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Kinetic Development Group Limited

力量發展集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1277)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the shareholders of Kinetic Development Group Limited (the “**Company**”) will be held at Small Connaught Room, 1/F, Mandarin Oriental Hong Kong, 5 Connaught Road Central, Central, Hong Kong on Monday, 22 May 2023 at 3:00 p.m. (the “**Annual General Meeting**”) to consider and, if thought fit, to pass the following resolutions as ordinary resolutions (with or without modifications):

ORDINARY RESOLUTIONS

1. To receive and consider the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and the auditors of the Company for the year ended 31 December 2022.
2. To declare a final dividend of HK\$0.07 per share for the year ended 31 December 2022 (the “**Final Dividend**”).
3. To re-elect Mr. Ju Wenzhong as an executive director of the Company.
4. To re-elect Ms. Zhang Lin as a non-executive of the Company.
5. To re-elect Ms. Liu Peilian as an independent non-executive director of the Company.
6. To re-elect Mr. Ji Kunpeng as an executive director of the Company.
7. To authorise the board of directors to fix the remuneration of the directors of the Company (the “**Directors**”).

8. To re-appoint KPMG as the auditors of the Company and to authorise the board of Directors to fix their remuneration.

and, as additional ordinary business, to consider and, if thought fit, to pass the following resolutions as ordinary resolutions (with or without modification):

9. **“THAT:**

- (a) subject to paragraph (c) below and pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company or securities convertible into shares, or options, warrants or similar rights to subscribe for any shares or such securities in the capital of the Company, and to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option, warrant or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company; or (iii) the exercise of any options under any share option scheme or similar arrangement for the time being adopted for the grant or issue of Shares or right to acquire shares of the Company; or (iv) the exercise of any rights under the bonds, warrants and debentures convertible into shares of the Company, shall not exceed 20 per cent of the number of issued shares of the Company as at the date of this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

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

- i. the conclusion of the next annual general meeting of the Company;
- ii. the expiration of the period within which the next annual general meeting of the Company is required by applicable law or the articles of association of the Company to be held; or
- iii. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

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

10. **“THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own issued shares in the capital 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 which is recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with Cayman Islands law and all applicable laws and/or the Listing Rules or the rules of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of the shares to be repurchased by the Directors pursuant to the approval in paragraph (a) of this resolution during the Relevant Period shall not exceed 10 per cent of the number of issued shares of the Company in issue as at the date of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

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

- i. the conclusion of the next annual general meeting of the Company;
- ii. the expiration of the period within which the next annual general meeting of the Company is required by applicable law or the articles of association of the Company to be held; or
- iii. the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

11. **“THAT:**

conditional upon the passing of Resolutions No. 9 and 10 as set out in the notice convening this meeting, the general unconditional mandate granted to the Directors pursuant to Resolution No. 9 as set out in the notice convening this meeting be extended by the addition to the aggregate nominal value of the share capital of the Company which may be allotted or agreed to be allotted by the Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the shares repurchased by the Company pursuant to the authority to repurchase shares granted pursuant to Resolution No. 10 as set out in the notice convening this meeting, provided that such extended amount shall not exceed 10 per cent of the number of issued shares of the Company in issue as at the date of this resolution.”

and, as special business, to consider and, if thought fit, pass the following resolutions as ordinary resolutions (with or without modification):

12. “**THAT**, subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the ordinary shares of US\$0.001 each in the share capital of the Company (the “**Shares**”) falling to be issued pursuant to the exercise of any options granted under the 2023 share option scheme of the Company (the “**2023 Share Option Scheme**”), the terms of which are set out in the document marked “**A**” produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the 2023 Share Option Scheme be approved and adopted with the Scheme Mandate Limit (as defined in the 2023 Share Option Scheme) of 10 per cent. of the total number of issued Shares as at the date of the passing of this resolution and with effect from the date of the 2023 Share Option Scheme becoming unconditional and coming into effect, and that the Directors be authorised:
 - (a) to grant options thereunder and to allot and issue Shares pursuant to the 2023 Share Option Scheme;
 - (b) to alter and/or modify the 2023 Share Option Scheme from time to time provided that such alternation and/or modification is effected in accordance with the provisions of the 2023 Share Option Scheme relating to the alternation and/or modification and subject to Chapter 17 of the Listing Rules;
 - (c) to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the exercise of options granted under the 2023 Share Option Scheme and subject to the Listing Rules; and
 - (d) to take all such steps as may be necessary or desirable to implement such 2023 Share Option Scheme.”
13. “**THAT**, conditional upon the passing of Resolution No. 12, the Service Provider Sublimit (as defined in the 2023 Share Option Scheme) of 1 per cent. of the total number of issued Shares as at the date of the passing of this resolution be and is hereby approved and adopted.”

14. “**THAT**, subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, the ordinary shares of US\$0.001 each in the share capital of the Company (the “**Shares**”) falling to be issued pursuant to any awards granted under the 2023 share award scheme of the Company (the “**2023 Share Award Scheme**”), the terms of which are set out in the document marked “**B**” produced to this meeting and signed by the chairman of this meeting for the purpose of identification, the 2023 Share Award Scheme be approved and adopted to be one of the share award schemes of the Company with the Scheme Mandate Limit (as defined in the 2023 Share Award Scheme) of 10 per cent. of the total number of issued Shares as at the date of the passing of this resolution and that the Directors be authorised:
- (a) to grant awards thereunder and to allot and issue Shares pursuant to the 2023 Share Award Scheme;
 - (b) to alter and/or modify the 2023 Share Award Scheme from time to time provided that such alternation and/or modification is effected in accordance with the provisions of the 2023 Share Award Scheme relating to the alternation and/or modification and subject to Chapter 17 of the Listing Rules;
 - (c) to allot and issue from time to time such number of Shares as may be required to be allotted and issued pursuant to the awards granted under the 2023 Share Award Scheme and subject to the Listing Rules; and
 - (d) to take all such steps as may be necessary or desirable to implement such 2023 Share Award Scheme.”
15. “**THAT**, conditional upon the passing of Resolution No. 14, the Service Provider Sublimit (as defined in the 2023 Share Award Scheme) of 1 per cent. of the total number of issued Shares as at the date of the passing of this resolution be and is hereby approved and adopted.”

Proposed Resolution No. 12 is not conditional upon the passing of proposed resolution numbered 13, but proposed Resolution No. 13 is conditional upon the passing of proposed Resolution No. 12. In the event that proposed Resolution No. 12 is passed but proposed Resolution No. 13 is not passed, the Company will adopt the 2023 Share Option Scheme but the Board shall alter the 2023 Share Option Scheme to remove references to the grant of options to service providers. In the event that proposed Resolution No. 13 is passed but proposed Resolution No. 12 is not passed, the 2023 Share Option Scheme will not be adopted.

Proposed Resolution No. 14 is not conditional upon the passing of proposed Resolution No. 15, but proposed Resolution No. 15 is conditional upon the passing of proposed Resolution No. 14. In the event that proposed Resolution No. 14 is passed but proposed Resolution No. 15 is not passed, the Company will adopt the 2023 Share Award Scheme but the Board shall alter the 2023 Share Award Scheme to remove references to the grant of awards to service providers. In the event that proposed Resolution No. 14 is passed but proposed Resolution No. 15 is not passed, the 2023 Share Award Scheme will not be adopted.

SPECIAL RESOLUTION

and to consider and, if thought fit, pass the following resolution as a special resolution (with or without modification):

16. **“THAT,**

- (a) the existing amended and restated memorandum and articles of association of the Company be and are hereby amended in the manner as set out in the circular of the Company dated 28 April 2023 (the **“Circular”**);
- (b) the second amended and restated memorandum and articles of association of the Company in the form set out in the document marked **“C”** produced to this meeting and signed by the chairman of this meeting for the purpose of identification, which consolidates all the proposed amendments mentioned in the Circular, be and are hereby approved and adopted as the new set of memorandum and articles of association of the Company, in substitution for and to the exclusion of the existing amended and restated memorandum and articles of association of the Company in their entirety, with immediate effect after the close of the Annual General Meeting; and
- (c) any one director or the company secretary of the Company be and is hereby authorised to do all things necessary to implement the adoption of the second amended and restated memorandum and articles of association of the Company.”

By Order of the Board
Kinetic Development Group Limited
Ju Wenzhong
Chairman and Executive Director

Hong Kong, 28 April 2023

As at the date of this notice, the Board of the Company comprises seven directors, of whom three are executive Directors, namely Mr. Ju Wenzhong (Chairman), Mr. Li Bo (Chief Executive Officer) and Mr. Ji Kunpeng; one is a non-executive Director, namely Ms. Zhang Lin, and three are independent non-executive Directors, namely Ms. Liu Peilian, Mr. Chen Liangnuan and Ms. Xue Hui.

Notes:

1. Resolution numbered 11 will be proposed to the shareholders for approval provided that ordinary resolutions numbered 9 and 10 are passed by the shareholders.
2. The register of members of the Company will be closed from Thursday, 8 June 2023 to Monday, 12 June 2023 (both days inclusive), during which period no transfer of shares will be registered for the purpose of determining shareholders' entitlement to the proposed final dividend. To qualify for the final dividend, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 7 June 2023.
3. The register of members of the Company will be closed from Wednesday, 17 May 2023 to Monday, 22 May 2023 (both days inclusive), during which period no transfer of shares will be registered for the purpose of determining shareholders' entitlement to attending and voting at the forthcoming AGM. In order to be entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Tuesday, 16 May 2023.
4. A member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
5. To be effective, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, 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 appointed for holding the meeting or any adjournment thereof.
6. In accordance with Article 108(a) of the Articles, Mr. Ju Wenzhong, Ms. Zhang Lin and Ms. Liu Peilian will retire at the AGM, and being eligible, will offer themselves for re-election at the AGM. In accordance with Article 111 of the Articles, Mr. Ji Kunpeng shall retire by rotation at the AGM and, being eligible, has offered himself for re-election. Particulars of the said Directors for re-election are set out in the Appendix I to the circular to the shareholders of the Company dated 28 April 2023.
7. In relation to proposed Resolution No. 12 above, summary of the principal terms of the 2023 Share Option Scheme are set out in the Appendix III to the circular of which this notice of the annual general meeting forms part.
8. In relation to proposed Resolution No. 14 above, summary of the principal terms of the 2023 Share Award Scheme are set out in the Appendix IV to the circular of which this notice of the annual general meeting forms part.
9. In relation to proposed Resolution No. 16 above, details of the proposed amendments to the existing amended and restated memorandum and articles of association of the Company are set out in the Appendix V to the circular of which this notice of the annual general meeting forms part.