaid amendments to the Chapter 17 of the Listing Rules, the terms of the Existing Share Option Scheme no longer comply with new Listing Rules.

On the above basis, coupled with (i) the expiring Existing Share Option Scheme given its term of ten years, and (ii) the observance of other applicable requirements under the Listing Rules, the Directors consider that it would be in the best interests of the Company and its Shareholders to terminate the Existing Share Option Scheme and to adopt the 2023 Share Option Scheme, which complies with the Listing Rules.

Termination of the Existing Share Option Scheme

Ordinary resolution will be proposed at the Annual General Meeting for the Shareholders to consider and, if thought fit, approve, inter alia, the termination of the Existing Share Option Scheme with effect from the SOS Adoption Date. No Shareholder is required to abstain from voting on the relevant resolution to approve the termination of the Existing Share Option Scheme at the Annual General Meeting.

In the event of the termination of the Existing Share Option Scheme, no further Option will be granted under the Existing Share Option Scheme, while the share options granted prior to such termination shall continue to be valid and exercisable in accordance with the Existing Share Option Scheme. As of the Latest Practicable Date, a total of 12,000,000 share options, representing 12,000,000 underlying Shares, are granted and outstanding under the Existing Share Option Scheme, principal terms of which are set out as below:

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Grantee	Position	Date of grant	Vesting period	Exercise period	Exercise price <i>HK\$ per share</i>	Numbers of	Approximate
						share options granted and outstanding as of the Latest Practicable Date	percentage in the issued Shares as of the Latest Practicable Date %
XU Yue	Executive Director, Vice- chairman of the Board, President and Chief Executive Officer	March 17, 2022	Three years from the date of grant of share options	March 17, 2022 to March 16, 2027	8.220	3,000,000	0.15
CHEN Yi	Executive Director, Vice-president	March 17, 2022	Three years from the date of grant of share options	March 17, 2022 to March 16, 2027	8.220	800,000	0.04
TANG Liang	Executive Director, Vice-president	March 17, 2022	Three years from the date of grant of share options	March 17, 2022 to March 16, 2027	8.220	2,500,000	0.13
Other employees of the Group in aggregate	-	March 17, 2022	Three years from the date of grant of share options	March 17, 2022 to March 16, 2027	8.220	5,700,000	0.29

Overview of the 2023 Share Option Scheme

The purpose of the 2023 Share Option Scheme is to provide incentive or reward to SOS Eligible Persons for their contribution to, and continuing efforts to promote the interests of, the Group and for such other purposes as the Board may approve from time to time.

Under the 2023 Share Option Scheme, the Board may at its discretion specify any conditions which must be satisfied before the option may be exercised in the offer letter whereby the option is offered. The Board believes that this will provide the Board with more flexibility in setting the terms and conditions of the options under particular circumstances of each grant and facilitate the Board's aim to offer meaningful incentive to attract and retain quality personnel that are valuable to the development of the Group.

LETTER FROM THE BOARD

As of the Latest Practicable Date, there were 1,955,704,513 Shares in issue. Assuming there is no change in the total number of issued Shares since the Latest Practicable Date, the maximum number of Shares issuable pursuant to the 2023 Share Option Scheme and any other schemes of the Company in aggregate will be 195,570,451 Shares, being 10% of the total number of Shares in issue on the SOS Adoption Date. The 2023 Share Option Scheme does not have a trustee.

The Company will comply with the applicable requirements under Chapter 17 of the Listing Rules in respect of the operation of the 2023 Share Option Scheme.

Basis of Eligibility of the SOS Eligible Persons under the 2023 Share Option Scheme

Eligible participants under the 2023 Share Option Scheme include: (a) any Director of the Company or employee of the Group (including persons who are granted options under the 2023 Share Option Scheme as an inducement to enter into employment contracts with the Group) (the “**SOS Employee Participants**”); and (b) any director or employee of the holding companies, fellow subsidiaries or associated companies of the Company (the “**SOS Related Entity Participants**”). The basis of eligibility of any of the above classes of SOS Eligible Persons to the grant of any Options shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group.

In the case of SOS Employee Participants, assessing factors in respect of the eligibility include, among others, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, and the length of engagement with the Group. In particular, the Board will take into account the growth and development need of the Group, the position and responsibilities, expected work performance and quality and relevant factors relevant to the potential SOS Employee Participants, such as the level and importance of the potential SOS Employee Participants and the expected responsibilities that such potential SOS Employee Participants shall take, as well as the key performance indicators expected to be achieved by such potential SOS Employee Participants.

In the case of SOS Related Entity Participants, assessing factors in respect of the eligibility include, among others, their participation and contribution to the development of the Group and/or the extent of benefits and synergies brought to the Group.

View of Independent Non-executive Directors on Inclusion of SOS Related Entity Participants as SOS Eligible Persons

The Directors (including the independent non-executive Directors) consider that it is beneficial to include the SOS Related Entity Participants since a sustainable and stable relationship with them is helpful to the business development of the Group and that the grant of Options to these SOS Related Entity Participants will align their interests with the Group’s, incentivizing them to provide better services to, create more opportunities for and/or contribute to the success of the Group in the long run.

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Despite that the Company has not granted options or awards to any related entity participants historically, the Board (including independent non-executive Directors) consider that the proposed category of the SOS Related Entity Participants serves for maintaining or enhancing the competitiveness of the Group, considering that it is in line with (i) the Company's business needs, i.e. despite that SOS Related Entity Participants may not be directly appointed or employed by the members of the Group (who would otherwise be categorized as SOS Employee Participants), they are nonetheless potential valuable resources to the Group, considering their extensive connections in the market, knowledge and expertise of the industry, as well as close corporate and collaborative relationships with the Group and (ii) the industry norm, and it enables the Company to preserve flexibility using share incentives to encourage SOS Related Entity Participants to contribute to the Group and align the mutual interests.

Despite of the inclusion of SOS Related Entity Participants, the Board will take into various factors, especially the contribution to the Group, when assessing whether to make grants to any SOS Related Entity Participants. It is expected that such grants will be strictly confined to the extent necessary, and be companioned with certain contribution targets as the vesting conditions where necessary.

Adoption Conditions for the 2023 Share Option Scheme

The 2023 Share Option Scheme will take effect on the date of its adoption at the Annual General Meeting and is conditional upon:

- (a) the passing of the ordinary resolutions by the Shareholders at the Annual General Meeting to (i) approve and adopt the 2023 Share Option Scheme; and (ii) approve the Scheme Mandate Limit; and
- (b) the Company having obtained the Listing Approval.

In relation to the condition set out in (a) above, ordinary resolutions will be proposed at the Annual General Meeting for the Shareholders to consider and, if thought fit, approve, the adoption of the 2023 Share Option Scheme and the Scheme Mandate Limit. No Shareholder is required to abstain from voting on the relevant resolution to approve the adoption of the 2023 Share Option Scheme at the Annual General Meeting. In relation to the condition set out in (b) above, an application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any awards and/or share options up to 10% of the Shares in issue as at the SOS Adoption Date.

A summary of the principal terms of the 2023 Share Option Scheme to be approved at the Annual General Meeting is set out in Appendix III to this circular.

3. AMENDMENTS TO THE SHARE AWARD SCHEME

Reference is made to the Company's announcement dated March 24, 2023 in relation to, among others, the proposed amendments to the Share Award scheme.

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The Company adopted the Share Award Scheme on June 1, 2022, upon the approval by the Shareholders. Pursuant to the Consultation Conclusions, Chapter 17 of the Listing Rules has been amended to govern both share option schemes and share award schemes involving the grant of new shares or options over new shares of the listed issuer with effect from January 1, 2023. In light of the Listing Rules, the Board is pleased to announce that it has resolved on March 24, 2023 to propose the proposed amendments to be made to the Share Award Scheme (the “**Proposed Amendments to the Share Award Scheme**”) to bring it in line with the Listing Rules.

As disclosed in Appendix IV to this circular, the specific objectives of the Share Award Scheme are (i) to recognize the contributions by certain SAS Eligible Participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

As of the Latest Practicable Date, there were 1,955,704,513 Shares in issue. Assuming there is no change in the number of issued Shares during the period from the Latest Practicable Date, the maximum number of Shares issuable pursuant to the amended Share Award Scheme and any other schemes of the Company in aggregate will be 195,570,451 Shares, being 10% of the total number of Shares in issue on the SAS Amendment Date. None of the Directors is a trustee of the amended Share Award Scheme or has any direct or indirect interest in the Trustee of the amended Share Award Scheme.

In the event of the amendment to the original Share Award Scheme, no further Award will be granted under the original Share Award Scheme, while the Awards granted prior to such amendment shall continue to be valid and exercisable in accordance with the original Share Award Scheme. As of the Latest Practicable Date, a total of 5,660,000 Awards, representing 5,660,000 underlying Shares, are granted and outstanding under the original Share Award Scheme, principal terms of which are set out as below:

Grantee ^(Note)	Position	Date of grant	Vesting date of the Awards granted	Consideration of the Awards granted <i>HK\$ per share</i>	Numbers of Awards granted and outstanding as of the Latest Practicable Date	Approximate percentage in the issued Shares as of the Latest Practicable Date %
Employees of the Group in aggregate	-	March 28, 2023	March 29, 2024	2.765	5,660,000	0.29

Note: To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, none of the grantees under the original Share Award Scheme is (i) a connected person of the Company; or (ii) a Director, chief executive or substantial shareholder of the Company, or an associate (as defined in the Listing Rules) of any of them.

Key Changes Entailed by the Proposed Amendments to the Share Award Scheme

The key changes entailed by the Proposed Amendments to the Share Award Scheme are set out below:

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- (a) to revise the scope of eligible participants;
- (b) to revise the grant price determination mechanism;
- (c) to adopt the Scheme Mandate Limit, being 195,570,451 Shares excluding the share awards and/or options lapsed under the Share Incentive Schemes, on the basis that there are a total of 1,955,704,513 Shares in issue at the Latest Practicable Date and assuming that no other Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting;
- (d) to bring the requirement of independent Shareholders' approval for refreshment of the Scheme Mandate Limit;
- (e) to bring the requirement of individual limits for grant of awards to the eligible participants;
- (f) to elaborate on the provision for adjustment of the purchase price and number of awards granted under the Share Award Scheme in the event of a capitalization issue, rights issue, sub-division or consolidation of shares or reduction of capital;
- (g) to elaborate on the scope of criteria for performance targets attached to the awards granted, including a mixture of key performance indicators components;
- (h) to provide that the grant of awards to certain eligible participants may be subject to a vesting period shorter than 12 months under specific circumstances;
- (i) to bring the requirement for Shareholders' approval for any alterations to the provisions of the Share Award Scheme in line with Chapter 17 of the Listing Rules;
- (j) to include the necessary carve-outs on the transferability of the awards; and
- (k) to include other amendments for house-keeping purposes and to better align the wording with that of the Listing Rules.

Basis of Eligibility of the SAS Eligible Participants under the Share Award Scheme

Eligible participants under the Share Award Scheme, as amended, include: (a) any Director of the Company or employee of the Group (including persons who are granted awards under the Share Award Scheme as an inducement to enter into employment contracts with the Group) (the “**SAS Employee Participants**”); and (b) any director or employee of the holding companies, fellow subsidiaries or associated companies of the Company (the “**SAS Related Entity Participants**”). The basis of eligibility of any of the above classes of SAS Eligible Participants to the grant of any Awards shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group.

In the case of SAS Employee Participants, assessing factors in respect of the eligibility include, among others, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with the Group. In

LETTER FROM THE BOARD

particular, the Board will take into account the growth and development need of the Group, the position and responsibilities, expected work performance and quality and relevant factors relevant to the potential SAS Eligible Participants, such as the level and importance of the potential SAS Eligible Participants and the expected responsibilities that such potential SAS Eligible Participants shall take, as well as the key performance indicators expected to be achieved by such potential SAS Eligible Participants.

In the case of SAS Related Entity Participants, assessing factors include, among others, their participation and contribution to the development of the Group and/or the extent of benefits and synergies brought to the Group.

View of Independent Non-executive Directors on Inclusion of SAS Related Entity Participants as SAS Eligible Participants

The Directors (including the independent non-executive Directors) consider that it is beneficial to include the SAS Related Entity Participants since a sustainable and stable relationship with them is helpful to the business development of the Group and that the grant of Awards to these SAS Related Entity Participants will align their interests with the Group's, incentivizing them to provide better services to, create more opportunities for and/or contribute to the success of the Group in the long run.

Despite that the Company has not granted options or awards to any related entity participants historically, the Board (including independent non-executive Directors) consider that the proposed category of the SAS Related Entity Participants serves for maintaining or enhancing the competitiveness of the Group, considering that it is in line with (i) the Company's business needs, i.e. despite that SAS Related Entity Participants may not be directly appointed or employed by the members of the Group (who would otherwise be categorized as SAS Employee Participants), they are nonetheless potential valuable human resources to the Group, given their extensive connections in the market, knowledge and expertise of the industry, as well as close corporate and collaborative relationships with the Group, as well as involvement in joint work projects in close connection with the Group's business, and (ii) the industry norm, and it enables the Company to preserve flexibility using share incentives to encourage SAS Related Entity Participants to contribute to the Group and align the mutual interests.

Despite of the inclusion of SAS Related Entity Participants, the Board will take into various factors, especially the contribution to the Group, when assessing whether to make grants to any SAS Related Entity Participants. It is expected that such grants will be strictly confined to the extent necessary, and be companioned with certain contribution targets as the vesting conditions where necessary.

LETTER FROM THE BOARD

Adoption Conditions for the Proposed Amendments to the Share Award Scheme

The adoption of the Proposed Amendments to the Share Award Scheme is conditional upon the fulfillment of the following conditions:

- (a) the passing of the ordinary resolutions by the Shareholders at the Annual General Meeting to
 - (i) approve the Proposed Amendments to the Share Award Scheme, and (ii) approve the Scheme Mandate Limit; and
- (b) the Company having obtained the Listing Approval.

In relation to the condition set out in (a) above, ordinary resolutions will be proposed at the Annual General Meeting for the Shareholders to consider and, if thought fit, approve, inter alia, the Proposed Amendments to the Share Award Scheme and the Scheme Mandate Limit. No Shareholder is required to abstain from voting on the relevant resolution to approve the Proposed Amendments to the Share Award Scheme at the Annual General Meeting. In relation to the condition set out in (b) above, an application will be made to the Listing Committee for the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of any awards and/or share options up to 10% of the Shares in issue as at the SAS Amendment Date.

A summary of the principal amended terms of the Share Award Scheme to be approved at the Annual General Meeting is set out in Appendix IV to this circular.

In addition to the Existing Share Option Scheme and the Share Award Scheme, the Company has also adopted the Pre-IPO Incentive Scheme, the details of which are set out in the paragraph headed "Employee Pre-IPO Incentive Scheme" in Appendix IV to the Company's prospectus dated June 29, 2012, which was conditionally approved and adopted by a resolution of the Directors on April 3, 2012, and subsequently amended on August 30, 2013 and June 18, 2020. The scope of the eligible persons under the Pre-IPO Incentive Scheme includes any director (whether executive or non-executive, including any independent non-executive director), employee (whether full time or part time) and members of the senior management of the Group, but excluding (i) any person who has given or been given notice terminating his or her office or directorship, as the case may be; and (ii) any other person that the Board may determine from time to time. Restricted share awards (with existing Shares as underlying Shares) and cash awards could be granted to eligible persons pursuant to the terms of the Pre-IPO Incentive Scheme. As of the Latest Practicable Date, 46,894,600 restricted Shares were awarded to eligible persons in accordance with the terms of the Pre-IPO Incentive Scheme, all vested on the respective dates of grant.

4. ADOPTION OF THE SCHEME MANDATE LIMIT

Reference is made to the announcement of the Company dated March 24, 2023 in relation to, among others, the proposed adoption of the Scheme Mandate Limit.

As approved by the Shareholders at the annual general meeting of the Company held on June 1, 2022, an annual scheme mandate was given to the Director to allot and issue new Shares underlying any Awards granted under and pursuant to the terms of the Share Award Scheme and the maximum

LETTER FROM THE BOARD

number of new Shares underlying awards which may be granted by the Directors thereunder up to 3% of the number of issued Shares as at the date of passing the resolution, during the period from the even date to the earlier of (a) the conclusion of the next annual general meeting of the Company, and (b) the revocation or variation of such authority by an ordinary resolution of the Shareholders in general meeting. Accordingly, the aforesaid annual scheme mandate is expected to expire no later than the conclusion of the Annual General Meeting.

In light of the above, the Board has resolved to propose the adoption of the Scheme Mandate Limit, being a scheme mandate limit not exceeding 10% of the total number of Shares in issue as at the date of the Shareholders' approval of such limit, for the Share Incentive Schemes (which includes new Shares and options over new Shares made pursuant to the Share Incentive Schemes adopted by the Company from time to time). The Scheme Mandate Limit shall be 195,570,451 Shares excluding the share awards and/or options lapsed under the Share Incentive Schemes, on the basis that there are a total of 1,955,704,513 Shares in issue at the Latest Practicable Date and assuming that no other Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting.

5. ADOPTION OF THE AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated March 24, 2023 in relation to, among others, the proposed amendments to the existing Memorandum and Articles of Association and adoption of the Amended and Restated Memorandum and Articles of Association.

The Board proposes to (i) amend the existing Memorandum and Article of Association currently in force, and (ii) adopt the Amended and Restated Memorandum and Articles of Association incorporating and consolidating all the Proposed M&A Amendments in substitution for, and to the exclusion of, the existing Memorandum and Articles of Association, for the purpose of, among others, (a) enabling the Company to convene and hold electronic or hybrid general meetings of members and providing flexibility to the Company in relation to the conduct of general meetings; and (b) complying with the core shareholder protection standards set out in Appendix 3 to the Listing Rules and reflecting the relevant requirements of the applicable laws of the Cayman Islands.

Details of the Proposed M&A Amendments are set out in Appendix V to this circular.

The legal advisers to the Company as to Hong Kong laws and the Cayman Islands laws have respectively confirmed that the Proposed M&A Amendments conform with the requirements of the Listing Rules and the laws of the Cayman Islands, under which the Company is incorporated. The Company also confirms that there is nothing unusual about the Proposed M&A Amendments for a Cayman Islands company listed in Hong Kong.

The Proposed M&A Amendments as well as the adoption of the Amended and Restated Memorandum and Articles of Association are subject to the Shareholders' approval by way of special resolution at the Annual General Meeting.

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6. GENERAL MANDATE TO ISSUE SECURITIES

In order to ensure flexibility and give discretion to the Directors, in the event that it becomes desirable for the Company to issue any new securities, approval is to be sought from the Shareholders, pursuant to the Listing Rules, for the General Mandate to issue securities. At the Annual General Meeting, an ordinary resolution no. 8(A) will be proposed to grant the General Mandate to the Directors to exercise the powers of the Company to allot, issue and/or otherwise deal with the additional securities of the Company not exceeding 20% of the number of issued Shares as at the date of passing of the resolution in relation to the General Mandate. The General Mandate shall be limited by the applicable laws, rules and requirements of the Stock Exchange as amended from time to time, including the restrictions for using the General Mandate to issue (i) securities convertible into new Shares for cash consideration, if the initial conversion price of such convertible securities is lower than the benchmarked price (as hereinafter defined) of the Shares at the time of the relevant placing; and (ii) warrants, options or similar rights to subscribe for new Shares or securities convertible into new Shares for cash consideration.

As at the Latest Practicable Date, there were 1,955,704,513 Shares which have been fully paid. Subject to the passing of the ordinary resolution no. 8(A) and on the basis that no further securities are issued or repurchased after the Latest Practicable Date and up to the date of the Annual General Meeting, the Company will be allowed to issue a maximum of 391,140,902 Shares (whether by way of Shares or otherwise).

In addition, subject to a separate approval of ordinary resolution no. 8(C), the number of Shares repurchased by the Company under ordinary resolution no. 8(B) will also be added to extend the General Mandate as mentioned in ordinary resolution no. 8(A), provided that such additional value shall represent up to 10% of the number of issued Shares as at the date of passing the resolutions in relation to the General Mandate and Repurchase Mandate. The Directors wish to state that they have no immediate plans to issue any new securities of the Company pursuant to the General Mandate.

7. GENERAL MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution will be proposed at the Annual General Meeting to approve the granting of the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase Shares representing up to 10% of the number of issued Shares as at the date of passing of the resolution in relation to the Repurchase Mandate.

An explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the proposed Repurchase Mandate is set out in Appendix II to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the Annual General Meeting.

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8. RE-ELECTION OF DIRECTORS

In accordance with Article 104 of the Articles of Association, Mr. Xu Yue, Ms. Chen Yi and Mr. Lyu Wei shall retire by rotation and, being eligible, offered themselves for re-election at the Annual General Meeting.

The re-appointment of the abovenamed Directors has been reviewed by the Nomination Committee which made recommendation to the Board that the re-election be proposed for Shareholders' approval at the Annual General Meeting. The Nomination Committee has recommended three Directors to the Board for re-election at the Annual General Meeting.

The Nomination Committee has also reviewed and assessed the independence of Mr. Lyu Wei based on his respective confirmation of independence pursuant to the independence guidelines as set out in Rule 3.13 of the Listing Rules. Mr. Lyu Wei is not involved in the daily management of the Company nor in any relationships which would interfere with the exercise of his independent judgment. In addition, taking into consideration of the diversity perspectives (including but not limited to gender, age, cultural and educational background, professional experience, length of service, skills and knowledge) and the current public directorships held by him, the Board is satisfied that Mr. Lyu Wei is of such character, integrity and experience commensurating with the office of independent non-executive Director. The Board believes that he will be able to devote sufficient time to the Board and will continue to provide independent, balanced and objective view to the Company's affairs.

Details of the above Directors who are subject to re-election at the Annual General Meeting are set out in Appendix I to this circular in accordance with the relevant requirements of the Listing Rules.

9. RE-APPOINTMENT OF AUDITOR

The Board proposes to re-appoint Deloitte Touche Tohmatsu as the auditor of the Company for the year ending December 31, 2023 and hold the office until the conclusion of the next annual general meeting of the Company. A resolution will also be proposed to authorize the Board to fix the auditor's remuneration for the ensuing year. Deloitte Touche Tohmatsu have indicated their willingness to be re-appointed as auditor of the Company for the said period.

10. FINAL DIVIDEND

Reference is made to the annual results announcement for the year ended December 31, 2022 of the Company dated March 24, 2023. The Board resolved to propose to the Shareholders in the Annual General Meeting for the distribution of a final dividend of RMB0.292 per Share for the year ended December 31, 2022 payable to the Shareholders whose names are listed in the register of members of the Company on June 13, 2023. Subject to the consideration and approval of the Shareholders at the Annual General Meeting, the final dividend will be paid in Hong Kong dollars based on the medium exchange rate between Renminbi and Hong Kong dollars as announced by the People's Bank of China on the date of the Annual General Meeting. On the basis of the total issued share capital of 1,955,704,513 Shares of the Company as of the Latest Practicable Date and after deducting 8,507,500 shares which were repurchased and are expected to be cancelled before June 8, 2023 (Thursday), it is estimated that the aggregate amount of final dividend would be approximately RMB570 million. The

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actual total amount of final dividends to be paid will be subject to the total number of issued share capital of the Company as at the record date for determining the entitlement of shareholders to the final dividend. The dividend warrants will be posted by ordinary mail to the Shareholders who are entitled to receive the dividend at their own risk on or around June 30, 2023 (Friday).

11. NOTICE OF ANNUAL GENERAL MEETING

Set out on pages 102 to 107 of this circular is the notice of the Annual General Meeting at which, inter alia, (i) ordinary resolutions will be proposed to the Shareholders to consider and approve, among others, the termination of Existing Share Option Scheme and adoption of 2023 Share Option Scheme, amendments to the Share Award Scheme, adoption of the Scheme Mandate Limit, granting of the General Mandate to issue securities and the Repurchase Mandate to repurchase Shares, the re-election of Directors, the re-appointment of auditor and the declaration of final dividend, and (ii) a special resolution will be proposed to the Shareholders to approve the adoption of the Amended and Restated Memorandum and Articles of Association.

12. FORM OF PROXY

A form of proxy is enclosed for use at the Annual General Meeting. Such form of proxy is also published on the website of the Stock Exchange (www.hkexnews.hk). Whether or not you are able to attend the Annual General Meeting, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for the holding of the Annual General Meeting (i.e. before 10:30 a.m. on Tuesday, May 30, 2023). Completion and delivery of the form of proxy will not preclude the Shareholders from attending and voting at the Annual General Meeting if they so wish.

13. VOTING BY POLL

There is no Shareholder who has any material interest in the proposed resolutions, and therefore none of the Shareholders is required to abstain from voting on such resolutions.

Pursuant to Rule 13.39(4) of the Listing Rules and Article 81 of the Articles of Association, at any general meeting a resolution to be voted on by shareholders must be taken by way of a poll, except where the chairman of the meeting, 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.

On a poll, every Shareholder present in person or by proxy or (being a corporation) by its duly authorized representative shall have one vote for each Share registered in his/her/its name in the register. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

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14. DOCUMENTS ON DISPLAY

Copies of the rules governing each of the 2023 Share Option Scheme and the Share Award Scheme (as proposed to be amended) will be published on the websites of the Stock Exchange and the Company for display for a period of not less than 14 days before the date of the Annual General Meeting. In addition, such rules governing each of the 2023 Share Option Scheme and the Share Award Scheme (as proposed to be amended), will be made available for inspection at the Annual General Meeting.

15. RECOMMENDATION

The Directors consider that the proposed resolutions for the termination of the Existing Share Option Scheme and adoption of the 2023 Share Option Scheme, amendments to the Share Award Scheme, adoption of the Scheme Mandate Limit, the adoption of the Amended and Restated Memorandum and Articles of Association, granting of the General Mandate to issue securities, the Repurchase Mandate to repurchase Shares, the re-election of Directors, the re-appointment of auditor, and the declaration of final dividend are in the interests of the Group and the Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favor of all the resolutions to be proposed at the Annual General Meeting.

16. RESPONSIBILITY STATEMENT

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

Yours faithfully
By Order of the Board
China Yongda Automobiles Services Holdings Limited
Cheung Tak On
Chairman

The following are the particulars of the Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting:

MR. XU YUE

XU Yue (徐悦), aged 47, was appointed as our executive Director on March 23, 2015, as our Vice-chairman on March 25, 2020 and as our Chief Executive Officer on December 21, 2021. Mr. Xu has served as our President from March 2015 to February 2016, and was re-appointed as our President on September 12, 2016. He is responsible for the overall business strategies of the Group and overseeing the operation and business strategies of the Group. Mr. Xu was our President from March 2015 to February 2016 and has been re-appointed as our President since September 12, 2016. Mr. Xu is also currently the chairman of Shanghai Yongda Automobile Group Co., Ltd. (上海永達汽車集團有限公司) (“**Yongda Automobile Group**”), which is an indirect wholly-owned subsidiary of the Company, and the chairman or a director of several of our subsidiaries. Mr. Xu joined our Group in 1999 and has more than 20 years of experience in the passenger vehicle dealership sector. He was the executive vice-president of the Company from January 2012 to March 2015 and the assistant to the chief executive officer of Shanghai Yongda Holding (Group) Limited (上海永達控股(集團)有限公司) (“**Yongda Holding**”) from January 2009 to December 2011. From June 2004 to January 2009, Mr. Xu was the deputy general manager of Shanghai Yongda Group Company Limited and the general manager of Shanghai Baozen Automobile Sales and Services Co. Ltd. (上海寶誠汽車銷售服務有限公司). Between February 2002 and March 2004, Mr. Xu was the secretary to the chief executive officer of Yongda Holding, where he was mainly responsible for assisting the chief executive officer with daily administration. From November 2000 to February 2002, Mr. Xu was the general manager of Shanghai Yongda International Trading, Ltd. (上海永達國際貿易有限公司), where he was mainly responsible for the import of passenger vehicles. Between October 1999 and November 2000, Mr. Xu was the assistant to the general manager of Shanghai Yongda Automobile Pudong Sales and Services Co., Ltd. (上海永達汽車浦東銷售服務有限公司). Mr. Xu received a bachelor diploma in practical English and a secondary college diploma in international business and finance management from Shanghai Normal University (上海師範大學) in June 1997, and a master of science degree in business administration (leadership studies) from Madonna University, Michigan in December 2005. Mr. Xu also completed the Senior Seminar on MSBA Shanghai Program organized by Shanghai Institute of International Finance (上海國際金融學院), School of Business, Madonna University, Michigan and International Financial Center Association (國際金融中心協會) from October 2003 to July 2005. In 2015, Mr. Xu obtained a master’s degree in Business Administration at China Europe International Business School (中歐國際工商學院).

Save as disclosed above, Mr. Xu has not held any directorship in any listed public companies which are listed in Hong Kong or overseas in the past three years, does not hold any other position with the Company and other members of the Group, and does not have other major appointments and professional qualifications.

To the best knowledge of the Company, Mr. Xu does not have any relationship with any other Director, senior management, Substantial Shareholder or Controlling Shareholder of the Company.

As at the Latest Practicable Date, Mr. Xu was interested in 5,508,000 Shares (including 3,158,000 Shares as beneficial owner, and 2,350,000 Shares through his spouse, Ms. Zhang Yanyu), representing approximately 0.28% of the issued Shares, and held 3,000,000 share options of the Company, which were granted by the Company under the Existing Share Option Scheme. Save as disclosed herein, Mr. Xu has no other interest in the Company's securities within the meaning of Part XV of the Securities and Futures Ordinance.

Under the service agreement entered into between the Company and Mr. Xu, Mr. Xu is entitled to receive a Director's remuneration of RMB1,312,000 per annum (subject to performance appraisals) and he is an eligible person under the employee pre-IPO incentive scheme, the share option scheme and the share award scheme of the Company. The Director's remuneration of Mr. Xu was determined by the Remuneration Committee with reference to his time commitment, responsibilities, employment condition in the Group and remuneration paid by the comparable companies. The Director's remuneration of Mr. Xu is subject to review by the Remuneration Committee from time to time and adjustments will be made if necessary. Mr. Xu's appointment continued for a period of three years, subject to one-month notice of termination by either party or the payment of one month's salary in lieu of the one-month notice by the Company. Mr. Xu is subject to the provisions of his service agreement and the retirement and rotation provisions in the Articles of Association.

There is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

MS. CHEN YI

CHEN Yi (陳映), aged 50, was appointed as our executive Director on March 23, 2015 and was responsible for the operation and management of the automobile finance business and related management of our Group. Ms. Chen was re-appointed as our vice-president on September 12, 2016 and since February 2016, Ms. Chen has been a director of Yongda Automobile Group. From March 2014 to February 2016, Ms. Chen was the vice-president of our Company and the general manager of the finance innovation department. She has over 20 years of experience in the banking and financial industry. Prior to joining us, Ms. Chen was the senior assistant to the president of the Transportation Finance Division and the director of Eastern China Automobile Business Division of China Minsheng Bank Corp., Ltd. (中國民生銀行股份有限公司) (SSE stock code: 600016 and the Stock Exchange stock code: 01988) ("CMBC") from April 2013 to January 2014. From February 2004 to April 2013, Ms. Chen held several managerial positions in CMBC, including the senior customer manager of the Shanghai Anting branch of CMBC, the general manager of the Industrial and Commercial Enterprises Finance Division Two of CMBC, the general manager of the automobile finance department and the branch manager of the Shanghai Jiading branch of CMBC and the branch manager of the Shanghai Gubei branch of CMBC. From July 1995 to February 2004, she worked at the Credit Card Division, Personal Banking Division and Customer Service Division of Bank of Communications Co., Ltd. (交通銀行股份有限公司) (SSE stock code: 601328 and the Stock Exchange stock code: 03328). Ms. Chen obtained a professional diploma in International Finance from the Shanghai Institute of Finance (上海金融學院), formerly known as the Shanghai Higher Institute of Finance (上海金融高等學院) in 1995 and a bachelor's degree in currency and banking from Shanghai Jiaotong University (上海交通大學) in 2000. She also obtained a master's degree in Executive Master of Business Administration

from Shanghai Advanced Institute of Finance (上海高級金融學院) of Shanghai Jiao Tong University in 2014 and completed her DBA study in Global Financial Business Administration of Shanghai Advanced Institute of Finance in 2020.

Save as disclosed above, Ms. Chen has not held any directorship in any listed public companies which are listed in Hong Kong or overseas in the past three years, does not hold any other position with the Company and other members of the Group, and does not have other major appointments and professional qualifications.

To the best knowledge of the Company, Ms. Chen does not have any relationship with any other Director, senior management, Substantial Shareholder or Controlling Shareholder of the Company.

As at the Latest Practicable Date, Ms. Chen was interested in 537,000 Shares as beneficial owner, representing approximately 0.03% of the issued Shares, and held 800,000 share options of the Company, which were granted by the Company under the Existing Share Option Scheme. Save as disclosed herein, Ms. Chen has no other interest in the Company's securities within the meaning of Part XV of the Securities and Futures Ordinance.

Under the service agreement entered into between the Company and Ms. Chen, Ms. Chen is entitled to receive a Director's remuneration of RMB1,036,000 per annum (subject to performance appraisals) and she is an eligible person under the employee pre-IPO incentive scheme, the share option scheme and the share award scheme of the Company. The Director's remuneration of Ms. Chen was determined by the Remuneration Committee with reference to her time commitment, responsibilities, employment condition in the Group and remuneration paid by comparable companies. The Director's remuneration of Ms. Chen is subject to review by the Remuneration Committee from time to time and adjustments will be made if necessary. Ms. Chen's appointment continued for a period of three years, subject to one-month notice of termination by either party or the payment of one month's salary in lieu of the one-month notice by the Company. Ms. Chen is subject to the provisions of her service agreement and the retirement and rotation provisions in the Articles of Association.

There is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

MR. LYU WEI

LYU Wei (吕巍), aged 58, was appointed as our independent non-executive Director on January 18, 2012. Mr. Lyu is currently a professor of Management Department of Antai College of Economics and Management (安泰經濟與管理學院) at Shanghai Jiao Tong University (上海交通大學). From November 2014 to May 2015, Mr. Lyu was the head of preparatory group of the Faculty of the Cultural and Creative Industry of University of Southern California and Shanghai Jiao Tong University (上海交通大學美國南加州大學文化創意產業學院). From 2003 to November 2014, Mr. Lyu was the Associate Dean of the Antai College of Economics and Management at Shanghai Jiao Tong University. Between February 1997 and March 2003, Mr. Lyu was an assistant to the Dean of the School of Management of Fudan University (復旦

大學) and a professor in its Department of Marketing from November 2001 to March 2003. From 1996 to 1997, Mr. Lyu was a visiting scholar at the Sloan School of Management of Massachusetts Institute of Technology. From 1994 to 1996, Mr. Lyu was a visiting scholar at the University of Southern California.

Mr. Lyu's academic qualifications and extensive experiences have led to his appointments in a number of listed companies:

Companies	Positions	Duration
Shanghai Waigaoqiao Free Trade Zone Group Co., Ltd. (上海外高橋集團股份有限公司) (SSE stock code: 600648)	Independent Director	May 2021 – present
Shanghai Guangdian Electric Group Co., Ltd. (上海廣電電氣(集團)股份有限公司) (SSE stock code: 601616)	Independent Director	May 2020 – present
Whirlpool (China) Co., Ltd. (惠而浦(中國)股份有限公司) (SSE stock code: 600983)	Director	June 2017 – May 2021
Shandong Wohua Pharmaceutical Co., Ltd. (山東沃華醫藥科技股份有限公司) (SZSE stock code: 002107)	Independent Director	January 2016 – January 2022
Foshan Electrical and Lighting Co Ltd (佛山電器照明股份有限公司) (SZSE stock code: 000541)	Independent Director	December 2015 – August 2020
Shanghai Lujiazui Finance & Trade Zone Development Co., Ltd. (上海陸家嘴金融貿易開發區股份有限公司) (SSE stock code: 600663)	Independent Director	May 2015 – April 2021
LUOLAI LIFESTYLE TECHNOLOGY CO.,LTD. (羅萊生活科技股份有限公司) (formerly known as Luolai Home Textile Co., Ltd. (羅萊家紡股份有限公司)) (SZSE stock code: 002293)	Independent Director	November 2007 – October 2013 and January 2017 – present

Companies	Positions	Duration
China Vered Financial Holding Corporation Limited (中薇金融控股有限公司) (formerly known as China Minsheng Financial Holding Corporation Limited (中國民生金融控股有限公司), China Seven Star Holdings Limited (中國七星控股有限公司) and China Seven Star Shopping Limited (中國七星購物有限公司)) (SEHK stock code: 245)	Independent Non-executive Director	June 2005 – July 2019
Shanghai Zhangjiang Hi-Tech Park Development Co., Ltd. (上海張江高科技園區開發股份有限公司) (SSE stock code: 600895)	Independent Director	June 2021 – present

Mr. Lyu graduated with a bachelor's degree in management science from Fudan University (復旦大學) in 1986 before obtaining his master's degree in economics in 1989 and doctorate in economics in 1996 at the same university.

Save as disclosed above, Mr. Xu has not held any directorship in any listed public companies which are listed in Hong Kong or overseas in the past three years, does not hold any other position with the Company and other members of the Group, and does not have other major appointments and professional qualifications.

To the best knowledge of the Company, Mr. Lyu does not have any relationship with any other Director, senior management, Substantial Shareholder or Controlling Shareholder of the Company.

As at the Latest Practicable Date, Mr. Lyu was not interested in the Company's securities within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Lyu has a letter of appointment with the Company. Mr. Lyu's remuneration comprises an annual Director's fee of RMB280,000 and he is an eligible person under the employee pre-IPO incentive scheme, the share option scheme and the share award scheme of the Company. The Director's remuneration of Mr. Lyu was determined by the Remuneration Committee with reference to his time commitment, responsibilities, employment condition with the Company and prevailing market rate. The Director's remuneration of Mr. Lyu is subject to review by the Remuneration Committee from time to time and

adjustments will be made if necessary. Mr. Lyu's appointment continued for a period of three years, subject to one-month notice of termination by either party. Mr. Lyu is subject to the provisions of his appointment letter and the retirement and rotation provisions in the Articles of Association.

There is no other information required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there any other matters that need to be brought to the attention of the Shareholders.

Continuous appointment of independent non-executive Director who has served more than nine years

According to code provision B.2.3 of the Corporate Governance Code as set out in Appendix 14 of the Listing Rules, if an independent non-executive Director serves more than nine years, any further appointment of such independent non-executive Director should be subject to a separate resolution to be approved by the Shareholders.

Mr. Lyu Wei was appointed as an independent non-executive Director on January 18, 2012. If Mr. Lyu Wei is to be re-elected at the Annual General Meeting, he may continue to serve the Company for more than nine years. The Nomination Committee and the Board have reviewed the annual written confirmation of independence of Mr. Lyu Wei and assessed his independences based on the independence criteria as set out in Rule 3.13 of the Listing Rules. Mr. Lyu Wei has not engaged in any executive management of the Group. Taking into consideration of (a) his independent scope of works in the past years; (b) he is able to confirm his independence in respect of each of the factors set out in Rule 3.13 of the Listing Rules; (c) he has demonstrated continued independent judgement which contributes positively to the development of the Company's strategy and policies; (d) he has not had and does not have any executive or management role or functions in the Company and its subsidiaries, nor has he been employed by any member of the Group; (e) he does not have any financial, business, family or other material relationships with the Group, its management, advisers and business; (f) he holds less than 1% of the total issued share capital of the Company; and (g) he does not serve as a director or employee of a significant competitor of the Group, the Board considers Mr. Lyu Wei to be independent under the Listing Rules and is able to carry out his duties as an independent non-executive Director despite the fact that he will serve the Company for more than nine years.

The Board believes that Mr. Lyu Wei's continuous tenure will bring considerable stability to the Board and the Board has benefited greatly from the presence of Mr. Lyu Wei who has contributed valuable insight into the Group over time. Separate resolution will be proposed for his re-election at the Annual General Meeting.

Mr. Lyu Wei confirmed that he has satisfied all factors set out in Rule 3.13 of the Listing Rules in assessing his independence. Mr. Lyu Wei is not connected with any Directors, senior management, Substantial Shareholders or Controlling Shareholders of the Company.

The following is an explanatory statement required to be sent to the Shareholders under the Listing Rules in connection with the proposed Repurchase Mandate.

(1) ISSUED SHARES

As at the Latest Practicable Date, the number of issued Shares was 1,955,704,513 Shares of nominal value of HK\$0.01 each which have been fully paid. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased before the Annual General Meeting, the Company will be allowed to repurchase a maximum of 195,570,451 Shares which represent 10% of the issued Shares during the period ending on the earlier of (i) the conclusion of the next annual general meeting of the Company; or (ii) the revocation or variation by an ordinary resolution of the Shareholders in general meeting.

(2) REASONS AND FUNDING OF REPURCHASES

The Directors believe that it is in the Company's and the Shareholders' best interests for the Directors to have general authority to execute repurchases of our Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made where the Directors believe that such repurchases will benefit the Company and the Shareholders.

The repurchase of the Shares listed on the Stock Exchange must be funded out of funds legally available for the purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands. The Directors may not repurchase the Shares on the Stock Exchange for consideration other than cash or for settlement other than in accordance with the trading rules of the Stock Exchange. Subject to the foregoing, the Directors may make repurchases with profits of the Company or out of a new issuance of Shares made for the purpose of the repurchase or, if authorized by the Articles of Association and subject to the Companies Act, out of capital and, in the case of any premium payable on the repurchase, out of profits of the Company or from sums standing to the credit of the share premium account of the Company or, if authorized by the Articles of Association and subject to the Companies Act, out of capital.

The Directors have no present intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company.

The Directors believe that, if the Repurchase Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements of the Company as at December 31, 2022, being the date to which the latest published audited consolidated financial statements of the Company were made up. However, the Directors do not propose to exercise the Repurchase Mandate to such an 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.

(3) GENERAL

To the best of their knowledge, having made all reasonable enquiries, none of the Directors or any of their close associates, as defined in the Listing Rules, currently intend to sell any Shares to the Company or its subsidiaries, if the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchase pursuant to the Repurchase Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

No core connected person, as defined in the Listing Rules, has notified the Company that he or she has a present intention to sell any Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.

(4) TAKEOVERS CODE IMPLICATIONS

If as a result of a repurchase of 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 Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert (within the meaning of the Takeovers Code), depending on the level of increase of the Shareholder's interest, 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. Save as aforesaid, the Directors are not aware of any consequences which would arise under the Takeovers Code as a result of any repurchase of Shares pursuant to the Repurchase Mandate.

Mr. Cheung Tak On ("**Mr. Cheung**") set up a discretionary trust (the "**Family Trust**") on April 5, 2012 with himself as settlor and protector, and HSBC International Trustee Limited ("**HSBC International Trustee**") as trustee. The beneficiary objects of the Family Trust are Mr. Cheung and certain of his family members. Palace Wonder Company Limited ("**Palace Wonder**") is wholly-owned by Regency Valley Company Limited ("**Regency Valley**"), which is in turn wholly-owned by HSBC International Trustee as the trustee of the Family Trust. As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. Cheung (as founder of the Family Trust), HSBC International Trustee and Regency Valley are deemed to be interested in the 405,509,500 Shares held by Palace Wonder. Asset Link Investment Limited ("**Asset Link**", together with Mr. Cheung, HSBC International Trustee, Palace Wonder and Regency Valley, the "**Cheung Group**") is wholly-owned by Mr. Cheung and he is deemed to be interested in the 167,080,000 Shares held by Asset Link. Mr. Cheung also holds 9,303,000 Shares as the beneficial owner. Therefore, Mr. Cheung is deemed to be interested in 581,892,500 Shares (through the Family Trust, Asset Link and himself), representing approximately 29.75% in aggregate of the total number of the issued Shares.

As at the Latest Practicable Date, of the family members (the "**Family Members**") of Mr. Cheung, who are presumed to be acting in concert with Mr. Cheung by virtue of class (8) of the definition of "acting in concert" under the Takeovers Code, hold 37,976,500 Shares as the beneficial owners.

Therefore, Mr. Cheung, HSBC International Trustee, Palace Wonder, Regency Valley, Asset Link and the Family Members (collectively, the “**AIC Group**”) collectively hold 619,869,000 Shares, representing approximately 31.70% in aggregate of the total number of the issued Shares.

In the event that the Directors should exercise in full the Repurchase Mandate, the shareholding of the Cheung Group and the AIC Group in the Company will be increased to approximately 33.06% and 35.22%, respectively. To the best knowledge and belief of the Directors, such increase will give rise to an obligation to make a mandatory offer under the Takeovers Code. The Directors have confirmed that they have no present intention to repurchase the Shares to the extent that will trigger the obligations under the Takeovers Code for the Cheung Group to make a mandatory offer.

An application has been made for, and the Securities and Futures Commission has granted on November 21, 2022, a waiver pursuant to Note 6(b) to Rule 26.1 of the Takeovers Code from the obligation on the part of Cheung Group to make a mandatory general offer which would otherwise arise as a result of the potential repurchase and cancellation of the Shares purchased pursuant to the Repurchase Mandate, provided that the increase in the collective shareholding of AIC Group in the Company will not exceed 2% from the lowest collective percentage in any 12-month period.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the total number of issued Shares of the Company would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

(5) SHARE REPURCHASE MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, the Company has repurchased its Shares on the Stock Exchange as follows:

Date of Repurchase	No. of Shares Repurchased	Price per Share		Aggregate
		Highest HK\$	Lowest HK\$	consideration paid HK\$
October 31, 2022	258,500	3.62	3.50	913,487.30
November 2, 2022	500,000	3.67	3.48	1,808,100.00
November 24, 2022	482,000	4.26	4.21	2,044,740.40
November 25, 2022	349,000	4.29	4.24	1,493,161.60
November 28, 2022	1,000,000	4.33	4.08	4,263,000.00
November 29, 2022	11,000	4.40	4.36	48,199.80
December 2, 2022	3,500	4.81	4.81	16,835.00
December 6, 2022	330,500	5.21	5.17	1,717,707.65
December 7, 2022	774,500	5.36	5.28	4,145,180.00
December 8, 2022	230,000	5.47	5.38	1,255,087.00
December 9, 2022	1,000	5.61	5.61	5,610.00
December 12, 2022	1,000,000	5.65	5.46	5,608,100.00
December 14, 2022	1,000,000	5.50	5.31	5,434,200.00
December 15, 2022	942,000	5.47	5.36	5,124,009.00
December 16, 2022	591,500	5.55	5.41	3,242,425.55
December 19, 2022	437,000	5.55	5.42	2,410,404.60
December 20, 2022	500,000	5.36	5.14	2,628,200.00
December 21, 2022	500,000	5.27	5.16	2,605,750.00
December 22, 2022	492,500	5.47	5.32	2,659,647.75
December 23, 2022	1,000,000	5.53	5.32	5,447,200.00
December 30, 2022	248,000	5.71	5.54	1,405,639.20
January 3, 2023	1,000,000	5.80	5.51	5,658,600.00
January 18, 2023	1,000,000	6.69	6.60	6,661,700.00
January 19, 2023	500,000	6.81	6.52	3,319,250.00
January 20, 2023	1,000,000	6.97	6.78	6,894,600.00
March 29, 2023	926,500	5.41	5.21	4,915,916.35
March 30, 2023	190,000	5.50	5.33	1,037,039.00
March 31, 2023	88,000	5.60	5.54	490,811.20
April 3, 2023	298,500	5.43	5.27	1,603,422.60
April 4, 2023	215,000	5.31	5.20	1,129,653.00
April 6, 2023	1,000,000	5.25	5.06	5,127,000.00
April 11, 2023	475,500	5.27	5.12	2,481,301.65
April 12, 2023	333,000	5.32	5.21	1,755,176.40
April 13, 2023	858,500	5.16	5.09	4,401,787.05
April 18, 2023	282,500	5.40	5.29	1,506,968.00
April 19, 2023	340,000	5.20	5.13	1,758,378.00
	<u>19,158,500</u>			

Save as disclosed above, the Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

(6) SHARE PRICES

The following table shows the highest and lowest prices at which the Shares have been traded on the Stock Exchange during 12 months preceding the Latest Practicable Date:

Month	Highest prices <i>HK\$</i>	Lowest prices <i>HK\$</i>
2022		
April	8.670	6.140
May	8.220	6.350
June	9.100	7.320
July	7.590	6.490
August	6.910	5.450
September	5.700	4.170
October	4.790	3.490
November	4.840	3.400
December	6.110	4.810
2023		
January	7.380	5.460
February	7.100	6.000
March	6.520	4.780
April (up to and including the Latest Practicable Date)	5.600	5.060

The following is a summary of the principal amended terms of the 2023 Share Option Scheme to be approved at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the 2023 Share Option Scheme. The Directors reserve the right at any time prior to the Annual General Meeting to make such amendments to the 2023 Share Option Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any material aspects with the summary in this Appendix III.

1. PURPOSE

The purpose of the 2023 Share Option Scheme is to provide incentive or reward to SOS Eligible Persons for their contribution to, and continuing efforts to promote the interests of, the Group and for such other purposes as the Board may approve from time to time.

2. ADMINISTRATION

The 2023 Share Option Scheme shall be subject to the administration of the Board in accordance with the 2023 Share Option Scheme. The Board may by resolution delegate any or all of its powers in the administration of the 2023 Share Option Scheme to the administration committee or any other committee or sub-committee or any person(s) as from time to time authorized by the Board for such purpose. The decision of the Board with respect to any matter arising under the 2023 Share Option Scheme (including the interpretation of any provision) shall be final and binding.

3. SOS ELIGIBLE PERSONS

SOS Eligible Persons include:

- (a) any Director of the Company or employee of the Group (including persons who are granted Options under the 2023 Share Option Scheme as an inducement to enter into employment contracts with the Group), namely the SOS Employee Participants; and
- (b) any director or employee of the holding companies, fellow subsidiaries or associated companies of the Company, namely the SOS Related Entity Participants.

The basis of eligibility of any of the above classes of SOS Eligible Persons to the grant of any Options shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group.

4. DURATION OF THE 2023 SHARE OPTION SCHEME

The 2023 Share Option Scheme shall be valid and effective for a period of ten years commencing on the date on which it is adopted by ordinary resolution of the Shareholders in general meeting, after which period no further Options shall be granted. Subject to the above, in all other respects, in particular, in respect of Options remaining outstanding on the expiry of the 10 year period referred to in this paragraph, the provisions of the 2023 Share Option Scheme shall remain in full force and effect.

5. MAXIMUM NUMBER OF SHARES

The Company shall not make any further grant of Options which will result in the aggregate number of Shares underlying all grants made pursuant to the 2023 Share Option Scheme and all other share schemes existing at such time of the Company to exceed 10% of the total number of Shares in issue as at the SOS Adoption Date, namely the Scheme Mandate Limit, which shall be 195,570,451 Shares excluding the share awards and/or options lapsed under the Share Incentive Schemes, on the basis that there are a total of 1,955,704,513 Shares in issue at the Latest Practicable Date and assuming that no other Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting. The Scheme Mandate Limit may be refreshed by ordinary resolution of the Shareholders in general meeting to refresh the Scheme Mandate Limit after three years from the date of Shareholders' approval for the last refreshment (or the SOS Adoption Date, which is later), provided that:

- (a) the Scheme Mandate Limit so refreshed shall not exceed 10% of the total number of Shares in issue as at the date of Shareholders' approval of the refreshing of the Scheme Mandate Limit;
- (b) options previously granted under any Share Incentive Scheme(s) (including options outstanding, cancelled, or lapsed in accordance with the relevant scheme rules or exercised options) shall not be counted for the purpose of calculating the limit as refreshed; and
- (c) a circular regarding the proposed refreshing of the Scheme Mandate Limit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.

In the event that the Scheme Mandate Limit is refreshed within three years from the date of Shareholders' approval for the last refreshment (or the SOS Adoption Date, which is later), the Company may seek the approval of its Shareholders in general meeting, provided that the Controlling Shareholders and their associates (or if there is no Controlling Shareholder, Director (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of such resolutions at the general meeting, and the Company must comply with the relevant requirements under the Listing Rules.

The Company may seek separate approval from the Shareholders in the general meeting for granting Options which will result in the Scheme Mandate Limit being exceeded, provided that:

- (a) the grant is to SOS Selected Participant specifically identified by the Company before the approval is sought; and
- (b) a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time.

Notwithstanding the foregoing, the maximum aggregate number of Shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the 2023 Share Option Scheme and any other share schemes of the Company shall comply with Chapter 17 of the Listing Rules in force from time to time.

6. MAXIMUM ENTITLEMENT OF EACH SOS SELECTED PARTICIPANT

No Option shall be granted to any SOS Selected Participant (the “**Relevant SOS Selected Participant**”) if, at the relevant time of grant, the number of in respect of all grants made under any share scheme(s) of the Company (granted and proposed to be granted, whether exercised, cancelled or outstanding, excluding any options or awards lapsed in accordance with any share scheme(s) of the Company) to the Relevant SOS Selected Participant in the 12-month period up to and including the date of such grant would exceed 1% of the total number of Shares in issue at such time, unless:

- (a) such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules in force from time to time, by ordinary resolution of the Shareholders in general meeting, at which the Relevant SOS Selected Participant and his close associates (or associates if the Relevant SOS Selected Participant is a connected person) abstained from voting;
- (b) a circular regarding the grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time; and
- (c) the number and terms (including the SOS Exercise Price) of such Options are fixed before the general meeting of the Company at which the same are approved.

7. GRANT OF OPTIONS

Each offer of an Option (the “**Offer**”) shall be in writing made to a SOS Selected Participant by letter in such form as the Board may from time to time determine at its discretion (the “**Offer Letter**”). The Offer Letter shall state, among others, the period during which the Option may be exercised (the “**Option Period**”), which period is to be determined and notified by the Board but shall expire in any event not later than the last day of the 10 year period after the date of grant of the Option. The Board may specify in the Offer Letter any conditions which must be satisfied before the Option may be exercised, including without limitation such performance criteria and targets and minimum periods for which an Option must be held before it can be exercised and any other terms in relation to the exercise of the Option, including without limitation such percentages of the Options that can be exercised during a certain period of time, as the Board may determine from time to time.

The Board shall specify in the Offer Letter a date by which the SOS Selected Participant must accept the Offer, being a date no later than 28 days after the date on which the Option is offered (the “**Offer Date**”) or the date on which the conditions for the Offer are satisfied. An acceptance of the Offer need not be accompanied by payment of any grant price by the SOS Selected Participant who accepts an Offer in accordance with the terms of the 2023 Share Option Scheme (the “**Grantee**”).

8. VESTING SCHEDULE AND PERFORMANCE TARGETS OF OPTIONS

- (1) Save for the circumstances prescribed in paragraph 8(2), an Option must be held by the Grantee for at least 12 months before the Option can be exercised.
- (2) A shorter vesting period may be granted to an SOS Selected Participant who is an SOS Employee Participant at the discretion of the Board and/or the Remuneration Committee as deemed appropriate at the sole discretion of the Board and/or the Remuneration Committee if:
 - a. the Options granted to the SOS Selected Participant are grants of “make-whole” Options to the SOS Selected Participants upon joining the Group to replace the Options they forfeited when leaving the previous employer, such that the vesting period of such Options granted under the 2023 Share Option Scheme shall apportion rateably based on the vesting period applicable to such SOS Selected Participant’s unvested outstanding Options granted by his/her previous employer;
 - b. the unvested Options granted to the SOS Selected Participant may vest with the SOS Selected Participant or the legal personal representatives of the SOS Selected Participant (in the case of death) within a period of 12 months from the date of termination of the employment of the SOS Selected Participant if such termination is due to disability or death of the SOS Selected Participant, provided that the SOS Selected Participant had been continuously an employee of any member of the Group from the Offer Date until the date of termination of employment of such SOS Selected Participant;
 - c. in the event that it is not practicable for the SOS Selected Participant to be granted the Options in a planned grant period due to legal or regulatory restrictions, such that the Options which should have been granted earlier (the “**Delayed Grant**”) are granted together with a subsequent batch of Options to the remaining SOS Selected Participant during a calendar year, the vesting period for the Options underlying the Delayed Grant can be shorter than 12 months from the Offer Date to reflect the time from which such Options would have been granted;
 - d. grant with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of 12 months; or
 - e. grants with performance-based vesting conditions in lieu of time-based vesting criteria.
- (3) Vesting of Options shall be subject to the performance criteria to be satisfied by the SOS Selected Participant as determined by the Board and/or the Remuneration Committee from time to time and specified in the Offer Letter. The performance criteria may comprise a mixture of attaining a satisfactory key performance indicators components (including, without limitation, the business performance and financial performance of the Group and/or department by reference to annual corporate targets and/or goals attained, market capitalization milestones and individual performance based on the periodic performance assessment and annual review results) which may vary among the SOS Selected Participant.

9. EXERCISE PRICE

The price at which each Share subject to an Option may be subscribed for on the exercise of that Option, namely the SOS Exercise Price, shall be a price solely determined by the Board and notified to the SOS Selected Participant and shall be at least the highest of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day;
- (b) the average of the closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the Offer Date; and
- (c) the nominal value of the Shares.

10. GRANT OF OPTIONS TO CORE CONNECTED PERSONS

Where an Option is to be granted to a Director, chief executive or Substantial Shareholder of the Company, or any of their respective associates, the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is also a proposed Grantee of the Option.

Where an Option is to be granted to an independent non-executive Director or a Substantial Shareholder (or any of their respective associates), and the grant will, in the 12-month period up to and including the date of such grant, result in the number of the Shares issued and to be issued upon exercise of all Options (granted and proposed to be granted, whether exercised, cancelled or outstanding) to the relevant SOS Selected Participant exceeding 0.1% of the total number of Shares in issue at the relevant time of grant, such grant shall not be valid unless:

- (a) circular containing the details of the grant has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules in force from time to time; and
- (b) the grant has been approved by the Shareholders in general meeting (taken on a poll), at which all the Grantee, his associates and all core connected persons of the Company abstained from voting in favour.

11. RANKING OF SHARES

The Shares to be allotted and issued upon the exercise of an Option shall be subject to the Memorandum and Articles of Association and the laws of the Cayman Islands for the time being in force and shall rank *pari passu* in all respects with other fully-paid Shares in issue as at the date of allotment and will entitle the holders to the same rights of the holders of other fully-paid Shares in issue, including voting, dividend, transfer and any other rights. In particular, the Shares to be allotted and issued upon the exercise of an Option will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment 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 on or before the date of allotment and issue. The Option itself (before exercise) will not entitle the Grantee to any of aforementioned Shareholder's rights.

12. RESTRICTIONS ON THE TIME OF GRANT OF OPTIONS

No Offer shall be made by the Board under the 2023 Share Option Scheme:

- (a) after an event involving inside information in relation to affairs or securities of the Company has occurred or a matter involving inside information in relation to the securities of the Company has been the subject of a decision, until (and including) such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules;
- (b) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results, to any SOS Employee Participant who, because of his/her employment in the Group, is likely to possess inside information in relation to the securities of the Company (including Directors);
- (c) during the period of 30 days immediately preceding the publication date of the quarterly results and half-year results for any financial period of the Company or, if shorter, the period from the end of the relevant quarterly or half-year period of the financial period up to the publication date of the results, to any SOS Employee Participant who, because of his/her employment in the Group, is likely to possess inside information in relation to the securities of the Company;
- (d) during the period commencing one month immediately before the earlier of (1) 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 (2) 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, to any SOS Eligible Persons (other than SOS Employee Participants referred to in the paragraphs (b) and (c)); or
- (e) in any circumstance which is prohibited under the Listing Rules, the Securities and Futures Ordinance or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

13. RIGHTS ON CEASING TO BE A GRANTEE AND CLAWBACK MECHANISM

Provided, subject to the circumstances prescribed in paragraph 21 and the applicable laws, stock market or exchange rules (including the Listing Rules), that:

- (a) Where (i) the Grantee is a director or an employee of the Group, and (ii) his/her employment ceases for any reason other than death or becoming permanently disabled as described in paragraph (c) below, the Option shall lapse after the date of such cessation, which date shall be his/her last actual working day with the Company or any Subsidiary whether salary is paid in lieu of notice or not;

- (b) Where
 - a. the Grantee has committed any other act of fraud or dishonesty or serious misconduct, whether or not in connection with his/her employment or engagement by any member of the Group and whether or not it has resulted in his/her employment or engagement being terminated by the relevant member of the Group, or has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his/her debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his/her creditors generally or an administrator has taken possession of any of his/her assets, or has been convicted of any criminal offence, or has been convicted of or is being held liable for any offence under or any breach of the Securities and Futures Ordinance or other securities laws or regulations in Hong Kong or any other applicable laws or regulations and the provisions of the bye-laws of the Company in force from time to time,

 - b. the Board at its absolute discretion determines that where the Grantee has failed to perform duties effectively or is involved in serious misconduct or malfeasance as being proved by the results of the economic responsibility audit and other reports, or has been committed a material misstatement in the financial statements of the Group,

 - c. the Board at its absolute discretion determines that the Grantee has failed to discharge, or failed to discharge properly, his/her/its duties and thereby resulting in serious loss in assets to the Company and other serious and adverse consequences,

 - d. the Board at its absolute discretion determines that the Grantee or his/her/its associate has committed any breach of any contract entered into between the Grantee or his/her/its associate on one part and the Group 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 composition with his/her/its creditors generally,

- e. the Board at its absolute discretion determines that the Grantee has been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted connected transactions and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of the Group, or
- f. the Board at its absolute discretion determines that the Grantee joins a competitor after leaving the Company or forming a competing business,

the Option granted to such Grantee shall lapse on or after the date on which the Board has so determined; and

- (c) where the Grantee of an outstanding Option dies or becomes permanently disabled before exercising the Option in full or at all, the Option shall lapse after the date of his/her death or permanent disability. However, if the Board issues a written consent to his/her personal representatives within 60 days after the date of his/her death or permanent disability, the Option may be transferred to the personal representative as soon as practicable. For the avoidance of doubt, all vesting conditions previously imposed on such Option shall still apply.

14. RIGHTS ON TAKEOVER

If a general offer by way of a take-over is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and such offer becomes or is declared unconditional, the Company shall forthwith notify all the Grantees and any Grantee that they may by notice in writing to the Company within 21 days after such offer becoming or being declared unconditional exercise the Option to its full extent or to the extent specified in such notice.

15. RIGHTS ON SCHEME OF ARRANGEMENT

If a general offer by way of a scheme of arrangement is made to all the Shareholders and the scheme has been approved by the necessary number of Shareholders at the requisite meetings, the Company shall forthwith notify all the Grantees and any Grantee that they may thereafter (but before such time as shall be notified by the Company) by notice in writing to the Company exercise the Option to its full extent or to the extent specified in such notice.

16. RIGHTS ON COMPROMISE OR OTHER ARRANGEMENT

If a compromise or arrangement between the Company and its Shareholders or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to the Grantee (together with a notice of the existence of the provisions of this paragraph) on the same date or soon after it dispatches the notice to each member or creditor of the Company summoning the meeting to consider such a compromise or arrangement, and thereupon the Grantee may forthwith and until the expiry of the period commencing with such date and ending with the earlier of 2 months

thereafter and the date on which such compromise or arrangement is sanctioned by the court of competent jurisdiction, exercise any of his/her/its Options in full or in part, but the aforesaid exercise of an Option shall be conditional upon such compromise or arrangement being sanctioned by the court of competent jurisdiction and becoming effective. Upon such compromise or arrangement becoming effective, all outstanding Options shall lapse except insofar as previously exercised under the 2023 Share Option Scheme. The Company may require the Grantee to transfer or otherwise deal with the Shares issued as a result of the exercise of Options in these circumstances so as to place the Grantee in the same position as nearly as would have been the case had such Shares been subject to such compromise or arrangement.

17. RIGHTS ON WINDING-UP

In the event a notice is given by the Company to its Shareholders to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company other than for the purposes of a reconstruction, amalgamation or scheme of arrangement, the Company shall on the same date as or soon after it dispatches such notice to each member of the Company give notice thereof to all Grantees (together with a notice of the existence of the provisions of this paragraph) and thereupon, each Grantee shall be entitled to exercise all or any of his/her/its Options at any time no later than four Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate SOS Exercise Price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than one Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

18. LAPSE OF OPTION

The right to exercise an Option (to the extent not already exercised) shall terminate immediately upon the earliest of:

- (a) the expiry of the Option Period;
- (b) the date referred to in paragraph 13(a);
- (c) the date referred to in paragraph 13(b);
- (d) the expiry of the 60-day period referred to in paragraph 13(c);
- (e) the expiry of the period referred to in paragraph 14;
- (f) subject to the scheme of arrangement becoming effective, the expiry of the period referred to in paragraph 15;
- (g) subject to the compromise or arrangement becoming effective, the expiry of the period referred to in paragraph 16;

- (h) subject to paragraph 17, the date of the commencement of the winding-up of the Company;
- (i) the date on which the Grantee commits a breach of paragraph 21; or
- (j) the non-fulfilment of any condition to the 2023 Share Option Scheme on or before the date stated therein.

The Company shall owe no liability to any Grantee for the lapse of any Option under this paragraph.

19. CANCELLATION OF OPTIONS

The Board may at any time at its absolute discretion cancel an Option granted but not exercised.

No Options may be granted to a SOS Selected Person in place of his/her/its cancelled Options unless there are available unissued Options within the Scheme Mandate Limit approved by the Shareholders from time to time in accordance with paragraph 5 and granted in compliance with the terms of the 2023 Share Option Scheme, the Listing Rules and the applicable laws. The Options cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

20. TERMINATION OF THE 2023 SHARE OPTION SCHEME

As the 2023 Share Option Scheme will involve the issue of new Shares, the termination of the 2023 Share Option Scheme is subject to the approval of the Shareholders under Rule 17.03(18) of the Listing Rules.

In the event of termination of the 2023 Share Option Scheme, no further Option will be offered but the provisions of the 2023 Share Option Scheme shall remain in full force and effect in all other respects and Options granted prior to such termination shall continue to be valid and exercisable in accordance with the 2023 Share Option Scheme.

21. TRANSFERABILITY OF OPTIONS

An Option shall be personal to the Grantee and shall not be assignable nor transferable, and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favour of any third party over or in relation to any Option, unless a waiver is granted by the Stock Exchange. Any breach of the foregoing by a Grantee shall cause the outstanding Options of such Grantee to lapse without incurring any liability on the part of the Company.

22. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration to the capital structure of the Company whilst any Option remains exercisable, arising from capitalization issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company in accordance with the legal requirements or requirements of the

Stock Exchange, other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, adjustment (if any) shall be made to:

- (a) the number of Shares subject to the Option so far as unexercised; and/or
- (b) the SOS Exercise Price for the Shares subject to the Option so far as unexercised; and/or
- (c) any combination thereof.

The method of adjustment of number of Option so far as unexercised is set out as below:

- (a) Capitalization issue

$$Q = Q0 \times (1 + n)$$

Where: “Q0” represents the number of Option before the adjustment; “n” represents the ratio of the capitalization issue; “Q” represents the number of Option after the adjustment.

- (b) Rights issue

$$Q = Q0 \times P1 \times (1 + n) \div (P1 + P2 \times n)$$

Where: “Q0” represents the number of Option before the adjustment; “P1” represents the closing price as at the record date; “P2” represents the subscription price of the rights issue; “n” represents the ratio of allotment; “Q” represents the number of Option after the adjustment.

- (c) Consolidation of Shares or share subdivision or reduction of the share capital

$$Q = Q0 \times n$$

Where: “Q0” represents the number of Option before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “Q” represents the number of Option after the adjustment.

The method of adjustment of the SOS Exercise Price is set out as below:

- (a) Capitalization issue

$$P = P0 \div (1 + n)$$

Where: “P0” represents the SOS Exercise Price before the adjustment; “n” represents the ratio of the capitalization issue; “P” represents the SOS Exercise Price after the adjustment.

- (b) Rights issue

$$P = P0 \times (P1 + P2 \times n) \div (P1 \times (1 + n))$$

Where: “P0” represents the SOS Exercise Price before the adjustment; “P1” represents the closing price as at the record date; “P2” represents the subscription price in respect of the rights issue; “n” represents the ratio of allotment; “P” represents the SOS Exercise Price after the adjustment.

- (c) Consolidation of Shares or share subdivision or reduction of the share capital

$$P = P0 \div n$$

Where: “P0” represents the SOS Exercise Price before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “P” represents the SOS Exercise Price after the adjustment.

In the event of any adjustment as described in this paragraph 22, the auditors of the Company (the “**Auditors**”) or the independent financial adviser to the Company (acting as expert not arbitrator) shall at the request of the Company certify in writing to the Board either generally or as regards any particular Grantee that the adjustments are in compliance with the requirements under the note to Rules 17.03(13) of the Listing Rules.

Any such adjustments must give a Grantee the same proportion of the equity capital of the Company, rounded to the nearest whole Share, as to which that Grantee was previously entitled, and any adjustments so made shall be in compliance with the Listing Rules and such applicable guidance and/or interpretation of the Listing Rules from time to time issued by the Stock Exchange (including, without limitation, the “Supplemental Guidance on Main Board Listing Rule 17.03(13) and the Notice immediately after the Rule” attached to the letter of the Stock Exchange dated 5 September 2005 to all issuers relating to share option scheme) but no such alterations shall be made the effect of which would be to enable a Share to be issued at less than its nominal value. The capacity of the Auditors or the independent financial adviser to the Company in this paragraph 22 is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the Auditors or the independent financial adviser to the Company shall be borne by the Company. Notice of such adjustment shall be given to the Grantees by the Company.

23. ALTERATION OF THE 2023 SHARE OPTION SCHEME

The 2023 Share Option Scheme may be altered in any respect by resolution of the Board without the approval of the Shareholders in general meeting, provided that (i) any alteration to the terms and conditions of the 2023 Share Option Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the Grantees must be approved by the Shareholders in general meeting, (ii) any change to the terms of the Options granted to a Grantee must be approved by the Board, the Remuneration Committee, the independent non-executive Director and/or the Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the independent non-executive

Directors and/or the Shareholders (as the case may be), (iii) the amended terms of the 2023 Share Option Scheme or the Options must still comply with the relevant requirements of Chapter 17 of the Listing Rules, and (iv) any change to the authority of the Directors to later the terms of the 2023 Share Option Scheme must be approved by the Shareholders in general meeting.

APPENDIX IV SUMMARY OF THE PRINCIPAL AMENDED TERMS OF THE SHARE AWARD SCHEME

The following is a summary of the principal amended terms of the Share Award Scheme to be approved at the Annual General Meeting. It does not form part of, nor is it intended to be part of the rules of the Share Award Scheme. The Directors reserve the right at any time prior to the Annual General Meeting to make such amendments to the Share Award Scheme as they may consider necessary or appropriate provided that such amendments do not conflict with any materials aspects with the summary in this Appendix IV.

1. PURPOSE OF THE SHARE AWARD SCHEME

The specific objectives of Share Award Scheme are (i) to recognize the contributions by certain SAS Eligible Participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

2. ADMINISTRATION

The Share Award Scheme shall be subject to the administration of the Board and the Trustee in accordance with the Share Award Scheme and the Trust Deed. The Board may by resolution delegate any or all of its powers in the administration of the Share Award Scheme to the administration committee or any other committee or sub-committee or any person(s) as from time to time authorized by the Board for such purpose. The decision of the Board with respect to any matter arising under the Share Award Scheme (including the interpretation of any provision) shall be final and binding.

3. SAS ELIGIBLE PARTICIPANTS

The SAS Eligible Participants include

- (a) any Director of the Company or employee of the Group (including persons who are granted awards under the Share Award Scheme as an inducement to enter into employment contracts with the Group), namely the SAS Employee Participants, and
- (b) any director or employee of the holding companies, fellow subsidiaries or associated companies of the Company, namely the SAS Related Entity Participants.

The basis of eligibility of any of the above classes of SAS Eligible Participants to the grant of any Awards shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group.

4. SCHEME LIMIT

The Company shall not make any further grant of Awards which will results in the aggregate number of Shares underlying all grants made pursuant to the Share Award Scheme after the SAS Amendment Date and all other share schemes existing at such time of the Company, namely the Share Incentive Schemes, to exceed 10% of the total number of Shares in issue as at the SAS Amendment Date, namely the Scheme Mandate Limit, which shall be 195,570,451 Shares excluding the share awards

APPENDIX IV SUMMARY OF THE PRINCIPAL AMENDED TERMS OF THE SHARE AWARD SCHEME

and/or options lapsed under the Share Incentive Schemes, on the basis that there are a total of 1,955,704,513 Shares in issue at the Latest Practicable Date and assuming that no other Shares are issued or repurchased by the Company prior to the date of the Annual General Meeting.

The Company may seek the approval of its Shareholders in general meeting to refresh the Scheme Mandate Limit after three years from the date of Shareholders' approval for the last refreshment (or the adoption or amendment of the Share Award Scheme, which is later), such that the aggregate number of Shares underlying all grants made pursuant to the Share Award Scheme and other share schemes adopted by the Company shall not exceed 10% of the total number of Shares in issue as of the date of approval of the refreshed limit.

In the event that the Scheme Mandate Limit is refreshed within three years from the date of Shareholders' approval for the last refreshment (or the SAS Amendment Date, which is later), the Company may seek the approval of its Shareholders in general meeting, provided that the Controlling Shareholders and their associates (or if there is no Controlling Shareholder, Director (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favor of such resolutions at the general meeting, and the Company must comply with the relevant requirements under the Listing Rules.

The maximum number of Shares issued and to be issued in respect of all grants made under any share scheme(s) of the Company (granted and proposed to be granted, whether exercised, cancelled or outstanding, excluding options or awards lapsed in accordance with any share scheme(s) of the Company) to a SAS Selected Participant in the 12-month period up to and including the date of grant of the relevant Awards shall not exceed 1% of the total number of Shares in issue, unless separately approved by the Shareholders in general meeting with such SAS Selected Participant and his/her/its close associates (or associates if the SAS Selected Participant is a connected person) abstaining from voting. The number and terms of the Awards to be granted to such SAS Selected Participant must be fixed before Shareholders' approval.

The approval of independent non-executive Directors (excluding any independent non-executive Directors who is a proposed SAS Selected Participant) is required for each grant of Awards to a Director, chief executive, or Substantial Shareholder or any of their respective associates.

Where any grant of Awards (excluding grant of options) to a Director (other than an independent non-executive Director) or chief executive of the Company or any of their associates would result in the total number of Shares issued and to be issued in respect of all awards granted under any share award scheme(s) of the Company (granted and proposed to be granted, whether exercised, cancelled or outstanding, excluding any awards lapsed in accordance with respective award share scheme(s) of the Company) 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 total number of Shares in issue, such further grant of Awards must be approved by Shareholders in general meeting shall comply with the requirements of Rule 17.04 of the Listing Rules.

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Where any grant of Awards to a Substantial Shareholder or an independent non-executive Director, or their respective associates would result in the total number of Shares issued and to be issued in respect of all grants made under any share scheme(s) of the Company (granted and proposed to be granted, whether exercised, cancelled or outstanding, excluding options or awards lapsed in accordance with any share scheme(s) of the Company) 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 total number of Shares in issue, such further grant of Awards must be approved by the Shareholders in general meeting shall comply with the requirements of Rule 17.04 of the Listing Rules.

5. RESTRICTIONS ON THE TIME OF AWARDS

No Award shall be made by the Board and no instructions to acquire any Shares shall be given to the Trustee under the Share Award Scheme:

- (a) after an event involving inside information in relation to affairs or securities of the Company has occurred or a matter involving inside information in relation to the securities of the Company has been the subject of a decision, until (and including) such inside information has been publicly announced in accordance with the applicable laws and the Listing Rules;
- (b) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results, to any SAS Employee Participant who, because of his/her employment in the Group, is likely to possess inside information in relation to the securities of the Company (including Directors);
- (c) during the period of 30 days immediately preceding the publication date of the quarterly results and half-year results for any financial period of the Company or, if shorter, the period from the end of the relevant quarterly or half-year period of the financial period up to the publication date of the results, to any SAS Employee Participant who, because of his/her employment in the Group, is likely to possess inside information in relation to the securities of the Company (including Directors);
- (d) during the period commencing one month immediately before the earlier of (1) 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 (2) 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, to any SAS Selected Participant (other than SAS Employee Participants referred to in the paragraphs (b) and (c)); or
- (e) in any circumstance which is prohibited under the Listing Rules, the Securities and Futures Ordinance or any other law or regulation or where any requisite approval from any governmental or regulatory authority has not been granted.

APPENDIX IV SUMMARY OF THE PRINCIPAL AMENDED TERMS OF THE SHARE AWARD SCHEME

6. OPERATION

According to the Share Award Scheme, any Awarded Shares shall be new Shares to be allotted and issued to the Trustee by the Company pursuant to a valid mandate granted by Shareholders at general meeting(s) of the Company from time to time pursuant to the Listing Rules.

Subject to the Share Award Scheme, in the event that the Awarded Shares are to be allotted and issued as new Shares for the purpose of the Trust, the SAS Selected Participant shall cause an amount equal to the total subscription price of such new Shares to be allotted and issued to be transferred to the Trustee according to the Share Award Scheme and the Board shall cause to issue and allot to the Trustee such number of new Shares corresponding to the aforesaid total subscription price at such issue price per Share as shall be determined by the Board subject to the terms and conditions set out in the Share Award Scheme. Such Shares shall be held upon trust for the relevant SAS Selected Participant subject to the terms and conditions set out in the Share Award Scheme and the Trust Deed. The Company shall issue and allot such new Shares at not less than nominal value to the Trustee. The Company shall comply with the relevant Listing Rules and the Articles of Association when allotting and issuing any new Shares and application shall be made to the Stock Exchange for the granting of the listing of, and permission to deal in the new Shares to be issued to the Trustee. Such allotment and issue should only be made upon fulfillment of the following conditions: (i) the Company having obtained Shareholders' approval in general meeting under a valid mandate to authorize the Directors to allot and issue new Shares, provided that the total number of Shares to be allotted and issued to the Trustee under the Share Award Scheme shall not exceed the scheme limit; and (ii) the listing committee of the Stock Exchange having granted the listing of and permission to deal in the Shares which may be allotted and issued by the Company to the Trustee pursuant to the Share Award Scheme. For avoidance of doubt, the Awards under the Share Award Scheme will be satisfied with new Shares to be allotted and issued under the Scheme Mandate Limit, and will not be satisfied with existing issued Shares.

The Company intends to seek a mandate from the Shareholders for the issue and allotment of Awarded Shares as required under the Listing Rules. As such, the new Shares to satisfy any Awards will be issued under a mandate to be approved by the Shareholders for the relevant Award. The Company therefore considers that Shareholders would be able to evaluate the relevant diluting effect before they vote in respect of the relevant mandate. In any event, the Company will comply with the announcement, Shareholders' approval and other requirements (if and as applicable) under the Listing Rules in terms of the Awards to be satisfied by the issue and subscription of new Shares.

7. GRANT

Subject to the provisions of the Share Award Scheme, the Board may, from time to time, at its absolute discretion select any SAS Eligible Participant (other than any SAS Excluded Participant) for participation in the Share Award Scheme as a SAS Selected Participant, and grant such number of Awards to any SAS Selected Participant at such consideration and in such number and on and subject to such terms and conditions as it may in its absolute discretion determine. Except for such

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consideration which shall be paid in such manner and on or before such deadline(s) as prescribed in the grant notice by the SAS Selected Participant who accepts the Award (the “Awardee”) to the Company where applicable, no other purchase price shall be paid for the Awards.

The grant price under the Share Award Scheme is determined by the Company with reference to other cases of listed companies, taking into account factors such as the implementation effect of the Company’s historical share-based incentive scheme, the trend of the Company’s Share price in recent years and the actual situation of the Company. The purpose of the above pricing method is to ensure the effectiveness of the Share Award Scheme, further stabilize and motivate the employees, and provide mechanism and talent guarantee for the long-term and stable development of the Company. The pricing has comprehensively considered the effectiveness of the Share Award Scheme and the impact of the Company’s expenses, and will not have a negative impact on the Company’s operation, reflecting the actual incentive needs of the Company and is reasonable.

The major purpose of the Share Award Scheme is to attract, retain and incentivize outstanding talents for the Group. In order for the Share Award Scheme to achieve its objective of motivating and incentivizing the participants, the grant price would necessarily be of a discount to the share price of the Company.

Prior to the Vesting Date, any Award made under the Rules of the Share Award Scheme shall be personal to the Awardee to whom it is made and shall not be assignable and no Awardee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favor of any other person over or in relation to the Awarded Shares referable to him/her pursuant to such Award, unless a waiver is granted by the Stock Exchange. Any breach of the foregoing by an Awardee shall entitle the Company to cancel any outstanding Awards or part thereof of such Awardee without incurring any liability on the part of the Company.

8. VESTING SCHEDULE AND PERFORMANCE TARGETS OF AWARDS

Vesting of the Awards shall be subject to the performance criteria to be satisfied by the Awardee as determined by the Board and/or the Remuneration Committee from time to time. The performance criteria may comprise a mixture of attaining a satisfactory key performance indicators components (including, without limitation, the business performance and financial performance of the Group and/or department by reference to annual corporate targets and/or goals attained, market capitalization milestones and individual performance based on the periodic performance assessment and annual review results) which may vary among the Awardee.

The Board will carefully assess the performance and contribution of an SAS Selected Participant and will impose vesting conditions with performance targets at the Company level and individual level on a case-by-case basis to ensure that the vesting of Awards would be beneficial to the Group. The performance targets at the Company level will take into account the growth and development of the Group, the key performance indicators of which will tentatively tie to the phased revenue, profits or operating development of the Group. The performance targets at the individual level will take into account position and responsibilities, work performance and quality, attitude, capabilities, teamwork and relevant factors relevant to the SAS Selected Participant. For position and responsibilities, the

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Board will take into account the level and importance of the SAS Selected Participant and the expected responsibilities that such SAS Selected Participant shall take. For work performance and quality, the Board will take into account the key performance indicators expected to be achieved by such SAS Selected Participant. For attitude, the Board will consider whether such SAS Selected Participant is disciplined, humble and responsible. For capabilities, the Board will take into account the work capabilities and independent and creative thinking skills of such SAS Selected Participant. For teamwork, the Board will take into account the communication skills of such Selected Participant and whether such SAS Selected Participant is a team player. The Board will also take into account other relevant factors specific to the SAS Selected Participant as appropriate.

Subject to applicable laws and regulations, the Board shall be at liberty to waive any vesting conditions. Shares underlying any Awards granted under the Share Award Scheme that lapse for any reason without having been exercised and Shares underlying the unexercised portion of any Awards in case of partial exercise will, to the extent not prohibited by applicable laws and regulations, be available for subsequent Award grants under the Share Award Scheme. Subject to the terms and condition of the Share Award Scheme and the fulfillment of all vesting conditions and vesting period applicable to the vesting of the Awards on such Awardee and all requirements applicable to such Awardee as specified in the Share Award Scheme and the relevant grant notice (unless waived by the Board), the respective Awards granted to the Awardee pursuant to the provision of the Share Award Scheme shall vest in such Awardee in accordance with the vesting schedule as set out in the grant notice, and the Trustee shall cause the Awarded Shares to be transferred to such Awardee on the Vesting Date. The Awards granted shall be subject to a vesting period as determined by the Board, which shall be at least 12 months commencing from the date of the grant notice.

A shorter vesting period of the Awards may be granted to an SAS Selected Participant at the discretion of the Board and/or the Remuneration Committee as deemed appropriate at the sole discretion of the Board and/or the Remuneration Committee if:

- (a) the Awards granted to the SAS Selected Participant are grants of “make-whole” Awards to the SAS Selected Participants upon joining the Group to replace the share awards they forfeited when leaving the previous employer, such that the vesting period of such Awards granted under the Share Award Scheme shall apportion rateably based on the vesting period applicable to such SAS Selected Participant’s unvested outstanding share awards granted by his/her previous employer;
- (b) the unvested Awards granted to the SAS Selected Participant may vest with the SAS Selected Participant or the legal personal representatives of the SAS Selected Participant (in the case of death) within a period of 12 months from the date of termination of the employment of the SAS Selected Participant if such termination is due to disability or death of the SAS Selected Participant, provided that the SAS Selected Participant had been continuously an SAS Employee Participant from the date of the notice sent by the Board to such SAS Selected Participant in relation to the grant of Award until the date of termination of employment of such SAS Selected Participant;

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- (c) in the event that it is not practicable for the SAS Selected Participant to be granted the Award in a planned grant period due to legal or regulatory restrictions, such that the Awards which should have been granted earlier (the “**Delayed Grant**”) are granted together with a subsequent batch of Awards to the remaining SAS Selected Participants during a calendar year, the vesting period for the Awards underlying the Delayed Grant can be shorter than 12 months from the date of grant to reflect the time from which such Awards would have been granted;
- (d) grants with a mixed or accelerated vesting schedule such as where the Awards may vest evenly over a period of 12 months; or
- (e) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

In respect of a SAS Selected Participant who died or retired by agreement with a member of the Group at any time prior to or on the Vesting Date, all the Awards of the relevant SAS Selected Participant shall be deemed to be vested on the day immediately prior to his/her death or the day immediately prior to his/her retirement with the relevant member of the Group.

The Board may at its discretion, with or without further conditions, grant additional Shares out of the Trust Fund representing all or part of the income or distributions (including but not limited to cash income or dividends, cash income or net proceeds of sale of non-cash and non-scrip distribution, bonus Shares and scrip dividends) declared by the Company or derived from such Awarded Shares during the period from the date of Award to the Vesting Date to a SAS Selected Participant upon the vesting of any Awards. In the event that an Award becomes lapsed, the Awarded Shares underlying the Awards and/or the relevant income or distributions shall remain as part of the Trust Fund.

In the event that the Board does not receive the required transfer documents from the SAS Selected Participant at least 10 Business Days prior to the Vesting Date (the “**Transfer Request Period**”), the Awards which would have otherwise vested in such SAS Selected Participant shall automatically lapse and the Awarded Shares shall remain as part of the Trust Fund, and such returned Awarded Shares shall be applied by the Trustee towards future Awards in accordance with the Share Award Scheme.

9. LAPSE OF AWARDS

Upon the occurrence of any of the following in relation to an Awardee, all the Awards to such Awardee not vested shall lapse automatically, and the Company shall claw back the gain of the Awardee derived from the Awards vested:

- (a) the date referred to in paragraph 11(a);
- (b) the date referred to in paragraph 11(b);
- (c) the date of the event referred to in paragraph 11(c);
- (d) the expiry of the Transfer Request Period referred to in paragraph 8;

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- (e) the date of the commencement of the winding-up of the Company; or
- (f) the non-fulfilment of any condition to the Share Award Scheme on or before the date stated therein.

The Company shall owe no liability to any Awardee for the lapse of any Award under this paragraph.

10. CANCELLATION OF THE AWARDS

If the Company cancels the Awards granted to a SAS Selected Participant and makes a new grant to the same SAS Selected Participant, such new grant may only be made under the Share Award Scheme with available Scheme Mandate Limit approved by the Shareholders in accordance with the Share Award Scheme and granted in compliance with the terms of the Share Award Scheme, the Listing Rules and the applicable laws. The Awards so cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit.

11. DISQUALIFICATION OF SAS SELECTED PARTICIPANT OR AWARDEE AND CLAWBACK MECHANISM

In the event that prior to or on the Vesting Date, a Awardee is found to be an SAS Excluded Participant or is deemed to cease to be a SAS Participant, including but not limited to the following circumstances:

- (a) Where (i) the Awardee is a director or an employee of the Group, and (ii) his/her employment ceases for any reason other than death or becoming permanently disabled as described in paragraph (c) below, the Award shall lapse after the date of such cessation, which date shall be his/her last actual working day with the Company or any Subsidiary whether salary is paid in lieu of notice or not;
- (b) Where
 - a. the Awardee or SAS Selected Participant has committed any other act of fraud or dishonesty or serious misconduct, whether or not in connection with his/her employment or engagement by any member of the Group and whether or not it has resulted in his/her employment or engagement being terminated by the relevant member of the Group, or has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his/her debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his/her creditors generally or an administrator has taken possession of any of his/her assets, or has been convicted of any criminal offence, or has been convicted of or is being held liable for any offence under or any breach of the Securities and Futures Ordinance or other securities laws or regulations in Hong Kong or any other applicable laws or regulations and the provisions of the bye-laws of the Company in force from time to time,

APPENDIX IV SUMMARY OF THE PRINCIPAL AMENDED TERMS OF THE SHARE AWARD SCHEME

- b. the Board at its absolute discretion determines that where the Awardee has failed to perform duties effectively or is involved in serious misconduct or malfeasance as being proved by the results of the economic responsibility audit and other reports, or has been committed a material misstatement in the financial statements of the Group,
- c. the Board at its absolute discretion determines that the Awardee has failed to discharge, or failed to discharge properly, his/her/its duties and thereby resulting in serious loss in assets to the Company and other serious and adverse consequences,
- d. the Board at its absolute discretion determines that the Awardee or his/her/its associate has committed any breach of any contract entered into between the Awardee or his/her/its associate on one part and the Group on the other part, or that the Awardee 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/her/its creditors generally,
- e. the Board at its absolute discretion determines that the Awardee has been involved in acceptance or solicitation of bribery, corruption, theft, leakage of trade and technical secrets, conducted connected transactions and other unlawful acts and misconducts, which prejudiced the interest and reputation of and caused significant negative impact to the image of the Group, or
- f. the Board at its absolute discretion determines that the Awardee joins a competitor after leaving the Company or forming a competing business,

the Award granted to such Awardee shall lapse or the SAS Selected Participant shall be deemed as a SAS Excluded Participant on or after the date on which the Board has so determined; or

- (c) Where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Awardee, the relevant Award made to such Awardee shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall remain part of the Trust Fund and such returned Awarded Shares shall be applied by the Trustee towards future Awards in accordance with the Share Award Scheme, unless agreed specifically between the Awardee and the Company to the extent permitted under the laws or regulations of such place.

12. RANKING OF THE AWARDED SHARES

The Awarded Shares transferred to the Awardee pursuant to the Share Award Scheme will be subject to all the provisions of the Articles of Association of the Company for the time being in force and will rank *pari passu* in all respects with the existing fully paid Shares in issue on the date on which those Awarded Shares are transferred to the Awardee and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date on which the

APPENDIX IV SUMMARY OF THE PRINCIPAL AMENDED TERMS OF THE SHARE AWARD SCHEME

Awarded Shares are transferred to the Awardee unless provided otherwise in the Share Award Scheme, provided always that when the vesting date of the Award falls on a date upon which the register of members of the Company is closed then the vesting of the Award shall become effective on the first Business Day on which the register of members of the Company is re-opened.

13. VOTING RIGHTS

The Awarded Shares, before vesting, do not carry any right to vote at general meetings of the Company. Notwithstanding that the Trustee is the legal registered holder of the Shares held upon trust pursuant to the Trust Deed, the Trustee shall not exercise the voting rights attached to such Shares. Notwithstanding any provision in the Rules of the Share Award Scheme, an Awardee shall have the right to the cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from the vested Awarded Shares during the period commencing from the date when the Awarded Shares are allotted and issued to the Trust to the date of transfer of such Shares to such Awardee.

14. DURATION

Unless terminated earlier by the Board pursuant to the Share Award Scheme, the Share Award Scheme shall be valid and effective for ten years commencing from the SAS Adoption Date, after which period no further Awards will be granted. As the Share Award Scheme will involve the issue of new Shares, the termination of the Share Award Scheme is subject to the approval of the Company's shareholders under Rule 17.03(18) of the Listing Rules.

Upon termination, (i) no further grant of Awards may be made under the Share Award Scheme; (ii) all the Awards referable to the date of expiry of the Trust Period which are not vested shall be vested in the relevant Awardees and all the Awarded Shares shall continue to be held by the Trustee and be transferred to the Awardees according to the Rules of the Share Award Scheme; (iii) all Shares remaining in the Trust Fund shall be sold (or as otherwise determined by the Board) by the Trustee within 28 Business Days (on which the trading of the Shares has not been suspended); and (iv) net proceeds of sale (if so sold) and such other funds and properties remaining in the Trust Fund managed by the Trustee (after making appropriate deductions) shall be remitted to the Company forthwith (except as otherwise determined by the Board).

15. ALTERATION OF THE SHARE AWARD SCHEME OR THE AWARDS

The Share Award Scheme may be altered in any respect by resolution of the Board without the approval of the Shareholders in general meeting, provided that (i) any alteration to the terms and conditions of the Share Award Scheme which are of a material nature or any alterations to the provisions relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of the SAS Selected Participants must be approved by the Shareholders in general meeting, (ii) any change to the terms of the Awards granted to an Awardee must be approved by the Board, the remuneration committee of the Company, the independent non-executive Director and/or the Shareholders (as the case may be) if the initial grant of the Awards was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the

APPENDIX IV SUMMARY OF THE PRINCIPAL AMENDED TERMS OF THE SHARE AWARD SCHEME

case may be), (iii) the amended terms of the Share Award Scheme or the Awards must still comply with the relevant requirements of Chapter 17 of the Listing Rules, and (iv) any change to the authority of the Directors to alter the terms of the Share Award Scheme must be approved by the Shareholders in general meeting.

Written notice of any amendment to the Share Award Scheme shall be given to all SAS Selected Participants and/or Awardees and the Trustee.

16. EFFECT UPON TERMINATION OF THE SHARE AWARD SCHEME

Upon termination of the Share Award Scheme, (i) no further grant of Awards may be made under the Share Award Scheme; (ii) all the Awards referable to the date of expiry of the Trust Period which are not vested shall remain unvested and all the vested Awarded Shares shall continue to be held by the Trustee and be transferred to the Awardees, subject to the receipt by the Trustee within fifteen (15) Business Days from the expiry of the Trust Period of the transfer documents prescribed by the Trustee and duly executed by the Awardee; (iii) all Shares remaining in the Trust Fund shall be sold (or as otherwise determined by the Board) by the Trustee within 28 Business Days (on which the trading of the Shares has not been suspended); and (iv) net proceeds of sale (if so sold) and such other funds and properties remaining in the Trust Fund managed by the Trustee (after making appropriate deductions) shall be remitted to the Company forthwith (except as otherwise determined by the Board).

17. EFFECT OF ALTERATIONS TO SHARE CAPITAL

In the event of any alteration to the capital structure of the Company, arising from capitalization issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company in accordance with the legal requirements or requirements of the Stock Exchange, other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party, adjustment (if any) shall be made to: (i) the number of Shares subject to the Awards so far as unexercised; and/or (ii) the consideration for the grant of the Award (the “**Grant Consideration**”) for the Shares subject to the Award so far as unvested; and/or any combination thereof.

The method of adjustment of number of Awarded Shares so far as unexercised is set out as below:

- (a) Capitalization issue

$$Q = Q0 \times (1 + n)$$

Where: “Q0” represents the number of Awarded Shares before the adjustment; “n” represents the ratio of the capitalization issue; “Q” represents the number of Awarded Shares after the adjustment.

- (b) Rights issue

APPENDIX IV SUMMARY OF THE PRINCIPAL AMENDED TERMS OF THE SHARE AWARD SCHEME

$$Q = Q0 \times P1 \times (1 + n) \div (P1 + P2 \times n)$$

Where: “Q0” represents the number of Awarded Shares before the adjustment; “P1” represents the closing price as at the record date; “P2” represents the exercise price of the rights issue; “n” represents the ratio of allotment; “Q” represents the number of Awarded Shares after the adjustment.

- (c) Consolidation of Shares or share subdivision or reduction of the share capital

$$Q = Q0 \times n$$

Where: “Q0” represents the number of Awarded Shares before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “Q” represents the number of Awarded Shares after the adjustment.

The method of adjustment of the Grant Consideration is set out as below:

- (a) Capitalization issue

$$P = P0 \div (1 + n)$$

Where: “P0” represents the Grant Consideration before the adjustment; “n” represents the ratio of the capitalization issue; “P” represents the Grant Consideration after the adjustment.

- (b) Rights issue

$$P = P0 \times (P1 + P2 \times n) \div (P1 \times (1 + n))$$

Where: “P0” represents the Grant Consideration before the adjustment; “P1” represents the closing price as at the record date; “P2” represents the exercise price in respect of the rights issue; “n” represents the ratio of allotment; “P” represents the Grant Consideration after the adjustment.

- (c) Consolidation of Shares or share subdivision or reduction of the share capital

$$P = P0 \div n$$

Where: “P0” represents the Grant Consideration before the adjustment; “n” represents the ratio of share consolidation or share subdivision or reduction of share capital; “P” represents the Grant Consideration after the adjustment.

Details of the Proposed Amendments are as follows:

Currently in force		Proposed to be amended as	
No.	Memorandum of Association	No.	Memorandum of Association
1.	The name of the Company is China Yongda Automobiles Services Holdings Limited.	1.	The name of the Company is China Yongda Automobiles Services Holdings Limited <u>中國永達汽車服務控股有限公司</u> .
2.	The Registered Office of the Company will be situated at the offices of Walkers Corporate Services Limited, Walker House, 87 Mary Street, George Town, Grand Cayman, KY1-9005, Cayman Islands or at such other location as the Directors may from time to time determine.	2.	The Registered Office of the Company will be situated at the offices of Walkers Corporate Services Limited, Walker House, 87 Mary Street, George Town <u>Ogier Global (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman, KY1-90059009</u> , Cayman Islands or at such other location as the Directors may from time to time determine.
3.	The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (as amended).	3.	The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (as amended) <u>Act (As Revised)</u> .
4.	The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 27(2) of the Companies Law (as amended).	4.	The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 27(2) of the Companies Law (as amended) <u>Act (As Revised)</u> .
7.	The capital of the Company is HK\$25,000,000 divided into 2,500,000,000 shares of a nominal or par value of HK\$0.01 each provided always that subject to the provisions of the Companies Law (as amended) and the Articles of Association, the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether	7.	The capital of the Company is HK\$25,000,000 divided into 2,500,000,000 shares of a nominal or par value of HK\$0.01 each provided always that subject to the provisions of the Companies Law (as amended) <u>Act (As Revised)</u> and the Articles of Association, the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of

Currently in force		Proposed to be amended as	
No.	Memorandum of Association	No.	Memorandum of Association
	stated to be ordinary, preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.		shares whether stated to be ordinary, preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.
8.	The Company may exercise the power contained in Section 206 of the Companies Law (as amended) to deregister in the Cayman Islands and be registered by way of continuation in some other jurisdiction.	8.	The Company may exercise the power contained in Section 206 of the Companies Law (as amended) <u>Act (As Revised)</u> to deregister in the Cayman Islands and be registered by way of continuation in some other jurisdiction.
No.	Articles of Association	No.	Articles of Association
	The Regulations contained or incorporated in Table 'A' in the First Schedule of the Companies Law (as amended shall not apply to the Company and the following Articles shall comprise the Articles of Association of the Company:		The Regulations contained or incorporated in Table 'A' in the First Schedule of the Companies Law (as amended) <u>Act (As Revised)</u> shall not apply to the Company and the following Articles shall comprise the Articles of Association of the Company:
1.	<p>...</p> <p>“business day” means any day on which the Stock Exchange is open for the business of dealing in securities;</p> <p>...</p> <p>“clearing house” means a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;</p> <p>“Company” means China Yongda Automobiles Services Holdings Limited;</p> <p>“Companies Law” means the Companies Law (as amended) of the Cayman Islands;</p> <p>...</p> <p>“electronic” shall have the meaning given to it in the Electronic Transactions Law (as amended) of the Cayman Islands;</p>	1.	<p>...</p> <p>“business day” means any day on which the Stock Exchange is open for the business of dealing in securities</p> <p>...</p> <p>“clearing house” means a clearing house recognised by the laws of the jurisdiction in which the shares of the Company are listed or quoted on a stock exchange in such jurisdiction;<u>, including in the case of the Company, the HKSCC (as defined in the Listing Rules);</u></p> <p>“Company” means China Yongda Automobiles Services Holdings Limited;<u> 中國永達汽車服務控股有限公司;</u></p> <p>“Companies LawAct” means the Companies Law (as amended)<u>Act</u>;<u> (As Revised), Cap. 22</u> of the Cayman Islands; <u>and any amendments thereto or re-enactments thereof for the time being in force and includes every other law incorporated therewith or substituted therefor;</u></p>

No.	Articles of Association	No.	Articles of Association
	<p>“Electronic Signature” means an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a person with the intent to sign the electronic communication;</p> <p>...</p> <p>“Office” means the registered office of the Company as required by the Companies Law;</p> <p>“Ordinary Resolution” means a resolution:</p> <p>(a) passed by a simple majority of such Members as, being entitled to do so, vote in person or, in the case of such Members being corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of the Company of which notice has been duly given in accordance with these Articles and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Member is entitled; or</p> <p>(b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments if more than one, is executed;</p> <p>...</p> <p>“Principal Register” where the Company has established one or more Branch Registers pursuant to the Companies Law and these Articles, means the Register maintained by the Company pursuant to the Companies Law and these Articles that is not designated by the Directors as a Branch Register;</p>		<p>...</p> <p>“electronic” shall have the meaning given to it in the Electronic Transactions Law (as amended) Act (As Revised) of the Cayman Islands;</p> <p>“Electronic Communication” means a <u>communication sent, transmitted, conveyed or received by wired or wireless means, by radio, by optical means, by Electronic Means or by other electron magnetic means in any form through any medium in each case, as may be selected by the Company;</u></p> <p>“Electronic Facilities” includes, <u>without limitation, website addresses, webinars, webcast, video or any form of conference call systems (telephone, video, web or otherwise);</u></p> <p>“Electronic Means” means <u>sending or otherwise making available to the intended recipients of an Electronic Communication;</u></p> <p>“Electronic Signature” means an electronic symbol or process attached to or logically associated with an electronic communication <u>Electronic Communication</u> and executed or adopted by a person with the intent to sign the electronic communication <u>Electronic Communication;</u></p> <p>...</p> <p>“Hybrid Meeting” means a <u>general meeting held and conducted by (i) physical attendance by Members, the chairman of the meeting and/or proxies at the Principal Meeting Place and where applicable, one or more Meeting Location(s) and (ii) virtual attendance and participation by Members, the chairman of the meeting and/or proxies by means of Electronic Facilities;</u></p> <p>...</p>

No.	Articles of Association	No.	Articles of Association
	<p>...</p> <p>“Register” means the register of Members of the Company required to be kept pursuant to the Companies Law and includes any Branch Register(s) established by the Company in accordance with the Companies Law;</p> <p>...</p> <p>“Special Resolution” means a special resolution passed in accordance with the Companies Law, being a resolution:</p> <p>(a) passed by a majority of not less than three-fourths of such Members as, being entitled to do so, vote in person or, in the case of such Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given in accordance with these Articles and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Member is entitled; or</p> <p>(b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the Special Resolution so adopted shall be the date on which the instrument or the last of such instruments if more than one, is executed;</p>		<p>“Meeting Location” shall have the same meaning as defined in Article 74A;</p> <p>...</p>

No.	Articles of Association	No.	Articles of Association
			<p>“Office” means the registered office of the Company as required by the Companies Law <u>Act</u>;</p> <p>“Ordinary Resolution” means a resolution:</p> <p>(a) passed by a simple majority of such Members as, being entitled to do so, vote in person or, in the case of such Members being corporations, by their duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of the Company of which notice has been duly given in accordance with these Articles and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Member is entitled; or</p> <p>(b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the resolution so adopted shall be the date on which the instrument, or the last of such instruments if more than one, is executed;</p> <p>...</p> <p>“Physical Meeting” means a <u>general meeting held and conducted by physical attendance and participation by Members, the chairman of the meeting and/or proxies at the Principal Meeting Place and/or where applicable, one or more Meeting Locations;</u></p> <p>“Principal Meeting Place” shall have the same <u>meaning as defined in Article 67(2);</u></p> <p>“Principal Register” where the Company has established one or more Branch Registers pursuant to the Companies Law <u>Act</u> and these Articles, means the Register maintained by the</p>

No.	Articles of Association	No.	Articles of Association
			<p>Company pursuant to the Companies LawAct and these Articles that is not designated by the Directors as a Branch Register;</p> <p>...</p> <p>“Register” means the register of Members of the Company required to be kept pursuant to the Companies LawAct and includes any Branch Register(s) established by the Company in accordance with the Companies LawAct;</p> <p>...</p> <p>“Special Resolution” means a special resolution passed in accordance with the Companies LawAct, being a resolution;</p> <p>(a) passed by a majority of not less than three-fourths of such Members as, being entitled to do so, vote in person or, in the case of such Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given in accordance with these Articles and where a poll is taken regard shall be had in computing a majority to the number of votes to which each Member is entitled; or</p> <p>(b) approved in writing by all of the Members entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of the Members and the effective date of the Special Resolution so adopted shall be the date on which the instrument or the last of such instruments if more than one, is executed;</p> <p>...</p>

No.	Articles of Association	No.	Articles of Association
			<p>“Substantial Shareholder” has the meaning attributed to it in the Listing Rules; and</p> <p>“Virtual Meeting” means a <u>general meeting held and conducted wholly and exclusively by virtual attendance and participation by Members, the chairman of the meeting and/or proxies by means of Electronic Facilities; and</u></p> <p>...</p>
2.	<p>In these Articles, save where the context requires otherwise:</p> <p>...</p>	2.	<p>In these Articles, save where the context requires otherwise:</p> <p>...</p> <p>(i) <u>references to the right of a Member to speak at a Virtual Meeting or a Hybrid Meeting shall include the right to raise questions or make statements to the chairman of the meeting, verbally or in written form, by means of Electronic Facilities. Such a right shall be deemed to have been duly exercised if the questions or statements may be heard or seen by all or only some of the persons present at the meeting (or only by the chairman of the meeting) in which event the chairman of the meeting shall relay the questions raised or the statements made verbatim to all persons present at the meeting, either orally or in writing using Electronic Facilities;</u></p> <p>(j) <u>a reference to a meeting shall mean a meeting convened and held in any manner permitted by these Articles and any Member or Director attending and participating at a meeting by means of Electronic Facilities shall be deemed to be present at that meeting for all purposes of the Companies Act and these Articles, and attend, participate, attending, participating, attendance and participation shall be construed accordingly and where the context is appropriate, including a</u></p>

No.	Articles of Association	No.	Articles of Association
			<p><u>meeting that has been postponed by the Board of Directors pursuant to Article 74E;</u></p> <p>(k) <u>references to a person's participation in the business of a general meeting include without limitation and as relevant the right (including, in the case of a corporation, through a duly authorised representative) to speak or communicate, vote, be represented by a proxy and have access in hard copy or electronic form to all documents which are required by the Companies Act or these Articles to be made available at the meeting, and participate and participating in the business of a general meeting shall be construed accordingly; and</u></p> <p>(l) <u>where a Member is a corporation, any reference in these Articles to a Member shall, where the context requires, refer to a duly authorised representative of such Member.</u></p>

Currently in force		Proposed to be amended as	
No.	Memorandum of Association	No.	Memorandum of Association
3.	Subject to the last two preceding Articles, any words defined in the Companies Law shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.	3.	Subject to the last two preceding Articles, any words defined in the Companies Law Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.
9.	Any financial assistance given by the Company in connection with a purchase made or to be made by any person of any shares or warrants in the Company shall only be made in accordance with the Companies Law, applicable law, the Listing Rules and any relevant code, rules or regulations issued by the Stock Exchange or the Securities and Futures Commission of Hong Kong from time to time.	9.	Any financial assistance given by the Company in connection with a purchase made or to be made by any person of any shares or warrants in the Company shall only be made in accordance with the Companies Law Act, applicable law, the Listing Rules and any relevant code, rules or regulations issued by the Stock Exchange or the Securities and Futures Commission of Hong Kong from time to time.
10.	Subject to the Companies Law and these Articles, the Board of Directors may at any time after the allotment of shares but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board of Directors considers fit to impose.	10.	Subject to the Companies Law Act and these Articles, the Board of Directors may at any time after the allotment of shares but before any person has been entered in the Register as the holder, recognise a renunciation thereof by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Board of Directors considers fit to impose.
11.	Subject to the provisions of the Companies Law, the Memorandum of Association and these Articles, and to any special rights conferred on the holders of any shares or class of shares, any share in the Company may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may by Ordinary Resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board of Directors may determine, provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each	11.	Subject to the provisions of the Companies Law Act, the Memorandum of Association and these Articles, and to any special rights conferred on the holders of any shares or class of shares, any share in the Company (<u>whether forming part of the present capital or not</u>) may be issued with or have attached thereto such rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Company may by Ordinary Resolution determine or, if there has not been any such determination or so far as the same shall not make specific provision, as the Board of Directors may determine, provided always that where the Company issues shares which do not carry voting rights, the words “non-voting” shall appear in the designation of such shares and where the equity capital includes shares with different voting rights, the designation of each

Currently in force		Proposed to be amended as	
No.	Memorandum of Association	No.	Memorandum of Association
	class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”.		class of shares, other than those with the most favourable voting rights, must include the words “restricted voting” or “limited voting”.
12.	Whenever the capital of the Company is divided into different classes the rights attached to any such class may, subject to any rights or restrictions for the time being attached to any class, only be materially adversely varied or abrogated with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of the relevant class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of such class by a majority of not less than three-fourths in nominal value of the votes cast at such a meeting. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be one or more persons at least holding or representing by proxy one-third in nominal or par value amount of the issued shares of the relevant class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those Shareholders who are present shall form a quorum) and that, subject to any rights or restrictions for the time being attached to the shares of that class, every Shareholder of the class shall on a poll have one vote for each share of the class held by him. For the purposes of this Article the Directors may treat all the classes or any two or more classes as forming one class if they consider that all such classes would be affected in the same way by the proposals under consideration, but in any other case shall treat them as separate classes.	12.	Whenever the capital of the Company is divided into different classes the rights attached to any such class may, subject to any rights or restrictions for the time being attached to any class, only be materially adversely varied or abrogated with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of the relevant class, or with the sanction of a resolution <u>Special Resolution</u> passed at a separate meeting of the holders of the shares of such class by a majority of not less than three-fourths in nominal value of the votes cast at such a meeting. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, mutatis mutandis, apply, except that the necessary quorum shall be one or more persons at least holding or representing by proxy one-third in nominal or par value amount of the issued shares of the relevant class (but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those Shareholders who are present shall form a quorum) and that, subject to any rights or restrictions for the time being attached to the shares of that class, every Shareholder of the class shall on a poll have one vote for each share of the class held by him. For the purposes of this Article the Directors may treat all the classes or any two or more classes as forming one class if they consider that all such classes would be affected in the same way by the proposals under consideration, but in any other case shall treat them as separate classes.

Currently in force		Proposed to be amended as	
No.	Memorandum of Association	No.	Memorandum of Association
13.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, subject to any rights or restrictions for the time being attached to the shares of that class, be deemed to be materially adversely varied or abrogated by, inter alia, the creation, allotment or issue of further shares ranking <i>pari passu</i> with or subsequent to them or the redemption or purchase of any shares of any class by the Company.	13.	The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, subject to any rights or restrictions for the time being attached to the shares of that class, be deemed to be materially adversely varied or abrogated by, inter alia, the creation, allotment or issue of further shares ranking <i>pari passu</i> with or subsequent to them or the redemption or purchase of any shares of any class by the Company.
17.	Share certificates shall be issued within the relevant time limit as prescribed by the Companies Law or as the Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgement of a transfer with the Company.	17.	Share certificates shall be issued within the relevant time limit as prescribed by the Companies Law <u>Act</u> or as the Stock Exchange may from time to time determine, whichever is the shorter, after allotment or, except in the case of a transfer which the Company is for the time being entitled to refuse to register and does not register, after lodgement of a transfer with the Company.
45.	The registration of transfers may, on 14 days' notice being given by advertisement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as herein provided or by advertisement published in the newspapers, be suspended and the Register closed at such times for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended or the Register closed for more than 30 days in any year (or such longer period as the Members may by Ordinary Resolution determine provided that such period shall not be extended beyond 60 days in any year).	45.	The registration of transfers may, on 14 days' notice being given by advertisement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication <u>Electronic Communication</u> in the manner in which notices may be served by the Company by electronic means <u>Electronic Means</u> as herein provided or by advertisement published in the newspapers, be suspended and the Register closed at such times for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended or the Register closed for more than 30 days in any year (or such longer period as the Members may by Ordinary Resolution determine provided that such period shall not be extended beyond 60 days in any year).

Currently in force		Proposed to be amended as	
No.	Memorandum of Association	No.	Memorandum of Association
53.	<p>Subject to the Companies Law, the Memorandum of Association, these Articles and, where applicable, the Listing Rules, and any special rights conferred on the holders of any shares or attaching to any class of shares, the Company may:</p> <p>(a) issue shares on terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the Member on such terms and in such manner as the Directors may determine;</p> <p>(b) purchase its own shares (including any redeemable shares) on such terms and in such manner as the Directors may determine and agree with the Member;</p> <p>(c) make a payment in respect of the redemption or purchase of its own shares in any manner authorised by the Companies Law; and</p> <p>(d) accept the surrender for no consideration of any paid up Share (including any redeemable Share) on such terms and in such manner as the Directors may determine.</p>	53.	<p>Subject to the Companies LawAct, the Memorandum of Association, these Articles and, where applicable, the Listing Rules, and any special rights conferred on the holders of any shares or attaching to any class of shares, the Company may:</p> <p>(a) issue shares on terms that they are to be redeemed or are liable to be redeemed at the option of the Company or the Member on such terms and in such manner as the Directors may determine;</p> <p>(b) purchase its own shares (including any redeemable shares) on such terms and in such manner as the Directors may determine and agree with the Member;</p> <p>(c) make a payment in respect of the redemption or purchase of its own shares in any manner authorised by the Companies LawAct; and</p> <p>(d) accept the surrender for no consideration of any paid up Share (including any redeemable Share) on such terms and in such manner as the Directors may determine.</p>

No.	Articles of Association	No.	Articles of Association
57.	The Directors shall cause to be kept at the Office or (subject to compliance with the Companies Law and these Articles) places within or outside the Cayman Islands as they deem fit, the Register and there shall be entered therein the particulars of the Members and the shares issued to each of them and other particulars required under the Companies Law and the Listing Rules (as appropriate).	57.	The Directors shall cause to be kept at the Office or (subject to compliance with the Companies Law Act and these Articles) places within or outside the Cayman Islands as they deem fit, the Register and there shall be entered therein the particulars of the Members and the shares issued to each of them and other particulars required under the Companies Law Act and the Listing Rules (as appropriate).
58.	The Directors may keep, or cause to be kept, one or more Branch Registers in accordance with the Companies Law as such location or locations within or outside the Cayman Islands as the Directors may determine.	58.	The Directors may keep, or cause to be kept, one or more Branch Registers in accordance with the Companies Law Act as such location or locations within or outside the Cayman Islands as the Directors may determine.
64.	The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it; and not more than 15 months shall elapse (or such longer period as the Stock Exchange may authorise) between the date of one annual general meeting of the Company and that of the next. So long as the first annual general meeting of the Company is held within 18 months of the adoption of these Articles, it needs not be held in the year of its incorporation or immediate following year. The annual general meeting shall be held at such time and place as the Directors shall appoint.	64.	The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notices calling it; and not more than 15 months shall elapse (or such longer period as the Stock Exchange may authorise) between the date of one annual general meeting of the Company and that of the next. So long as the first annual general meeting of the Company is held within 18 months of the adoption of these Articles, it needs not be held in the year of its incorporation or immediate following year. The annual general meeting shall be held at such time and place as the Directors shall appoint. <u>An annual general meeting of the Company shall be held in each financial year and such annual general meeting must be held within six (6) months after the end of the Company's financial year (unless a longer period would not infringe the Listing Rules, if any).</u>
65.	All general meetings other than annual general meetings shall be called extraordinary general meetings.	65.	All general meetings other than annual general meetings shall be called extraordinary general meetings. <u>All general meetings (including an annual general meeting, any adjourned meeting or postponed meeting) may be held by way of a Physical Meeting in any part of the world and at one or more locations as provided in Article 74A</u>

No.	Articles of Association	No.	Articles of Association
			or by way of a Hybrid Meeting or by way of a <u>Virtual Meeting</u> , as may be determined by the <u>Board of Directors in its absolute discretion.</u>
66.	The Directors may, whenever they think fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any two or more Members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the head office or the Office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one Member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the head office or the Office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting. If the Directors do not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonably	66.	The Directors may, whenever they think fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any two or more Members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the head office or the Office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of <u>(a) any one or more Member(s) of the Company or (b) any one Member of the Company which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the head office or the Office specifying the objects of the meeting and signed by the requisitionist(s), provided that such requisitionist(s) held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting</u> <u>voting rights at general meetings of the Company, on a one vote per share basis, in the share capital of the Company and the foregoing Members shall be able to add resolutions to the meeting agenda.</u> If the Directors do not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in a <u>Physical Meeting at only one location which meetings</u>

No.	Articles of Association	No.	Articles of Association
	<p>expenses incurred by the requisitionist(s) as a result of the failure of the Board of Directors shall be reimbursed to them by the Company.</p>		<p>may<u>will</u> be convened by the Directors<u>Principal Meeting Place</u> provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonably expenses incurred by the requisitionist(s) as a result of the failure of the Board of Directors shall be reimbursed to them by the Company.</p>
67.	<p>(1) An annual general meeting shall be called by notice of not less than 21 clear days and not less than 20 clear business days and any extraordinary general meeting at which it is proposed to pass a Special Resolution shall be called by notice of at least 21 clear days and not less than 10 clear business days. All other extraordinary general meetings shall be called by notice of at least 14 clear days and not less than 10 clear business days.</p> <p>(2) The notice shall specify the time, place and agenda of the meeting, particulars of the resolutions to be considered at the meeting and in the case of special business (as defined in Article 73)) the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting a pass a Special Resolution shall specify the intention to propose the resolution as a Special Resolution.</p>	67.	<p>(1) An annual general meeting shall be called by notice of not less than 21 clear days <u>and not less than 20 clear business days</u> and any extraordinary general meeting at which it is proposed to pass a Special Resolution shall be called by notice of at least 21 clear days and not less than 10 clear business days. All other extraordinary general meetings shall be called by notice of at least 14 clear days and not less than 10 clear business days.</p> <p>(2) The notice shall specify (a) the time, place, date and agenda of the meeting, (b) <u>save for a Virtual Meeting, the place of the meeting and if there is more than one Meeting Location as determined by the Board of Directors pursuant to Article 74A, the principal place of the meeting (the "Principal Meeting Place")</u>, (c) <u>if the general meeting is to be a Hybrid Meeting or a Virtual Meeting, the notice shall include a statement to that effect and with details of the Electronic Facilities for attendance and participation by Electronic Means at the meeting or where such details will be made available by the Company prior to the meeting, and</u> (d) particulars of the resolutions to be considered at the meeting and, in the case of special business (as defined in Article 73)), the general nature of that business. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a</p>

No.	Articles of Association	No.	Articles of Association
			meeting a pass a Special Resolution shall specify the intention to propose the resolution as a Special Resolution.
-	-	74A.	<p>(Newly added)</p> <p>(1) <u>The Board of Directors may, at its absolute discretion, arrange for persons entitled to attend a general meeting to do so by simultaneous attendance and participation by means of Electronic Facilities at such location or locations (“Meeting Location(s)”) determined by the Board of Directors at its absolute discretion. Any Member or any proxy attending and participating in such way or any Member or proxy attending and participating in a Hybrid Meeting or Virtual Meeting by means of Electronic Facilities is deemed to be present at and shall be counted in the quorum of the meeting.</u></p> <p>(2) <u>All general meetings are subject to the following and, where appropriate, all references to a “Member” or “Members” in this sub-paragraph (2) shall include a proxy or proxies respectively:</u></p> <p>(a) <u>where a Member is attending a Meeting Location and/or in the case of a Hybrid Meeting, the meeting shall be treated as having commenced if it has commenced at the Principal Meeting Place;</u></p> <p>(b) <u>Members present in person or by proxy at a Meeting Location and/or Members attending and participating in a Hybrid Meeting or Virtual Meeting by means of Electronic Facilities shall be counted in the quorum for and entitled to vote at the meeting in question, and that meeting shall be duly constituted and its proceedings valid provided that</u></p>

No.	Articles of Association	No.	Articles of Association
			<p><u>the chairman of the meeting is satisfied that adequate Electronic Facilities are available throughout the meeting to ensure that Members at all Meeting Locations and Members participating in a Hybrid Meeting or Virtual Meeting by means of Electronic Facilities are able to participate in the business for which the meeting has been convened;</u></p> <p>(c) <u>where Members attend a meeting by being present at one of the Meeting Locations and/or where Members participating in a Hybrid Meeting or Virtual Meeting by means of Electronic Facilities, a failure (for any reason) of the Electronic Facilities or Electronic Communication equipment, or any other failure in the arrangements for enabling those in a Meeting Location other than the Principal Meeting Place to participate in the business for which the meeting has been convened or in the case of a Hybrid Meeting or Virtual Meeting, the inability of one or more Members or proxies to access, or continue to access, the Electronic Facilities shall not affect the validity of the meeting or the resolutions passed, or any business conducted there or any action taken pursuant to such business provided that there is a quorum present throughout the meeting; and</u></p> <p>(d) <u>if any of the Meeting Locations is outside the jurisdiction of the Principal Meeting Place and/or in the case of a Hybrid Meeting, the</u></p>

No.	Articles of Association	No.	Articles of Association
			<p><u>provisions of these Articles concerning the service and giving of notice for the meeting, and the time for lodging proxies, shall apply by reference to the Principal Meeting Place; and in the case of a Virtual Meeting, the time for lodging proxies shall be as stated in the notice of the meeting.</u></p>
-	-	74B.	<p>(Newly added)</p> <p><u>The Board of Directors and, at any general meeting, the chairman of the meeting may from time to time make arrangements for managing attendance and/or participation and/or voting at the Principal Meeting Place, any Meeting Location(s) and/or participation in a Hybrid Meeting or Virtual Meeting by Electronic Facilities (whether involving the issue of tickets or some other means of identification, passcode, seat reservation, electronic voting or otherwise) as it shall in its absolute discretion consider appropriate, and may from time to time change any such arrangements, provided that a Member who, pursuant to such arrangements, is not entitled to attend, in person or by proxy, at any Meeting Location shall be entitled so to attend at one of the other Meeting Locations (if provided); and the entitlement of any Member so to attend the meeting or adjourned meeting or postponed meeting at such Meeting Location or Meeting Locations shall be subject to any such arrangement as may be for the time being in force and by the notice of meeting or adjourned meeting or postponed meeting stated to apply to the meeting;</u></p>
-	-	74C.	<p>(Newly added)</p> <p><u>If it appears to the chairman of the general meeting that:</u></p>

No.	Articles of Association	No.	Articles of Association
			<p>(a) <u>the Electronic Facilities at the Principal Meeting Place or at such other Meeting Location(s) at which the meeting may be attended have become inadequate for the purposes referred to in Article 74A(1) or are otherwise not sufficient to allow the meeting to be conducted substantially in accordance with the provisions set out in the notice of the meeting; or</u></p> <p>(b) <u>in the case of a Hybrid Meeting or Virtual Meeting, Electronic Facilities being made available by the Company are or have become inadequate; or</u></p> <p>(c) <u>it is not possible to ascertain the views of those present or to give all persons entitled to do so a reasonable opportunity to communicate and/or vote at the meeting; or</u></p> <p>(d) <u>there is violence or the threat of violence, unruly behaviour or other disruption occurring at the meeting or it is not possible to secure the proper and orderly conduct of the meeting;</u> <u>then, without prejudice to any other power which the chairman of the meeting may have under these Articles or at common law, the chairman may, at his/her absolute discretion, without the consent of those present at the meeting, and before or after the meeting has started and irrespective of whether a quorum is present, interrupt or adjourn the meeting (including adjournment for indefinite period). All business conducted at the meeting up to the time of such adjournment shall be valid.</u></p>
-	-	74D.	<p>(Newly added)</p> <p><u>The Board of Directors and, at any general meeting, the chairman of the meeting may make any arrangement and impose any requirement or restriction on the Board of Directors or the chairman of the meeting, as the case may be, considers appropriate to ensure the security and orderly conduct of a meeting (including, without</u></p>

No.	Articles of Association	No.	Articles of Association
			<p><u>limitation, requirements for evidence of identity to be produced by those attending the meeting, the searching of their personal property and the restriction of items that may be taken into the meeting place, determining the number and frequency of and the time allowed for questions that may be raised at a meeting). Members shall also comply with all requirements or restrictions imposed by the owner of the premises at which the meeting is held. Any decision made under this Article shall be final and conclusive and a person who refuses to comply with any such arrangements, requirements or restrictions may be refused entry to the meeting or ejected (physically or electronically) from the meeting</u></p>
-	-	74E.	<p>(Newly added)</p> <p><u>If, after the sending of notice of a general meeting but before the meeting is held, or after the adjournment of a meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Board of Directors, in its absolute discretion, considers that it is inappropriate, impracticable, unreasonable or undesirable for any reason to hold the general meeting on the date or at the time or place or by means of Electronic Facilities specified in the notice calling the meeting, it may (a) change or postpone the meeting to another date, time and/or place and/or (b) change the Electronic Facilities and/or form of the meeting (including, without limitation, a Physical Meeting or a Hybrid Meeting or a Virtual Meeting), without approval of the Members. Without prejudice to the generality of the foregoing, the Board of Directors shall have the power to provide in every notice calling a general meeting the circumstances in which such a postponement or change of the relevant general meeting may occur automatically without further notice, including without limitation where a number 8 or higher typhoon signal, black rainstorm warning</u></p>

No.	Articles of Association	No.	Articles of Association
			<p><u>or other similar event is in force at any time on the day of the meeting. This Article shall be subject to the following:</u></p> <p>(a) <u>when a meeting is so postponed, the Company shall endeavour to post a notice of such postponement on the Company's website as soon as practicable (provided that failure to post such a notice shall not affect the automatic postponement of a meeting);</u></p> <p>(b) <u>when only the form of the meeting or Electronic Facilities specified in the notice are changed, the Board of Directors shall notify the Members of details of such change in such manner as the Board of Directors may determine;</u></p> <p>(c) <u>when a meeting is postponed or changed in accordance with this Article, subject to and without prejudice to Article 79, unless already specified in the original notice of the meeting, the Board of Directors shall fix the date, time, place (if applicable) and Electronic Facilities (if applicable) for the postponed or changed meeting, and shall notify the Members of such details in such manner as the Board of Directors may determine; further all proxy forms shall be valid (unless revoked or replaced by a new proxy) if they are received as required by these Articles not less than 48 hours before the time of the postponed meeting; and</u></p> <p>(d) <u>notice of the business to be transacted at the postponed or changed meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the postponed or changed meeting is the same as that set out in the original notice of general meeting circulated to the Members.</u></p>

No.	Articles of Association	No.	Articles of Association
-	-	74F.	(Newly added) <u>All persons seeking to attend and participate in a Hybrid Meeting or Virtual Meeting shall be responsible for maintaining adequate facilities to enable themselves to do so. Subject to Article 74C, any inability of a person or persons to attend or participate in a general meeting by way of Electronic Facilities shall not invalidate the proceedings of and/or resolutions passed at that meeting.</u>
-	-	74G.	(Newly added) <u>Without prejudice to other provisions in Article 79, a Physical Meeting may also be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.</u>
75.	If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Member or Members present and entitled to vote shall be a quorum.	75.	If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned to the same day in the next week, at the same time and place <u>(where applicable) same place(s) or such time and (where applicable) such place(s) and in such form and manner referred to in Article 65 as the chairman of the meeting (or in default, the Board of Directors) may absolutely determine,</u> and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the Member or Members present and entitled to vote shall be a quorum.

No.	Articles of Association	No.	Articles of Association
-	-	78A.	<p>(Newly added)</p> <p><u>If the chairman of a general meeting is participating in the general meeting using Electronic Facilities and becomes unable to participate in the general meeting using such Electronic Facilities, another person (determined in accordance with Article 78 above) shall preside as chairman of the meeting unless and until the original chairman of the meeting is able to participate in the general meeting using the Electronic Facilities.</u></p>
79.	<p>The chairman may, with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting), adjourn a meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	79.	<p><u>Subject to Article 74C, the chairman of the meeting</u> The chairman may, with the consent of any general meeting at which a quorum is present (and shall if so directed by the meeting), adjourn a meeting from time to time and from place to place <u>(or indefinitely) and from place to place(s) and/or from one form to another (a Physical Meeting, a Hybrid Meeting or a Virtual Meeting) as the meeting shall determine,</u> but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, at least 7 clear days' notice of the adjourned meeting shall be given as specifying the details set out in the case of an original meeting, Article 67(2) but it shall not be necessary to specify in such notice the nature of the business to be transacted at the adjourned meeting and the general nature of the business to be transacted. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>

No.	Articles of Association	No.	Articles of Association
81.	Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. At any general meeting a resolution put to the vote of the meeting is to be decided by way of a poll, except where the chairman of the meeting, 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.	81.	<u>(1)</u> Subject to any special rights or restrictions as to voting for the time being attached to any shares by or in accordance with these Articles, at any general meeting on a poll every Member present in person or by proxy or, in the case of a Member being a corporation, by its duly authorised representative shall have one vote for every fully paid share of which he is the holder but so that no amount paid up or credited as paid up on a share in advance of calls or instalments is treated for the foregoing purposes as paid up on the share. At any general meeting, a resolution put to the vote of the meeting is to be decided by way of a poll, except <u>in the case of a Physical Meeting</u> , where the chairman of the meeting, 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 <u>in which case every Member present in person (or being a corporation, is present by a duly authorised representative), or by proxy(ies) shall have one vote provided that where more than one proxy is appointed by a Member which is a clearing house (or its nominee(s)), each such proxy shall have one vote on a show of hands. For purposes of this Article, procedural and administrative matters are those that (i) are not on the agenda of the general meeting or in any supplementary circular that may be issued by the Company to its Members; and (ii) relate to the chairman’s duties to maintain the orderly conduct of the meeting and/or allow the business of the meeting to be properly and effectively dealt with, whilst allowing all Members a reasonable opportunity to express their views. Votes (whether on a show of hands or by way of poll) may be cast by such means,</u>

No.	Articles of Association	No.	Articles of Association
			<p><u>electronic or otherwise, as the Directors or the chairman of the meeting may determine.</u></p> <p>(2) <u>In the case of a Physical Meeting, where a show of hands is allowed, before or on the declaration of the result of the show of hands, a poll may be demanded:</u></p> <p>(a) <u>by at least three Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting; or</u></p> <p>(b) <u>by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights, on a one vote per share basis, of all Members having the right to vote at the meeting; or</u></p> <p>(c) <u>by a Member or Members present in person or in the case of a Member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.</u></p> <p><u>A demand by a person as proxy for a Member or in the case of a Member being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Member.</u></p>
82.	A declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the Company, shall be	82.	<u>Where a resolution is voted on by a show of hands, a</u> A declaration by the chairman that a resolution has been carried, or carried unanimously, or by a particular majority, or not carried by a particular majority, or lost, and an entry to that effect made in the minute book of the

No.	Articles of Association	No.	Articles of Association
	conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.		Company, shall be conclusive evidence of the facts without proof of the number or proportion of the votes recorded for or against the resolution.
86.	All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the Companies Law. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.	86.	All questions submitted to a meeting shall be decided by a simple majority of votes except where a greater majority is required by these Articles or by the Companies Law Act. In the case of an equality of votes, the chairman of such meeting shall be entitled to a second or casting vote in addition to any other vote he may have.
88.	(1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board of Directors may require of the authority of the person claiming to vote shall have been deposited at the Office or head office (or such other place as may be specified in the notice convening the meeting or in any	88.	(1) A Member who is a patient for any purpose relating to mental health or in respect of whom an order has been made by any court having jurisdiction for the protection or management of the affairs of persons incapable of managing their own affairs may vote, by his receiver, committee, curator bonis or other person in the nature of a receiver, committee or curator bonis appointed by such court, and such receiver, committee, curator bonis or other person may vote by proxy, and may otherwise act and be treated as if he were the registered holder of such shares for the purposes of general meetings, provided that such evidence as the Board of Directors may require of the authority of the person claiming to vote shall have been deposited at the Office or head office (or such other place as may be specified in the notice convening the meeting or in any

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	<p>notice of any adjournment or, in either case, in any document sent therewith), not less than 48 hours before the time appointed for holding the meeting, or adjourned meeting, as the case may be.</p> <p>(2) Any person entitled under Article 47 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of Directors of his entitlement to such shares, or the Board of Directors shall have previously admitted his right to vote at such meeting in respect thereof.</p>		<p>notice of any adjournment or, in either case, in any document sent therewith), not less than 48 hours before the time appointed for holding the meeting, or adjourned meeting <u>or postponed meeting</u>, as the case may be.</p> <p>(2) Any person entitled under Article 47 to be registered as the holder of any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least 48 hours before the time of the holding of the meeting or adjourned meeting <u>or postponed meeting</u>, as the case may be, at which he proposes to vote, he shall satisfy the Board of Directors of his entitlement to such shares, or the Board of Directors shall have previously admitted his right to vote at such meeting in respect thereof.</p>
89.	<p>(1) No Member shall, unless the Board of Directors otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.</p> <p>(2) Where the Company has knowledge that any Member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted.</p>	89.	<p>(1) No Member shall, unless the Board of Directors otherwise determines, be entitled to attend and vote and to be reckoned in a quorum at any general meeting unless he is duly registered and all calls or other sums presently payable by him in respect of shares in the Company have been paid.</p> <p>(2) <u>All Members shall have the right to: (a) speak at general meetings of the Company; and (b) vote at a general meeting except where a Member is required, by the Listing Rules, to abstain from voting to approve the matter under consideration.</u></p> <p>(3) Where the Company has knowledge that any Member is, under the Listing Rules, required to abstain from voting on any particular resolution of the Company or restricted to voting only for or only against any particular resolution of the</p>

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			Company, any votes cast by or on behalf of such Member in contravention of such requirement or restriction shall not be counted
90.	<p>If:</p> <ul style="list-style-type: none"> (a) any objection shall be raised to the qualification of any voter; or (b) any votes have been counted which ought not to have been counted or which might have been rejected; or (c) any votes are not counted which ought to have been counted; <p>the objection or error shall not vitiate the decision of the meeting or adjourned meeting on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.</p>	90.	<p>If:</p> <ul style="list-style-type: none"> (a) any objection shall be raised to the qualification of any voter; or (b) any votes have been counted which ought not to have been counted or which might have been rejected; or (c) any votes are not counted which ought to have been counted; <p>The objection or error shall not vitiate the decision of the meeting or adjourned meeting <u>or postponed meeting</u> on any resolution unless the same is raised or pointed out at the meeting or, as the case may be, the adjourned meeting <u>or postponed meeting</u> at which the vote objected to is given or tendered or at which the error occurs. Any objection or error shall be referred to the chairman of the meeting and shall only vitiate the decision of the meeting on any resolution if the chairman decides that the same may have affected the decision of the meeting. The decision of the chairman on such matters shall be final and conclusive.</p>
91.	Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.	91.	Any Member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Member. In addition, a proxy or proxies representing either a Member who is an individual or a Member which is a corporation shall be entitled to exercise the same powers on behalf of the Member which he or they represent as such Member could exercise.

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			<u>including the right to speak and to vote and, where a show of hands is allowed, the right to vote individually on a show of hands.</u>
93.	The instrument appointing a proxy and (if required by the Board of Directors) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Office), not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of eleven months from the date named in it as the date of its execution, except at an adjourned meeting in cases where the meeting was originally held within eleven months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.	93.	(1) <u>The Company may, at its absolute discretion, provide an electronic address for the receipt of any document or information relating to proxies for a general meeting (including any instrument of proxy or invitation to appoint a proxy, any document necessary to show the validity of, or otherwise relating to, an appointment of proxy (whether or not required under these Articles) and notice of termination of the authority of a proxy). If such an electronic address is provided, the Company shall be deemed to have agreed that any such document or information (relating to proxies as aforesaid) may be sent by Electronic Means to that address, subject as hereafter provided and subject to any other limitations or conditions specified by the Company when providing the address. Without limitation, the Company may from time to time determine that any such electronic address may be used generally for such matters or specifically for particular meetings or purposes and, if so, the Company may provide different electronic addresses for different purposes. The Company may also impose any conditions on the transmission of and its receipt of such Electronic Communications including, for the avoidance of doubt, imposing any security or encryption arrangements as may be specified by the Company. If any document or information required to be sent to the Company under this Article is sent to the Company by Electronic Means, such document or information is not treated as validly delivered to or deposited with the Company if the same is not received by</u>

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			<p><u>the Company at its designated electronic address provided in accordance with this Article or if no electronic address is so designated by the Company for the receipt of such document or information.</u></p> <p>(2) The instrument appointing a proxy and (if required by the Board of Directors) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to such place or one of such places (if any) as may be specified for that purpose in or by way of note to or in any document accompanying the notice convening the meeting (or, if no place is so specified at the Office), <u>or if the Company has provided an electronic address in accordance with the preceding paragraph, shall be received at the electronic address specified, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting or postponed meeting</u> at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of eleven months from the date named in it as the date of its execution, except at an adjourned meeting <u>or postponed meeting</u> in cases where the meeting was originally held within eleven months from such date. Delivery of an instrument appointing a proxy shall not preclude a Member from attending and voting in person at the meeting convened and in such event, the instrument appointing a proxy shall be deemed to be revoked.</p>
94.	Instruments of proxy shall be in any common form or in such other form as the Board of Directors may approve (provided that this shall not preclude the use of the two-way form) and the	94.	Instruments of proxy shall be in any common form or in such other form as the Board of Directors may approve (provided that this shall not preclude the use of the two-way form) and the

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	Board of Directors may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.		Board of Directors may, if it thinks fit, send out with the notice of any meeting forms of instrument of proxy for use at the meeting. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment <u>or postponement</u> of the meeting as for the meeting to which it relates.
95.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two hours at least before the commencement of the meeting or adjourned meeting at which the instrument of proxy is used.	95.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument of proxy or of the authority under which it was executed, provided that no intimation in writing of such death, insanity or revocation shall have been received by the Company at the Office (or such other place as may be specified for the delivery of instruments of proxy in the notice convening the meeting or other document sent therewith) two hours at least before the commencement of the meeting or adjourned meeting <u>or postponed meeting</u> at which the instrument of proxy is used.
97.	(1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat. (2) If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to	97.	(1) Any corporation which is a Member may by resolution of its directors or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of Members. The person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual Member and such corporation shall for the purposes of these Articles be deemed to be present in person at any such meeting if a person so authorised is present thereat. (2) If a clearing house (or its nominee(s)), being a corporation, is a Member, it may authorise such persons as it thinks fit to

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	<p>act as its representatives at any meeting of the Company or at any meeting of any class of Members provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)).</p> <p>(3) Any reference in these Articles to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Article.</p>		<p>act as its representatives at any meeting of the Company or at any meeting of any class of Members (<u>including but not limited to any general meeting and creditors meeting</u>) provided that, if more than one person is so authorised, the authorisation shall specify the number and class of shares in respect of which each such representative is so authorised. Each person so authorised under the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the clearing house (or its nominee(s)) as if such person was the registered holder of the shares of the Company held by the clearing house (or its nominee(s)) <u>including the right to speak and to vote and, where a show of hands is allowed, the right to vote individually on a show of hands.</u></p> <p>(3) Any reference in these Articles to a duly authorised representative of a Member being a corporation shall mean a representative authorised under the provisions of this Article.</p>
99.	<p>(1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than three. There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. Subject to Article 138 but notwithstanding any other provision in these Articles, at least one-third, or three members, of the Board of Directors, whichever is greater, shall be Independent Non-Executive Directors. The Directors shall be elected or appointed in the first place by the subscribers to the Memorandum of Association or by a majority of them and</p>	99.	<p>(1) Unless otherwise determined by the Company in general meeting, the number of Directors shall not be less than three. There shall be no maximum number of Directors unless otherwise determined from time to time by the Members in general meeting. Subject to Article 138 but notwithstanding any other provision in these Articles, at least one-third, or three members, of the Board of Directors, whichever is greater, shall be Independent Non-Executive Directors. The Directors shall be elected or appointed in the first place by the subscribers to the Memorandum of Association or by a majority of them and</p>

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	<p>thereafter in accordance with these Articles and shall hold office until their successors are elected or appointed.</p> <p>(2) Subject to these Articles and the Companies Law, the Company may by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy on the Board of Directors, or as an addition to the existing Board of Directors provided that at least one-third, or three members, of the Board of Directors, whichever is greater, shall be Independent Non-Executive Directors.</p> <p>(3) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board of Directors or as an addition to the existing Board of Directors provided that at least one-third, or three members, of the Board of Directors, whichever is greater, shall be Independent Non- Executive Directors. Any Director so appointed by the Board of Directors shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.</p> <p>(4) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.</p> <p>(5) The Members may, at any general meeting convened and held in accordance with these Articles, by Ordinary Resolution remove a Director at any time before the expiration of his period of office notwithstanding anything to the contrary in these Articles or in any agreement</p>		<p>thereafter in accordance with these Articles and shall hold office until their successors are elected or appointed.</p> <p>(2) Subject to these Articles and the Companies Law<u>Act</u>, the Company may by Ordinary Resolution elect any person to be a Director either to fill a casual vacancy on the Board of Directors, or as an addition to the existing Board of Directors provided that at least one-third, or three members, of the Board of Directors, whichever is greater, shall be Independent Non-Executive Directors.</p> <p>(3) The Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board of Directors or as an addition to the existing Board of Directors provided that at least one-third, or three members, of the Board of Directors, whichever is greater, shall be Independent Non- Executive Directors. Any Director so appointed by the Board of Directors shall hold office only until the next following<u>first</u> annual general meeting of the Company <u>after his appointment</u> and shall then be eligible for re-election.</p> <p>(4) Neither a Director nor an alternate Director shall be required to hold any shares of the Company by way of qualification and a Director or alternate Director (as the case may be) who is not a Member shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and of all classes of shares of the Company.</p> <p>(5) The Members may, at any general meeting convened and held in accordance with these Articles, by Ordinary Resolution remove a Director (<u>including a managing or other executive director</u>) at any time before the expiration of his period of office notwithstanding anything to the</p>

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	<p>between the Company and such Director (but without prejudice to any claim for damages under any such agreement).</p> <p>(6) A vacancy on the Board of Directors created by the removal of a Director under the provisions of subparagraph (5) above may be filled by the election or appointment by Ordinary Resolution of the Members at the meeting at which such Director is removed.</p> <p>(7) The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than three.</p> <p>(8) If an Independent Non-Executive Director has served on the Board of Directors for more than nine years, the further appointment of such Independent Non-Executive Director shall be subject to the separate approval of the Members by Ordinary Resolution.</p>		<p>contrary in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement).</p> <p>(6) A vacancy on the Board of Directors created by the removal of a Director under the provisions of subparagraph (5) above may be filled by the election or appointment by Ordinary Resolution of the Members at the meeting at which such Director is removed.</p> <p>(7) The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors but so that the number of Directors shall never be less than three.</p> <p>(8) If an Independent Non-Executive Director has served on the Board of Directors for more than nine years, the further appointment of such Independent Non-Executive Director shall be subject to the separate approval of the Members by Ordinary Resolution.</p>
111.	<p>Subject to the Companies Law and to these Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Article 112 herein.</p>	111.	<p>Subject to the Companies Law<u>Act</u> and to these Articles, no Director or proposed or intending Director shall be disqualified by his office from contracting with the Company, either with regard to his tenure of any office or place of profit or as vendor, purchaser or in any other manner whatever, nor shall any such contract or any other contract or arrangement in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company or the Members for any remuneration, profit or other benefits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established provided that such Director shall disclose the nature of his interest in any contract or arrangement in which he is interested in accordance with Article 112 herein.</p>

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	No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the Director interested directly or indirectly therein has failed to disclose its interests to the Company.		No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the Director interested directly or indirectly therein has failed to disclose its interests to the Company.
114.	Subject to the provisions of the Companies Law, these Articles and to any resolutions made in a general meeting, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in setting up and registering the Company and may exercise all powers of the Company. No resolution made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that resolution had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board of Directors by any other Article.	114.	Subject to the provisions of the Companies Law <u>Act</u> , these Articles and to any resolutions made in a general meeting, the business of the Company shall be managed by the Directors, who may pay all expenses incurred in setting up and registering the Company and may exercise all powers of the Company. No resolution made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that resolution had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Board of Directors by any other Article.
115.	Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board of Directors shall have the following powers: (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; (b) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration; and	115.	Without prejudice to the general powers conferred by these Articles, it is hereby expressly declared that the Board of Directors shall have the following powers: (a) to give to any person the right or option of requiring at a future date that an allotment shall be made to him of any share at par or at such premium as may be agreed; (b) to give to any Directors, officers or servants of the Company an interest in any particular business or transaction or participation in the profits thereof or in the general profits of the Company either in addition to or in substitution for a salary or other remuneration; and

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	(c) to resolve that the Company be deregistered in the Cayman Islands and continued in a named jurisdiction outside the Cayman Islands subject to the provisions of the Companies Law.		(c) to resolve that the Company be deregistered in the Cayman Islands and continued in a named jurisdiction outside the Cayman Islands subject to the provisions of the Companies Law Act.
118.	<p>Except as would, if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). as in force at the date of adoption of these Articles, and except as permitted under Companies Law, the Company shall not directly or indirectly:</p> <p>(a) make a loan to a Director or a director of any holding company (as defined by the Listing Rules) of the Company or to any of their respective associate(s);</p> <p>(b) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or</p> <p>(c) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.</p>	118.	<p>Except as <u>The Company shall not make any loan, directly or indirectly, to a Director or his close associate(s) if and to the extent it would, be prohibited by the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as if the Company were a company incorporated in Hong Kong, be permitted by Section 157H of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong).</u></p> <p><u>This Article shall only have effect for so long as in force at the date of adoption of these Articles, and except as permitted under the Companies Law, shares of the Company shall not directly or indirectly, are listed on The Stock Exchange of Hong Kong Limited.</u></p> <p>(a) make a loan to a Director or a director of any holding company (as defined by the Listing Rules) of the Company or to any of their respective associate(s);</p> <p>(b) enter into any guarantee or provide any security in connection with a loan made by any person to a Director or such a director; or</p> <p>(c) if any one or more of the Directors hold (jointly or severally or directly or indirectly) a controlling interest in another company, make a loan to that other company or enter into any guarantee or provide any security in connection with a loan made by any person to that other company.</p>
125.	The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or part of its undertaking, property and uncalled capital or any part thereof, and subject to	125.	The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge all or part of its undertaking, property and uncalled capital or any part thereof, and subject to

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	the Companies Law to issue debentures, debenture stock and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third party.		the Companies Law Act to issue debentures, debenture stock and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third party.
128.	The Company shall cause to be kept in one or more books at its Office a Register of Directors and Officers in which there shall be entered the full names and addresses of the Directors and Officers and such other particulars as required by the Companies Law or as the Directors may determine. The Company shall send to the Registrar of Companies in the Cayman Islands a copy of such register, and shall from time to time notify to the said Registrar of Companies of any change that takes place in relation to such Directors and Officers as required by the Companies Law.	128.	The Company shall cause to be kept in one or more books at its Office a Register of Directors and Officers in which there shall be entered the full names and addresses of the Directors and Officers and such other particulars as required by the Companies Law Act or as the Directors may determine. The Company shall send to the Registrar of Companies in the Cayman Islands a copy of such register, and shall from time to time notify to the said Registrar of Companies of any change that takes place in relation to such Directors and Officers as required by the Companies Law Act.
129.	The Directors may meet together (either within or outside the Cayman Islands) for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman shall have a second or casting vote. A Director may, and a Secretary or Assistant Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors.	129.	The Directors may meet together (either within or outside the Cayman Islands) for the despatch of business, adjourn, and otherwise regulate their meetings and proceedings as they think fit. Questions arising at any meeting shall be decided by a majority of votes. In case of an equality of votes the chairman shall have a second or casting vote. A Director may, and a Secretary or Assistant Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors. <u>Notice of a meeting of the Board of Directors shall be deemed to be duly given to a Director if it is given to such Director in writing or verbally (including in person or by telephone) or by Electronic Means to an electronic address from time to time notified to the Company by such Director or (if the recipient consents to it being made available on a website) by making it available on a website or by telephone or in such other manner as the Board of Directors may from time to time determine whenever he shall be required so to do by any Director.</u>

No.	Articles of Association	No.	Articles of Association
130.	A Director or Directors may participate in any meeting of the Board of Directors, or of any committee appointed by the Board of Directors of which such Director or Directors are members, by means of telephone or similar communication equipment by way of which all persons participating in such meeting can hear each other and such participation shall be deemed to constitute presence in person at the meeting.	130.	A Director or Directors may participate in any meeting of the Board of Directors, or of any committee appointed by the Board of Directors of which such Director or Directors are members, by means of telephone or similar <u>electronic or other</u> communication equipment by way of which all persons participating in such meeting can hear each other and such participation shall be deemed to constitute presence in person at the meeting.
135.	A resolution signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted. When signed a resolution may consist of several documents each signed by one or more of the Directors.	135.	A resolution <u>in writing</u> signed by all the Directors except such as are temporarily unable to act through ill-health or disability, and all the alternate Directors, if appropriate, whose appointors are temporarily unable to act as aforesaid shall (provided that such number is sufficient to constitute a quorum and further provided that a copy of such resolution has been given or the contents thereof communicated to all the Directors for the time being entitled to receive notices of Board meetings in the same manner as notices of meetings are required to be given by these Articles) be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted. When signed a resolution may consist of several documents each signed by one or more of the Directors. <u>A notification of consent to such resolution given by a Director in writing to the Board of Directors by any means (including by means of Electronic Communication) shall be deemed to be his/her signature to such resolution in writing for the purpose of this Article.</u>
143.	Subject to the Companies Law, the Company in general meeting may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board of Directors.	143.	Subject to the Companies Law <u>Act</u> , the Company in general meeting may from time to time declare dividends in any currency to be paid to the Members but no dividend shall be declared in excess of the amount recommended by the Board of Directors.
144.	Dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. With the	144.	Dividends may be declared and paid out of the profits of the Company, realised or unrealised, or from any reserve set aside from profits which the Directors determine is no longer needed. With the

No.	Articles of Association	No.	Articles of Association
	sanction of an Ordinary Resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Companies Law.		sanction of an Ordinary Resolution dividends may also be declared and paid out of share premium account or any other fund or account which can be authorised for this purpose in accordance with the Companies Law <u>Act</u> .
153.	The Board of Directors shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Law or necessary to give a true and fair view of the Company's affairs and to explain its transactions.	153.	The Board of Directors shall cause true accounts to be kept of the sums of money received and expended by the Company, and the matters in respect of which such receipt and expenditure take place, and of the property, assets, credits and liabilities of the Company and of all other matters required by the Companies Law <u>Act</u> or necessary to give a true and fair view of the Company's affairs and to explain its transactions.
157.	The requirement to send to a person referred to in Article 155 the documents referred to in that Article or a summary financial report in accordance with Article 156 shall be deemed satisfied where, in accordance with all applicable law, rules and regulations, including, without limitation, the Listing Rules, the Company publishes copies of the documents referred to in Article 155 and, if applicable, a summary financial report complying with Article 156, on the Company's Website or in any other permitted manner (including by sending any form of electronic communication and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.	157.	The requirement to send to a person referred to in Article 155 the documents referred to in that Article or a summary financial report in accordance with Article 156 shall be deemed satisfied where, in accordance with all applicable law, rules and regulations, including, without limitation, the Listing Rules, the Company publishes copies of the documents referred to in Article 155 and, if applicable, a summary financial report complying with Article 156, on the Company's Website or in any other permitted manner (including by sending any form of electronic communication <u>Electronic Communication</u>), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.
158.	(1) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall appoint an Auditor to audit the accounts of the Company and such auditor shall hold office until the next annual general meeting. Such auditor may be a Member but no Director or officer or employee of	158.	(1) At the annual general meeting or at a subsequent extraordinary general meeting in each year, the Members shall <u>by Ordinary Resolution</u> appoint an Auditor to audit the accounts of the Company and such auditor shall hold office until the next annual general meeting. Such auditor may be a Member but no Director or

No.	Articles of Association	No.	Articles of Association
	<p>the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.</p> <p>(2) The Members may, at any general meeting convened and held in accordance with these Articles, by Ordinary Resolution remove the Auditor at any time before the expiration of his term of office and shall by Ordinary Resolution at that meeting appoint another Auditor in his stead for the remainder of his term.</p>		<p>officer or employee of the Company shall, during his continuance in office, be eligible to act as an auditor of the Company.</p> <p>(2) The Members may, at any general meeting convened and held in accordance with these Articles, by Ordinary Resolution remove the Auditor at any time before the expiration of his term of office and shall by Ordinary Resolution at that meeting appoint another Auditor in his stead for the remainder of his term.</p>
159.	Subject to the Companies Law the accounts of the Company shall be audited at least once in every year.	159.	Subject to the Companies Law <u>Act</u> the accounts of the Company shall be audited at least once in every year.
160.	The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may otherwise determine.	160.	The remuneration of the Auditor shall be fixed by the Company in general meeting or in such manner as the Members may otherwise <u>by Ordinary Resolution determine.</u>
164.	Subject to the Companies Law and these Articles, the Directors may: ...	164.	Subject to the Companies Law <u>Act</u> and these Articles, the Directors may: ...
166.	The Directors shall in accordance with Section 34 of the Companies Law establish a share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share.	166.	The Directors shall in accordance with Section 34 of the Companies Law <u>Act</u> establish a share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share.
167.	There shall be debited to any share premium account on the redemption or purchase of a share the difference between the nominal value of such share and the redemption or purchase price provided always that at the discretion of the Directors such sum may be paid out of the profits of the Company or, if permitted by Section 37 of the Companies Law, out of capital.	167.	There shall be debited to any share premium account on the redemption or purchase of a share the difference between the nominal value of such share and the redemption or purchase price provided always that at the discretion of the Directors such sum may be paid out of the profits of the Company or, if permitted by Section 37 of the Companies Law <u>Act</u> , out of capital.
169.	The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Companies Law:	169.	The following provisions shall have effect to the extent that they are not prohibited by and are in compliance with the Companies Law <u>Act</u> :

No.	Articles of Association	No.	Articles of Association

170.	Except as otherwise provided in these Articles, any notice or document (including any “corporate communication” as defined in the Listing Rules) may be served by the Company and any notices may be served by the Directors on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means by transmitting it to any electronic number or address or website supplied by the Member to the Company or by placing it on the Company’s Website provided that the Company has obtained either (a) the Member’s prior express positive confirmation in writing or (b) the Member’s deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means, or (in the case of notice) by advertisement published in the newspapers. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders.	170.	Except as otherwise provided in these Articles, any notice or document (including any “corporate communication” as defined in the Listing Rules) may be served by the Company and any notices may be served by the Directors on any Member either personally or by sending it through the post in a prepaid letter addressed to such Member at his registered address as appearing in the Register or, to the extent permitted by the Listing Rules and all applicable laws and regulations, by electronic means <u>Electronic Means</u> by transmitting it to any electronic number or address or website supplied by the Member to the Company or by placing it on the Company’s Website provided that the Company has obtained either (a) the Member’s prior express positive confirmation in writing or (b) the Member’s deemed consent, in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by such electronic means <u>Electronic Means</u> , or (in the case of notice) by advertisement published in the newspapers. In the case of joint holders of a share, all notices shall be given to that holder for the time being whose name stands first in the Register and notice so given shall be sufficient notice to all the joint holders.
171.	A Member shall be entitled to have notice served on him at any address within Hong Kong. Any Member who has not given an express positive confirmation or a deemed confirmation to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A Member who has no	171.	A Member shall be entitled to have notice served on him at any address within Hong Kong. Any Member who has not given an express positive confirmation or a deemed confirmation to the Company in the manner specified in the Listing Rules to receive or otherwise have made available to him notices and documents to be given or issued to him by the Company by electronic means <u>Electronic Means</u> and whose registered address is outside Hong Kong may notify the Company in writing of an address in Hong Kong which for the purpose of service of notice shall be deemed to be his registered address. A Member

No.	Articles of Association	No.	Articles of Association
	registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the Office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such Member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any Member whose registered address is outside Hong Kong.		who has no registered address in Hong Kong shall be deemed to have received any notice which shall have been displayed at the Office and shall have remained there for a period of 24 hours and such notice shall be deemed to have been received by such Member on the day following that on which it shall have been first so displayed, provided that, without prejudice to the other provisions of these Articles, nothing in this Article shall be construed as prohibiting the Company from sending, or entitling the Company not to send, notices or other documents of the Company to any Member whose registered address is outside Hong Kong.
175.	Any notice given by electronic means as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.	175.	Any notice given by electronic means <u>Electronic Means</u> as provided herein shall be deemed to have been served and delivered on the day following that on which it is successfully transmitted or at such later time as may be prescribed by the Listing Rules or any applicable laws or regulations.
183.	A resolution that the Company be wound up by the court or be wound up voluntarily shall be a Special Resolution, except where the Company is to be wound up voluntarily because it is unable to pay its debts as they may fall due in which event the resolution shall be an Ordinary Resolution.	183.	A resolution that the Company be wound up by the court or be wound up voluntarily shall be a Special Resolution, except where the Company is to be wound up voluntarily because it is unable to pay its debts as they may fall due in which event the resolution shall be an Ordinary Resolution.
184.	(1) Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares (i) if the Company shall be wound up and the assets available for distribution amongst the Members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed pari passu amongst such Members in proportion to the amount paid up on the shares held by them respectively and (ii) if the Company shall be wound up and the assets available	184.	(1) Subject to any special rights, privileges or restrictions as to the distribution of available surplus assets on liquidation for the time being attached to any class or classes of shares (i) if the Company shall be wound up and the assets available for distribution amongst the Members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed pari passu amongst such Members in proportion to the amount paid up on the shares held by them respectively and (ii) if the Company shall be wound up and the assets available

No.	Articles of Association	No.	Articles of Association
	<p>for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.</p> <p>(2) If the Company shall be wound up (whether the liquidation is voluntary or compelled by the court) the liquidator may, with the authority of an Ordinary Resolution and any other sanction required by the Companies Law, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.</p> <p>(3) In the event of winding-up of the Company in Hong Kong, every Member of the Company who is not for the time being in Hong Kong shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or the making of</p>		<p>for distribution amongst the Members as such shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively.</p> <p>(2) If the Company shall be wound up (whether the liquidation is voluntary or compelled by the court) the liquidator may, with the authority of an Ordinary <u>Special</u> Resolution and any other sanction required by the Companies Law<u>Act</u>, divide among the Members in specie or kind the whole or any part of the assets of the Company and whether or not the assets shall consist of properties of one kind or shall consist of properties to be divided as aforesaid of different kinds, and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator with the like authority shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no contributory shall be compelled to accept any shares or other property in respect of which there is a liability.</p> <p>(3) In the event of winding-up of the Company in Hong Kong, every Member of the Company who is not for the time being in Hong Kong shall be bound, within 14 days after the passing of an effective resolution to wind up the Company voluntarily, or the making of</p>

No.	Articles of Association	No.	Articles of Association
	<p>an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, orders and judgements in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee, whether appointed by the Member or the liquidator, shall be deemed to be good personal service on such Member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such Member by advertisement as he shall deem appropriate or by a registered letter sent through the post and addressed to such Member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.</p>		<p>an order for the winding-up of the Company, to serve notice in writing on the Company appointing some person resident in Hong Kong and stating that person's full name, address and occupation upon whom all summonses, notices, process, orders and judgements in relation to or under the winding-up of the Company may be served, and in default of such nomination the liquidator of the Company shall be at liberty on behalf of such Member to appoint some such person, and service upon any such appointee, whether appointed by the Member or the liquidator, shall be deemed to be good personal service on such Member for all purposes, and, where the liquidator makes any such appointment, he shall with all convenient speed give notice thereof to such Member by advertisement as he shall deem appropriate or by a registered letter sent through the post and addressed to such Member at his address as appearing in the register, and such notice shall be deemed to be service on the day following that on which the advertisement first appears or the letter is posted.</p>
185	<p>Subject to the Companies Law and the rights attaching to the various classes of shares, the Company may at any time and from time to time by Special Resolution alter or amend these Articles in whole or in part.</p>	185.	<p>Subject to the Companies Law <u>extent that the same is permissible under Cayman Islands law and the rights attaching</u> subject to Article 50, a Special Resolution shall be required to alter the various classes <u>provisions of shares, the Memorandum of Association of the Company may at any time and from time to time by Special Resolution alter or amend these</u> amendment of the Articles or to change the name of the Company in whole or in part.</p>
		186.	<p>(Newly Added)</p> <p><u>FINANCIAL YEAR</u></p>

**APPENDIX V PROPOSED AMENDMENTS OF THE MEMORANDUM
AND ARTICLES OF ASSOCIATION**

No.	Articles of Association	No.	Articles of Association
			<u>Unless otherwise determined by the Board of Directors, the financial year end of the Company shall be 31 December in each year.</u>

NOTICE OF ANNUAL GENERAL MEETING



China Yongda Automobiles Services Holdings Limited (中國永達汽車服務控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 03669)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Annual General Meeting**”) of China Yongda Automobiles Services Holdings Limited (the “**Company**”) will be held at 10:30 a.m. on Thursday, June 1, 2023 at 26/F Yongda International Tower, 2277 Longyang Road, Pudong, Shanghai, the People’s Republic of China for the following purposes:

1. To receive and adopt the audited consolidated financial statements of the Company and the reports of the directors and the auditor for the year ended December 31, 2022.
2. To declare a final dividend of RMB0.292 per share for the year ended December 31, 2022.
3. To re-elect Mr. Xu Yue as an executive director of the Company.
4. To re-elect Ms. Chen Yi as an executive director of the Company.
5. To re-elect Mr. Lyu Wei as an independent non-executive director of the Company.
6. To authorize the board of directors of the Company to fix the remuneration of the directors.
7. To re-appoint Deloitte Touche Tohmatsu as auditor of the Company and authorize the board of directors of the Company to fix its remuneration.
8. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

(A) “**That:**

- (i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and/or otherwise deal with additional shares of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for shares or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers, subject to and in accordance

NOTICE OF ANNUAL GENERAL MEETING

with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time) (the “**Listing Rules**”), be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) above shall be in addition to any other authorization given to the directors of the Company and shall authorize the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and/or options which may require the exercise of such power after the end of the Relevant Period;
- (iii) the aggregate number of shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the directors of the Company during the Relevant Period (as hereinafter defined) pursuant to paragraph (i) above (otherwise than pursuant to a Rights Issue (as hereinafter defined) or pursuant to the exercise of any subscription rights which may be granted under any share option scheme or any scrip dividend scheme or similar arrangements, any adjustment of rights to subscribe for shares under options and warrants or a special authority granted by the shareholders of the Company or an issue of shares in lieu of the whole or part of a dividend on shares in accordance with the Articles of Association of the Company) with an aggregate number of not more than 20% of the number of issued shares of the Company as at the date of passing this resolution; and that this resolution shall be limited by the applicable laws, rules and requirements of the Stock Exchange as amended from time to time, including the restrictions for using this general mandate to issue (i) securities convertible into new shares for cash consideration, if the initial conversion price of such convertible securities is lower than the Benchmarked Price (as hereinafter defined) of the shares at the time of the relevant placing; and (ii) warrants, options or similar rights to subscribe for new shares or securities convertible into new shares for cash consideration;
- (iv) for the purposes of this resolution:
 - (a) “**Relevant Period**” means the period from the passing of this resolution until whichever is the earlier of:
 - (1) the conclusion of the next annual general meeting of the Company; and
 - (2) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting;
 - (b) “**Rights Issue**” means an offer of shares in the capital of the Company, or an offer or issue of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the directors of the Company to holders of shares in the capital of the Company whose name appear on the register of members on a fixed record date in proportion to their holdings of shares (subject to such exclusion or other arrangements as the directors of the Company may

NOTICE OF ANNUAL GENERAL MEETING

deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognized regulatory body or any stock exchange applicable to the Company); and

- (c) “**Benchmarked Price**” means the higher of (a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and (b) the average closing price in the 5 trading days immediately prior to the earlier of: (i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate to be approved under this resolution; (ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and (iii) the date on which the placing or subscription price is fixed.”

(B) “**That:**

- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of and on behalf of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognized for this purpose by the Securities and Futures Commission and the Stock Exchange under the Code on Share Buy-backs and, subject to and in accordance with all applicable laws and the Listing Rules, be and is hereby generally and unconditionally approved;
- (ii) the aggregate number of the shares of the Company, which may be repurchased by the Company during the Relevant Period (as hereinafter defined) pursuant to the approval in paragraph (i) above shall represent up to 10% of the number of issued shares of the Company as at the date of passing of this resolution;
- (iii) for the purpose of this resolution:

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

- (a) the conclusion of the next annual general meeting of the Company; and
- (b) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

NOTICE OF ANNUAL GENERAL MEETING

- (C) “**That** conditional upon the resolutions numbered 8(A) and 8(B) set out above being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and/or otherwise deal with new securities of the Company and to make or grant offers, agreements and options which might require the exercise of such powers pursuant to the ordinary resolution numbered 8(A) set out above be and is hereby extended by the addition to the number of issued shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to such general mandate of an amount representing the number of issued shares of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 8(B) set out above, provided that such extended amount shall represent up to 10% of the number of issued shares of the Company as at the date of passing of the Company’s resolutions.”
9. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:
- (A) “**That** conditional upon the resolution numbered 9(C) being passed,
- (i) the termination of the share option scheme adopted by the Company on October 10, 2013 (the “**Existing Share Option Scheme**”) be and is hereby approved, and the 2023 share option scheme (the “**2023 Share Option Scheme**”) proposed by the Board, a copy of which is produced to this meeting, marked “A” and initialed by the chairman of the meeting for identification purpose, be and is hereby approved and adopted in all respects, and
 - (ii) the Directors be and are hereby authorized to grant the options thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the termination of the Existing Share Option Scheme and implementation of the 2023 Share Option Scheme.”
- (B) “**That** conditional upon the passing of ordinary resolution numbered 9(C),
- (i) the amendments to the share award scheme (the “**Share Award Scheme**”) adopted by the Company on June 1, 2022 proposed by the Board, a copy of which is produced to this meeting, marked “B” and initialed by the chairman of the meeting for identification purpose, be and is hereby approved and adopted in all respects, and
 - (ii) the Directors be and are hereby authorized to grant the awards thereunder, and do all such acts and execute all such documents as he/she may deem necessary or expedient in order to give full effect to the implementation of the amended Share Award Scheme.”
- (C) “**That** the Scheme Mandate Limit (as defined in the Share Incentive Schemes) on the total number of Shares that may be issued in respect of all options and awards to be granted to the eligible participants under all the share schemes of the Company, being 10% of the issued Shares of the Company as at the date of the Shareholders’ approval of the limit, be and is hereby approved and adopted.”

NOTICE OF ANNUAL GENERAL MEETING

10. To consider and, if thought fit, pass the following resolutions as a special resolution:

“That

- (i) the proposed amendments to the existing memorandum of association and the existing articles of association (the **“Existing Memorandum and Articles of Association”**) of the Company (the **“Proposed M&A Amendments”**), the details of which are set out in the circular of the Company dated April 26, 2023, be and are hereby approved;
- (ii) the amended and restated memorandum of association and the amended and restated articles of association of the Company (the **“Amended and Restated Memorandum and Articles of Association”**), which contains all the Proposed M&A Amendments and a copy of which has been produced to this meeting and marked “C” and initialed by the chairman of the meeting for identification purpose, be and is hereby approved and adopted in substitution for and to the execution of the Existing Memorandum and Articles of Association with immediate effect; and
- (iii) any Director or company secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents and make all such arrangements that he/she shall, in his/her absolute discretion, deem necessary or expedient to give effect to the Proposed M&A Amendments and the adoption of the Amended and Restated Memorandum and Articles of Association, including without limitation, attending to the necessary filings with the Registrar of Companies in Hong Kong and the Cayman Islands.”

By order of the Board

China Yongda Automobiles Services Holdings Limited

Cheung Tak On

Chairman

PRC, April 26, 2023

Registered Office:

Ogier Global (Cayman) Limited
89 Nexus Way, Camana Bay
Grand Cayman, KY1-9009
Cayman Islands

Corporate Headquarters:

299 Ruijin Nan Road
Huangpu District
Shanghai
PRC

Principal Place of Business in

Hong Kong:
Unit 5708, 57/F, The Center
99 Queen’s Road Central
Hong Kong

Notes:

- (i) Ordinary resolution numbered 8(C) will be proposed to the shareholders for approval provided that ordinary resolutions numbered 8(A) and 8(B) are passed by the shareholders of the Company. Ordinary resolution numbered 9(A) and 9(B) will be proposed to the shareholders for approval provided that ordinary resolutions numbered 9(C) is passed by the shareholders of the Company.

A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a shareholder of the Company.

NOTICE OF ANNUAL GENERAL MEETING

- (ii) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) In order to be valid, a form of proxy must be deposited at the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the Annual General Meeting (i.e. before 10:30 a.m., on Tuesday, May 30, 2023) or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the Annual General Meeting (or any adjourned meeting thereof) if they so wish.
- (iv) Shareholders whose names appear on the register of members of the Company at the close of business on Thursday, May 25, 2023 (the "**Record Date**") will be entitled to attend the Annual General Meeting. In order to qualify for attending and voting at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on the Record Date.
- (v) For the purpose of determining members who are qualified for the proposed final dividend, conditional upon the passing of resolution numbered 2 above, the register of members of the Company will be closed from Friday, June 9, 2023 to Tuesday, June 13, 2023 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Thursday, June 8, 2023.
- (vi) In respect of ordinary resolutions numbered 3 to 5 above, Mr. Xu Yue, Ms. Chen Yi and Mr. Lyu Wei shall retire and, being eligible, offer themselves for re-election. Details of the above directors are set out in Appendix I to the accompanied circular dated April 26, 2023.
- (vii) In respect of the ordinary resolution numbered 8(A) above, the directors of the Company wish to state that they have no immediate plans to issue any new securities of the Company referred therein. Approval is being sought from the shareholders of the Company as a general mandate for the purposes of the Listing Rules.
- (viii) In respect of ordinary resolution numbered 8(B) above, the directors of the Company wish to state that they will exercise the powers conferred by the repurchase mandate to repurchase shares of the Company in circumstances which they deem appropriate and for the benefits of shareholders of the Company. The explanatory statement containing the information necessary to enable shareholders to make an informed decision on whether to vote for or against the resolution to approve the repurchase by the Company of its own shares, as required by the Listing Rules, is set out in Appendix II to the accompanied circular dated April 26, 2023.
- (ix) Pursuant to Rule 13.39(4) of the Listing Rules, voting for all the resolutions set out in the notice of the Annual General Meeting will 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.