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

If you have sold or transferred all your shares in DINGYI GROUP INVESTMENT LIMITED (the “Company”), you should at once hand this circular with the enclosed proxy form to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agents through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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DINGYI GROUP INVESTMENT LIMITED

鼎億集團投資有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 508)

**(1) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME
AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

Capitalised terms used in this cover page have the same meanings as defined in this circular.

A letter from the Board is set out on pages 5 to 16 of this circular.

The notice convening the SGM to be held at 3:00 p.m. on Friday, 3 November 2023 at Unit 2703, 27/F., Convention Plaza – Office Tower, 1 Harbour Road, Wanchai, Hong Kong is set out on pages 36 to 38 of this circular. A form of proxy for the SGM is also enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Standard Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the SGM or any adjourned meeting thereof should you so desire.

16 October 2023

DEFINITIONS

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

“2012 Share Option Scheme”	the share option scheme adopted by the Company pursuant to the resolution passed by the Shareholders at the annual general meeting held by the Company on 21 September 2012;
“Adoption Date”	the date on which the New Share Option Scheme is approved and adopted by an ordinary resolution passed by the Shareholders at the SGM;
“Announcement”	the announcement of the Company dated 3 April 2023 in relation to, among others, the proposed adoption of the New Share Option Scheme;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of Directors;
“Business Day”	means a day on which the Stock Exchange is open for the business of dealing in securities;
“Bye-Laws”	the bye-laws of the Company, as amended from time to time;
“chief executive”	has the meaning ascribed to it under the Listing Rules;
“close associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Company”	DINGYI GROUP INVESTMENT LIMITED, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules;
“core connected person”	has the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;

DEFINITIONS

“Eligible Participant(s)”	means: (a) Employee Participant(s); and (b) Service Provider(s);
“Employee Participant(s)”	has the meaning ascribed to it under the section of “Eligible Participants” in the Letter from the Board in this circular;
“Exercise Price”	the price per Share at which a Grantee may subscribe for the Shares on the exercise of a Share Option;
“Grantee(s)”	any Eligible Participant(s) who accept(s) the Offer in accordance with the terms of the New Share Option Scheme or (where the context so permits and as referred to in the New Share Option Scheme) his/her Personal Representative(s);
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC;
“Latest Practicable Date”	11 October 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 Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules;
“New Scheme Limit”	has the meaning ascribed to it under paragraph 8.5 of the Appendix to this circular;
“New Share Option Scheme”	the share option scheme proposed to be adopted by an ordinary resolution to be passed by the Shareholders at the SGM, a summary of the principal terms of which is set out in the Appendix to this circular;

DEFINITIONS

“Offer”	means an offer for the grant of a Share Option made in accordance with the New Share Option Scheme;
“Offer Date”	means the date on which the Board resolves to make an Offer of a Share Option to an Eligible Participant, which must be a Business Day;
“Option Period”	which means, in respect of any Share Option, a period during which such Share Option can be exercised, being the period to be determined and notified by the Directors to the Grantee thereof, save that such period shall not be more than ten (10) years from the Offer Date;
“Personal Representative(s)”	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee, is or are entitled to exercise the Share Option granted to such Grantee (to the extent not already exercised);
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and the Taiwan Region;
“Scheme Limit”	has the meaning ascribed to it under paragraph 8.1 of the Appendix to this circular;
“Scheme Period”	the period commencing on the Adoption Date and expiring at the close of business on the day immediately preceding the tenth anniversary thereof;
“Service Provider(s)”	has the meaning ascribed to it under the section of “Eligible Participants” in the Letter from the Board in this circular;
“Service Provider Sublimit”	has the meaning ascribed to it under paragraph 8.2 of the Appendix to this circular;
“SFO”	Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong);
“SGM”	the special general meeting of the Company to be convened and held on Friday, 3 November 2023 at 3:00 p.m. or any adjournment thereof for Shareholders to, among other things, consider and, if thought fit, approve the adoption of the New Share Option Scheme;

DEFINITIONS

“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Share Option(s)”	option(s) to subscribe for Share(s) pursuant to the New Share Option Scheme;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules; and
“%”	per cent.

LETTER FROM THE BOARD



DINGYI GROUP INVESTMENT LIMITED

鼎億集團投資有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 508)

Executive Directors:

Mr. Su Xiaonong

(Acting Chairman and Chief Executive Officer)

Mr. Wang Xiaohua

Mr. Ho Cheong Hang Edmond

Registered office:

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

Independent non-executive Directors:

Mr. Chow Shiu Ki

Mr. Cao Kuangyu

Mr. Ip Chi Wai

Principal place of business in Hong Kong:

Unit 2703, 27/F.

Convention Plaza – Office Tower

1 Harbour Road

Wanchai, Hong Kong

16 October 2023

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED ADOPTION OF NEW SHARE OPTION SCHEME
AND
(2) NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcement in relation to the proposed adoption of the New Share Option Scheme.

The primary purpose of this circular is to provide you with information relating to the ordinary resolution(s) to be proposed at the SGM for the adoption of the New Share Option Scheme and the notice of the SGM, and to seek your approval of such ordinary resolution(s) at the SGM.

LETTER FROM THE BOARD

PROPOSED ADOPTION OF THE NEW SHARE OPTION SCHEME

The 2012 Share Option Scheme

The Company adopted the 2012 Share Option Scheme pursuant to the resolution passed by the Shareholders at the annual general meeting held on 21 September 2012. Under the terms of the 2012 Share Option Scheme, the 2012 Share Option Scheme would remain in force for a period of 10 years commencing on the date on which it is adopted and has expired on 20 September 2022. No further options can be offered or granted upon the expiration of the 2012 Share Option Scheme.

As at the Latest Practicable Date, granted and unexercised share options to subscribe for 60,950,000 Shares remained outstanding under the 2012 Share Option Scheme, details of which are set out as follows:

Participants	Date of grant	Exercise price per share	Exercise period	Number of outstanding options as the Latest Practicable Date
Directors				
Mr. Su Xiaonong	11 April 2019	HK\$4.56	11 April 2019 – 10 April 2024	5,000,000
Employees	11 April 2019	HK\$4.56	11 April 2019 – 10 April 2024	23,050,000
Other eligible participants				
Consultants*	11 April 2019	HK\$4.56	11 April 2019 – 10 April 2024	32,900,000
Total				<u>60,950,000</u>

LETTER FROM THE BOARD

* Under the 2012 Share Option Scheme, the Directors may grant share options to, *inter alia*, any adviser (professional or otherwise), consultant, individual or entity who in the opinion of the Directors has contributed or will contribute to the growth and development of the Group. Share options were granted to these consultants under the aforesaid category for recognition of these consultants' services including advisory and consultancy services given or to be given to the Company as more particularly set out in the table below:

Identity	Position	Services provided or to be provided to the Company
Consultant A	Consultant	Advising the Company in exploring investment opportunities in resources and energy projects
Consultant B	Consultant	Advising the Company on accounting & financial analysis of different investment opportunities
Consultant C	Consultant	Advising on business development strategies of the Company and introducing potential investors and investment opportunities to the Company
Consultant D	Consultant	Advising on major acquisitions and potential investment opportunities of the Company
Consultant E	Consultant	Advising the Company in exploring investment opportunities in resources and energy projects
Consultant F	Consultant	Providing legal and compliance advisory services to the Company
Consultant G	Consultant	Advising the Company in exploring investment opportunities in resources and energy projects
Consultant H	Consultant	Introducing potential investment opportunities to the Company and providing accounting & financial analysis on the project
Consultant I	Consultant	Advising the Company in exploring investment opportunities in wholesales and retails business

The purpose of the 2012 Share Option Scheme was to enable the Company to grant options to the eligible participants as incentives or rewards for their contribution to the Group. As disclosed in the Company's 2020 Annual Report, the Company had devoted much time to explore different investment opportunities proactively and the management team did some research in different regions to explore and study investment opportunities in resources and energy projects, properties development, financial technology, pharmaceutical and ocean industry. The above consultants were engaged by the Company without fixed remuneration so as to save the Company's costs. The grants of share options to these consultants were to align these persons' interests with the Group so that they would have more incentives to contribute to the Group.

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Proposed Adoption of the New Share Option Scheme

In view of the expiration of the 2012 Share Option Scheme and the amendments to Chapter 17 of the Listing Rules following the publication of the Consultation Conclusions on Proposed Amendments to Listing Rules relating to Share Schemes of Listed Issuers and Housekeeping Rule Amendment by the Stock Exchange in July 2022, the Board proposes to adopt the New Share Option Scheme in accordance with Chapter 17 of the Listing Rules.

The purpose of the New Share Option Scheme is to enable the Board to grant Share Options to the Eligible Participants as incentives or rewards for their contribution or potential contribution to the Group. The Board believes the adoption of the New Share Option Scheme can serve to (i) motivate the Eligible Participants to work hard for the Group's future development by aligning their interests with the successful growth of the Group's business; and (ii) enhance the Group's ability to attract and retain suitable or talented employees and personnel for the further development of the Group.

A summary of the principal rules of the New Share Option Scheme is set out in the Appendix to this circular.

Conditions of the New Share Option Scheme

The New Share Option Scheme or the grant of any Share Option thereunder is conditional on:

- (i) the passing of ordinary resolutions by the Shareholders at the SGM to approve the adoption of the New Share Option Scheme and to authorise the Board to grant Share Options under the New Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Share Option; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares to be allotted and issued pursuant to the exercise of any Share Option which may be granted under the New Share Option Scheme.

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares, representing a maximum of 10% of the Company's issued share capital as at the Adoption Date, which may fall to be issued pursuant to the exercise of the Share Options to be granted under the New Share Option Scheme and all other share option and share award schemes of the Company.

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Eligible Participants

The rules of the New Share Option Scheme enable the Company to grant Share Option(s) to the Eligible Participants which include the following categories of participants:

- (i) the directors and employees (whether full time or part time) of the Company or any of its subsidiaries (including persons who are granted Share Options as an inducement to enter into employment contracts with the Company or any of its subsidiaries) (the “**Employee Participants**”); and
- (ii) the persons that fall into any one of the following categories and who provide services to the Group on a continuing and recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of the Group as determined by the Board (the “**Service Providers**”).

	Category	Eligibility
(a)	Advisers and Consultants	person (as independent contractor, advisor or consultant) that provides <ul style="list-style-type: none">(i) Business marketing and referral services;(ii) Debt collection services;(iii) Business development and strategic consulting services;(iv) Finance, legal or accounting services;(v) Technical or design services for the Group’s principal business including properties development, loan financing and securities trading
(b)	Contractors and Business Partners	Contractor and business partner, including joint venture partner and sub-contractor, for the Group’s properties development business including planning, architecture, design, surveying, building and construction and sales-related works on a regular or recurring basis, with which the Group would consider important to maintain a close business relationship on an ongoing basis

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But, for avoidance of doubt, excluding placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions or professional service providers such as auditors or valuers who provide assurance, or are required to perform their services with impartiality and objectivity.

Assessment of eligibility

The eligibility of any of the Eligible Participants to a grant of Share Options shall be determined by the Board from time to time on the basis of the Board's opinion as to the Eligible Participant's contribution to the development and growth of the Group. Without limiting the generality of the foregoing:

- (i) in assessing the eligibility of Employee Participants, the Board will consider, among other things, their skills, experience, expertise, profession qualifications, their performance and responsibilities, the prevailing market practice and industry standard and the length of employment with the Group;
- (ii) in assessing the eligibility of the following categories of the Service Providers, the Board will consider all relevant factors as appropriate including:

Advisers and Consultants

- (a) the individual performance and track records of the relevant adviser or consultant;
- (b) their knowledge, expertise, experience and network in the relevant industry;
- (c) the frequency of collaboration or length of their business relationship with the Group;
- (d) the materiality and nature of the business relationship with the Group;
- (e) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such consultant or adviser could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the services provided by such consultant or adviser; and
- (f) other factors, including but not limited to the capability, expertise, technical know-how and/or business connections of the relevant consultant or adviser.

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Contractors and Business Partners

- (a) the capability, expertise, technical know-how and/or business connections of the relevant contract or business partner that may enhance the Group's business;
- (b) the track records of the contractor or business partner in their past dealing(s) with the Group;
- (c) their knowledge, expertise, experience and network in the relevant industry;
- (d) the frequency of collaboration or length of their business relationship with the Group;
- (e) the materiality and nature of the business relationship with the Group; and
- (f) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such contractor or business partner could bring positive impacts to the Group's business, such as sharing of costs and capital in the projects of the Group.

The Directors (including the independent non-executive Directors) are of the view that, apart from the contributions of employees and directors of the Group, the success of the Group has also come from the efforts and co-operation of non-employees (including Service Providers) who play a part in the development and continued success of the Group's business and operations, and have contributed or may contribute to the Group in the future. The Directors (including the independent non-executive Directors) consider that it is beneficial to include the Service Providers as participants of the New Share Option Scheme since a sustainable and stable relationship with them is essential to the business development of the Group. The proposed categories of the Service Providers are all needed for the operation and development of the Company's principal business. The Service Providers will assume key roles in the Group's business but, for various reasons (such as the market practice or willingness of working as independent contractor), these individuals may not be able to serve the Group on full-time or part-time employee basis. The Company had successful experience in collaboration with its Service Providers who provided, *inter alia*, consultancy and referral services to its loan financing business and other various professional or technical services or advices to the Group's properties development business. The Company, therefore, considers that the grant of Share Options to these non-employee 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. As such, the categories of Eligible Participants will align with the purpose of the Share Option Scheme.

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In particular, the Directors (including the independent non-executive Directors) are of the view that the Group has, from time to time, engaged consultants, independent contractors or agents to provide advisory services and consultancy services on a continuing and recurring basis. These Service Providers have played significant roles in the Group's day-to-day operations and long-term business development. The Service Providers possess industry-specific knowledge or expertise or valuable experience or deep understanding or insight in the business, financial or commercial areas of the Group and their continuing and recurring engagement and cooperation with the Group would benefit the Group on a frequent and successive basis in its ordinary and usual course of business because (i) the longer and more frequent the cooperation with the Service Providers, more time and costs of production could be saved for a smoother work relation; and (ii) the aligned interests of the Service Providers and the Group would result in more incentive and productivity for the Service Providers to perform and carry out their tasks for the Group's interest. Such Service Providers may not be able to serve as full-time or part-time employees, directors or officers of the Group due to a variety of reasons. For example, these Service Providers may have stepped down from employment position with the Group, or they may be seasoned people in their own fields and professionals with their own clients and business connections and may prefer to be engaged on self-employed basis which is in line with industry norm. However, such Service Providers are able to contribute to the Group in a way substantively comparable to contributions of highly-skilled or executive employees of the Group. It is in line with the Company's business need and the industry norm to include Service Providers under the New Share Option Scheme.

The Directors (including the independent non-executive Directors) consider that the criteria for selection of the Eligible Participants as set out in paragraph 1.2 of the Appendix are appropriate and in the interest of the Company and the Shareholders as a whole, and would enable the purpose of the New Share Option Scheme to be achieved.

Performance targets and clawback mechanism

The rules of the New Share Option Scheme will not prescribe specific performance targets that must be met before a Share Option can be exercised or any clawback mechanism to recover or withhold Share Options to be granted. However, the Board may at its sole discretion specify in the offer letter any performance target(s) or condition(s) that need to be achieved before the exercise of a Share Option. The Directors consider that it is not practicable to expressly set out a generic set of performance targets in the rules of the New Share Option Scheme, as each Grantee will play different roles and contribute in different ways to the Group. Performance targets may also be inapplicable in circumstances including when the purpose of granting the Share Options is to remunerate or compensate Eligible Participants for past contributions. The Directors consider it more beneficial to the Company to retain the flexibility to determine when and to what extent such conditions are appropriate in light of the particular circumstances of each grant.

When the Board considers it appropriate or necessary to specify any "performance targets" in any particular grant to a Grantee, such performance measures may include key performance indicators with reference to earnings, profits, sales, revenue, Share price or such other goals as

LETTER FROM THE BOARD

the Board may determine from time to time, and assessed either annually or cumulatively over a period of years, on an absolute basis or relative to a pre-established target, to previous years' results or to certain designated comparables, in each case as specified by the Directors (or, as the case may be, the remuneration committee of the Board) in their sole discretion.

Exercise Price

The Exercise Price in respect of any particular Share Option will be such price as determined by the Board in its discretion at the time of the grant of the relevant Share Option but in any event the Exercise Price shall be at least the highest of (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the Offer Date; or (ii) the average of the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five (5) Business Days immediately preceding the Offer Date; and (iii) the nominal value of the Shares on the Offer Date.

Vesting Period

The vesting period for Share Options granted under the New Share Option Scheme shall be not less than 12 months. Any shorter vesting period in respect of Share Options granted to Employee Participants must be approved by the Board and/or the remuneration committee of the Company (for Shares Options granted to the Directors or senior managers) at the Directors' discretion, provided that such Grantee(s) has been specifically identified by the Board before granting such approval. The specific circumstances giving rise to a shorter vesting period (for Employee Participants only) are set out in paragraph 4.4(e) in the Appendix. The vesting period for Share Options granted under the New Share Option Scheme shall be not less than 12 months in any circumstances for any Service Providers.

The Company are of the view that shorter vesting periods may be more beneficial to the Company than a strict application of a vesting period of no less than 12 months for the following reasons (a) there are certain instances where a strict twelve (12)-month vesting requirement would be impractical or unfair to the Grantees, e.g. those set out in paragraphs 4.4(e)(i), (ii) & (iv) of the Appendix; (b) it would be beneficial to the Company to retain flexibility in the effective re-arrangement of employee duties and conclusion of remunerations and to reward exceptional performers with accelerated or more compact vesting schedule, enabling the Group to provide a competitive remuneration package to attract and retain individuals; and (c) the Company retain discretions to formulate its own talent recruitment and retention strategies based on its circumstances, e.g. in a competitive and dynamic business landscape it may be more efficient and meaningful to impose performance-based vesting conditions rather than a arbitrary time-based vesting criteria. As such, the Board and the remuneration committee of the Company are of the view that the shorter vesting period prescribed in paragraph 4.4(e) of Appendix I to this circular is appropriate and aligns with the purpose of the New Share Option Scheme.

LETTER FROM THE BOARD

Overall, subject to compliance of the Listing Rules, the Board has the discretion to impose different terms and conditions (including but not limited to vesting conditions such as performance targets, vesting period, exercise price) on granting Share Options to the Eligible Participants, which provides the Board with greater flexibility to impose appropriate conditions on case-by-case basis, and would allow the Group in a better position to assess the contribution of Eligible Participants and align with the purpose of the New Share Option Scheme.

Scheme Mandate Limit and Service Provider Sublimit

The maximum total number of Shares which may be issued upon exercise of all Share Options to be granted under the New Share Option Scheme (in aggregate with any other options and awards to be granted under any other schemes that involve(s) the issuance of new Shares) (i.e. the Scheme Limit) must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date. As at the Latest Practicable Date, there were an aggregate of 735,678,301 Shares in issue. Assuming there is no issue of Shares or Share repurchased from the Latest Practicable Date to the date of the SGM on which the New Share Option Scheme is expected to be conditionally approved and adopted by the Shareholders, the maximum number of Shares that can be issued upon exercise of the Share Options is 73,567,830, representing no more than 10% of the Shares in issue.

The Service Provider Sublimit in respect of the total number of Shares which may be allotted and issued in respect of all Share Options or share awards to be granted to Service Providers under the New Share Option Scheme and any other share option scheme(s) or share award scheme(s) of the Company will be 7,356,783 Shares, representing no more than 1% of the total number of Shares in issue on the Adoption Date. The basis for determining the Service Provider Sublimit includes (i) the potential dilution effect arising from grants to the Service Providers; (ii) the importance of striking a balance between achieving the purpose of the New Share Option Scheme and protecting Shareholders from the dilution effect from granting a substantial amount of Options to the Service Providers; (iii) the extent of use of Service Providers in the Group's businesses; and (iv) the expected contribution of the Service Providers to the development and growth of the Group.

In light of the above, the Board considers that the Service Provider Sublimit being set at 1% of the total number of Shares will not lead to material dilution effect of the shareholding of the existing Shareholders. The Board is of the view that the Service Provider Sublimit is appropriate and reasonable as it provides more flexibility for the Company to grant Share Options to those persons who are non-employees but could contribute to the business and growth of the Company. The relatively low Service Provider Sublimit of 1% would have minimal potential dilution effect to the shareholding of public Shareholders and would provide adequate safeguard against excessive dilution.

No trustee will be appointed under the New Share Option Scheme. None of the Directors is and will be a trustee of the New Share Option Scheme nor has a direct or indirect interest in the trustees of the New Share Option Scheme (if any).

LETTER FROM THE BOARD

Valuation of the Share Options

The Directors consider that it is inappropriate and impractical to state the value of the Share Options that may be granted pursuant to the New Share Option Scheme as if they had been granted on the Latest Practicable Date, given that a number of variables which are necessary for the calculation of the value of the Share Options cannot be ascertained at this stage. Such variables include the exercise price, exercise period, interest rate, any performance targets set and other relevant variables. The Directors believe that any calculation of the value of the Share Options as of the Latest Practicable Date based on a number of speculative assumptions would not be meaningful to the Shareholders.

Document on display

A copy of the rules of the New Share Option Scheme will be published on the websites of Stock Exchange (www.hkexnews.hk) and the Company (www.dingyi.hk) for display for a period of not less than 14 days before the date of the SGM and will be made available for inspection at the SGM.

SGM

A notice convening the SGM to be held at Unit 2703, 27/F., Convention Plaza – Office Tower, 1 Harbour Road, Wanchai, Hong Kong on Friday, 3 November 2023 at 3:00 p.m. is set out on pages 36 to 38 of this circular. Ordinary resolutions will be proposed at the SGM for the Shareholders to consider and, if thought fit, to approve, amongst others, the adoption of New Share Option Scheme.

A form of proxy for the SGM is also enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the office of the Hong Kong branch share registrar and transfer office of the Company, Tricor Standard Limited, at 17/F, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjourned meeting thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the SGM or any adjourned meeting thereof should you so desire.

The register of members of the Company will be closed from Tuesday, 31 October 2023 to Friday, 3 November 2023, both dates inclusive, during which period, no transfer of Shares will be registered. In order to qualify to attend and vote at the SGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited, at 17/F, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong by no later than 4:30 p.m., Monday, 30 October 2023.

LETTER FROM THE BOARD

As at the Latest Practicable Date, to the best knowledge of the Directors and having made all reasonable enquiries, no Shareholder has any material interest in the proposed adoption of the New Share Option Scheme. As such, no Shareholder is required to abstain from voting on the resolutions in relation thereto.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all resolutions proposed at the SGM shall be voted by poll in accordance with the Listing Rules and the Bye-Laws. The poll results will be announced in accordance with Rule 13.39(5) of the Listing Rules after the conclusion of the SGM.

RESPONSIBILITY STATEMENT

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

RECOMMENDATION

The Board believes that the proposed adoption of the New Share Option Scheme is in the interests of the Company and the Shareholders and accordingly recommends you to vote in favour of all resolutions to be proposed at the SGM.

Yours faithfully,

For and on behalf of the Board

DINGYI GROUP INVESTMENT LIMITED

Su Xiaonong

Acting Chairman and Chief Executive Officer

NEW SHARE OPTION SCHEME

The following is a summary of the principal terms of the rules of the New Share Option Scheme proposed to be adopted at the SGM. It does not form part of, nor is it intended to be part of the rules of the New Share Option Scheme.

1 PURPOSE AND ELIGIBLE PARTICIPANTS

- 1.1 The purpose of the New Share Option Scheme is to enable the Board to grant Share Options to the Eligible Participants as incentives or rewards for their contribution or potential contribution to the Group. The basis of eligibility of any of the Eligible Participants to the grant of Share Options shall be determined by the Board from time to time on the basis of the Board's opinion as to his/her contribution or potential contribution to the development and growth of the Group.
- 1.2 The eligibility of any of the Eligible Participants to an Offer shall be determined by the Board from time to time on the basis of the Board's opinion as to the Eligible Participant's contribution to the development and growth of the Group. In assessing whether Share Options are to be granted to any Eligible Participant, the Board shall take into account various factors, including but not limited to, the nature and extent of contributions provided by such Eligible Participant to the Group, the special skills or technical knowledge possessed by them which is beneficial to the continuing development of the Group, the positive impacts which such Eligible Participant has brought to the Group's business and development and whether granting Share Options to such Eligible Participant is an appropriate incentive to motivate such Eligible Participant to continue to contribute towards the betterment of the Group. The Board will consider all relevant factors as appropriate, including, among others:
 - (a) In assessing the eligibility of Employee Participant(s), the Board will consider all relevant factors as appropriate, including, among others:
 - (i) his/her skills, knowledge, experience, expertise and other relevant personal qualities;
 - (ii) his/her performance, time commitment, responsibilities or employment conditions and the prevailing market practice and industry standard;
 - (iii) his/her contribution made or expected to be made to the growth of the Group;
 - (iv) his/her educational and professional qualifications, and knowledge in the industry; and
 - (v) The length of employment with the Group.

- (b) In assessing the eligibility of the following categories of the Service Providers, the Board will consider all relevant factors as appropriate including:

Advisers and Consultants

- (a) the individual performance and track records of the relevant adviser or consultant;
- (b) their knowledge, expertise, experience and network in the relevant industry;
- (c) the frequency of collaboration or length of their business relationship with the Group;
- (d) the materiality and nature of the business relationship with the Group;
- (e) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such consultant or adviser could bring positive impacts to the Group's business, such as an increase in revenue or profits or a reduction in costs attributable to or brought by the services provided by such consultant or adviser; and
- (f) other factors, including but not limited to the capability, expertise, technical know-how and/or business connections of the relevant consultant or adviser.

Contractors and Business Partners

- (a) the capability, expertise, technical know-how and/or business connections of the relevant contractor or business partner that may enhance the Group's business;
- (b) the track records of the contractor or business partner in their past dealing(s) with the Group;
- (c) their knowledge, expertise, experience and network in the relevant industry;
- (d) the frequency of collaboration or length of their business relationship with the Group;
- (e) the materiality and nature of the business relationship with the Group; and
- (f) the potential and/or actual contribution to the business affairs of the Group, in particular, whether such contractor or business partner could bring positive impacts to the Group's business, such as sharing of costs and capital in the projects of the Group.

1.3 Subject to the rules of the New Share Option Scheme, the Board may, at any time and from time to time during the Scheme Period on a Business Day, at its absolute discretion and on and subject to such terms, conditions, restrictions or limitations as it may think fit in writing offer to grant Share Options to Eligible Participants to subscribe at the Exercise Price for such number of Shares as the Board may determine.

2 DURATION

2.1 The New Share Option Scheme shall be valid and effective for the Scheme Period, after which period, no further Share Options shall be offered or granted but the provisions of the New Share Option Scheme shall remain in full force and effect in all other respects. Share Options granted during the life of the New Share Option Scheme shall continue to be exercisable in accordance with their terms of grant after the end of the Scheme Period.

2.2 Grantees shall ensure that the acceptance of the Offer, the holding and exercise of the Share Option in accordance with the New Share Option Scheme, the allotment and issue of Shares to him/her upon the exercise of the Share Option and the holding of such Shares are valid and comply with all laws, legislation and regulations including all applicable exchange control, fiscal and other laws to which he/she is subject. The Directors may, as a condition precedent of making an Offer and allotting Shares upon an exercise of a Share Option, require an Eligible Participant or a Grantee (as the case may be) to produce such evidence as they may reasonably require for such purpose.

3 CONDITIONS FOR THE GRANT OF SHARE OPTION

3.1 The New Share Option Scheme shall be conditional on:

- (a) the passing by the Shareholders at the SGM of an ordinary resolution to approve the adoption of the New Share Option Scheme and to authorise the Board to grant Share Options under the New Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Share Option; and
- (b) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares to be allotted and issued pursuant to the exercise of any Share Options which may be granted under the New Share Option Scheme.

4 GRANT OF SHARE OPTIONS

4.1 Subject to paragraph 4.2, the Directors shall, in accordance with the provisions of the New Share Option Scheme and the Listing Rules, be entitled at any time within the Scheme Period to make an Offer to any Eligible Participant to subscribe, and no

person other than the Eligible Participant named in such Offer may subscribe, for such number of Shares (being a board lot for dealings in the Shares on the Stock Exchange or an integral multiple thereof) at such price per Share at which a Grantee may subscribe for the Shares on the exercise of a Share Option, as determined in accordance with paragraph 5, as the Directors shall, subject to paragraph 8 and at their discretion, determine.

- 4.2 Without prejudice to paragraph 8.7 below, the making of an Offer to any Eligible Participant who is a Director or chief executive of the Company or substantial shareholder (or any of their respective associates) must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of a Share Option).
- 4.3 Any Offer shall be made to an Eligible Participant in writing (and otherwise so made shall be invalid) in such form as the Directors may from time to time determine, either generally or on a case-by-case basis, specifying the number of Shares covered by such Share Option, the Option Period and any terms and conditions, restrictions and/or limitations applicable to the Share Option, and further requiring the Eligible Participant to undertake to hold the Share Option on the terms on which it is to be granted and the Offer shall include a statement to the effect that any acceptance thereof shall render the Eligible Participant to whom the Offer is made bound by the provisions of the New Share Option Scheme. The Offer shall remain open for acceptance by the Eligible Participant concerned (and by no other person) for a period of up to 30 days from the Offer Date.
- 4.4 An Offer shall state, in addition to the matters specified in paragraph 4.3, the following:
- (a) the name, address and occupation of the Eligible Participant;
 - (b) the number of Shares under the Share Option in respect of which the Offer is made and the Exercise Price for such Shares;
 - (c) the Option Period in respect of which the Offer is made or, as the case may be, the Option Period in respect of separate parcels of Shares under the Share Option comprised in the Offer;
 - (d) the last date by which the Offer must be accepted (which must not be later than 30 days from the Offer Date);
 - (e) a minimum period for which a Share Option must be held before it is vested and exercisable, which shall not be less than 12 months. Any shorter vesting period in respect of Share Options granted to Employee Participants must be approved by the Board and/or the remuneration committee of the Company (for Shares

Options granted to the Directors or senior managers) at the Directors' discretion, provided that such Grantee(s) has been specifically identified by the Board before granting such approval. The vesting period for Share Options granted under the New Share Option Scheme shall be not less than 12 months in any circumstances for any Service Providers. The specific circumstances giving rise to a shorter vesting period (for Employee Participants only) are as follows:

- (i) grants of "make whole" Share Options to new Employee Participants to replace share options such Employee Participants forfeited when leaving their previous employers;
 - (ii) grants to an Employee Participant whose employment is terminated due to death or disability or event of force majeure;
 - (iii) grants of Share Options which are subject to the fulfilment of performance targets;
 - (iv) grants of Share Options that are made in batches during a year due to administrative or compliance requirements which may be subject to any changes made to the applicable laws, regulations and rules in the jurisdictions which the Employee Participants and the Group are subject to and not connected with the performance of the relevant Employee Participant, which include Share Options that should have been granted earlier if not for such administrative or compliance requirements but had to wait for subsequent batch, in which case the vesting date may be adjusted to take account of the time from which the Share Options would have been granted if not for such administrative or compliance requirements, which allows flexibility for the Company to reward Eligible Participants in case of delays due to administrative or compliance requirements;
 - (v) grants of Share Options with a mixed vesting schedule such that the Share Options vest evenly over a period of 12 months; or
 - (vi) grants of Share Options with a total vesting and holding period of more than 12 months;
- (f) the procedure for acceptance;
- (g) the performance target(s) (if any) that must be attained by the Eligible Participant before any Share Option can be exercised;
- (h) such other terms and conditions of the Offer as may be imposed by the Directors which in their opinion are fair and reasonable and not inconsistent with the New Share Option Scheme; and

- (i) a statement requiring the Eligible Participant to undertake to hold the Share Option on the terms on which it is to be granted and to be bound by the provisions of the New Share Option Scheme including, without limitation, the conditions specified in, among other things, paragraphs 4.3 and 6.1.
- 4.5 An Offer shall have been accepted by an Eligible Participant in respect of all Shares under the Share Option which are offered to such Eligible Participant when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within such time as may be specified in the Offer (which shall not be later than 30 days from the Offer Date). Such remittance shall in no circumstances be refundable.
- 4.6 Any Offer may be accepted by an Eligible Participant in respect of less than the number of Shares under the Share Option which are offered provided that it is accepted in respect of a board lot for dealings in the Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate letter comprising acceptance of the Offer duly signed by such Eligible Participant and received by the Company together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof within such time as may be specified in the Offer (which shall not be later than 30 days from the Offer Date). Such remittance shall in no circumstances be refundable.
- 4.7 Upon an Offer being accepted by an Eligible Participant in whole or in part in accordance with paragraphs 4.5 or 4.6, a Share Option in respect of the number of Shares of which the Offer was so accepted will be deemed to have been granted by the Company to such Eligible Participant on the Offer Date. To the extent that the Offer is not accepted within the time specified in the Offer in the manner indicated in paragraphs 4.5 or 4.6, it will be deemed to have been irrevocably lapsed.
- 4.8 The Option Period of a Share Option must not be more than ten (10) years after the Offer Date.
- 4.9 Share Options will not be listed or dealt in on the Stock Exchange.

4.10 For so long as the Shares are listed on the Stock Exchange:

- (a) an Offer may not be made after a price-sensitive event or inside information has come to the knowledge of the Board until (and including) the trading day after it has announced the information. In particular, during the period commencing one month immediately preceding the earlier of:
 - (i) the date of the board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
 - (ii) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, quarter or any other interim period (whether or not required under the Listing Rules);

and ending on the actual date of publication of the results announcement, and no Option may be granted during any period of delay in publishing a results announcement.

- (b) without prejudice to paragraph 4.10(a), an Offer may not be made to an Eligible Participant who is subject to the Model Code during the periods or times in which such Eligible Participant is prohibited from dealing in the Shares pursuant to the Model Code, or any corresponding code or securities dealing restrictions adopted by the Company.

5 EXERCISE PRICE

5.1 The Exercise Price in respect of any Share Option shall, subject to any adjustments made pursuant to paragraph 9, be at the discretion of the Directors, provided that it must be at least the highest of:

- (a) the closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange on the Offer Date;
- (b) the average closing price of the Shares as stated in the daily quotation sheets issued by the Stock Exchange for the five (5) Business Days immediately preceding the Offer Date; and
- (c) the nominal value of the Shares on the Offer Date;

provided that in the event of fractional prices, the Exercise Price per Share shall be rounded upwards to the nearest whole cent.

6 EXERCISE OF SHARE OPTIONS

- 6.1 A Share Option must be personal to the Grantee and must not be transferable or assignable, save where applicable under the Listing Rules, when the Stock Exchange has granted a waiver to the Grantee to transfer his/her Share Option to a vehicle (such as a trust or a private company) for the benefit of the Grantee and any family members of such Grantee (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the New Share Option Scheme and comply with other requirements under the Listing Rules, no Grantee shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any interest whatsoever in favour of any third party over or in relation to any Share Option or enter into any agreement to do so. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any Share Option granted to such Grantee to the extent not already exercised.
- 6.2 Subject to, among other things, paragraph 4.3 and the fulfilment of all terms and conditions attached to the Share Options, including the attainment of any performance targets (if any), a Share Option shall be exercisable in whole or in part in the circumstances and in the manner as set out in paragraphs 6.5 and 6.6 by giving notice in writing to the Company stating that the Share Option is thereby exercised and the number of Shares in respect of which it is so exercised (which, except where the number of Shares in respect of which the Share Option remains unexercised is less than one board lot or where the Share Option is exercised in full, must be for a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof). Each such notice must be accompanied by a remittance for the full amount of the Exercise Price for Shares in respect of which the notice is given. Within 30 days (seven days in the case of an exercise pursuant to paragraph 6.5(iii)) after receipt of the notice and, where appropriate, receipt of the certificate of the auditors or the independent financial advisers pursuant to paragraph 9, the Company shall accordingly allot and issue the relevant number of Shares to the Grantee (or, in the event of an exercise of Share Option by a Personal Representative pursuant to paragraph 6.5(i), to the estate of the Grantee) fully paid and issue to the Grantee (or his/her estate in the event of an exercise by his/her Personal Representative as aforesaid) the relevant share certificate(s) in respect of the Shares so allotted and issued.
- 6.3 A Grantee is required to hold a Share Option for not less than twelve (12) months from the Offer Date before it can be exercised, except for the circumstances that may apply to an Employee Participant under paragraph 4.4(e).
- 6.4 Performance targets and clawback mechanism
- (a) Unless otherwise determined by the Board and specified in the Offer, there is no performance target that needs to be achieved before the exercise of a Share Option granted to a Grantee. The Directors consider that it is not practicable to

expressly set out a generic set of performance targets in the rules of the New Share Option Scheme, as each Grantee will play different roles and contribute in different ways to the Group. The Directors consider it more beneficial to the Company to retain the flexibility to determine when and to what extent such conditions are appropriate.

- (b) Unless otherwise determined by the Board and specified in the Offer, there is no clawback mechanism for the Company to recover or withhold the Share Options granted to any Eligible Participant.

6.5 Subject as hereinafter provided in the New Share Option Scheme, a Share Option may only be exercised by the Grantee at any time during the Option Period provided that:

- (a) if the Grantee is an employee of the Group and in the event of his/her ceasing to be a Grantee by reason of his/her death, ill-health or retirement in accordance with his/her contract of employment before exercising the Share Option in full, his/her Personal Representative(s) or, as appropriate, the Grantee may exercise the Share Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 6.2 within a period of 12 months following the date of cessation of employment which date shall be the last day on which the Grantee was at work with the Company or the relevant subsidiary of the Company whether salary is paid in lieu of notice or not, or such longer period as the Directors may determine or, if any of the events referred to in paragraph 6.5(c) or 6.5(d) occur during such period, exercise the Share Option pursuant to paragraph 6.5(c) or 6.5(d) respectively;
- (b) if the Grantee is an employee of the Group and in the event of his/her ceasing to be a Grantee for any reason other than (1) his/her death, ill-health or retirement in accordance with his/her contract of employment or (2) the termination of his/her employment on one or more of the grounds specified in paragraph 7.1(d) before exercising the Share Option in full, the Share Option (to the extent not already exercised) shall lapse on the date of cessation or termination and not be exercisable unless the Directors otherwise determine in which event the Grantee may exercise the Share Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 6.5 within such period as the Directors may determine following the date of such cessation or termination or, if any of the events referred to in paragraph 6.5(c) or 6.5(d) occur during such period, exercise the Share Option pursuant to paragraph 6.5(c) or 6.5(d) respectively. The date of cessation or termination as aforesaid shall be the last day on which the Grantee was actually at work with the Company or the relevant subsidiary of the Company whether salary is paid in lieu of notice or not;

Notwithstanding any contrary provisions in the foregoing paragraph, in the event that the Directors determine that the relevant Grantee may exercise the Share

Option, such Grantee may only be allowed to exercise those Share Options with vesting period less than 12 months if, in the Directors' opinion, the specific circumstances set out in paragraph 4.4(e) are met.

- (c) if a general or partial offer, whether by way of takeover offer, share re-purchase offer, or scheme of arrangement or otherwise in like manner is made to all the Shareholders, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, the Company shall use all reasonable endeavours to procure that such offer is extended to all the Grantees on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the Share Options granted to them, the Shareholders. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to the Shareholders, the Grantee shall, notwithstanding any other terms on which his/her Share Options were granted, be entitled to exercise the Share Option (to the extent not already exercised) to its full extent or to the extent specified in the Grantee's notice to the Company in accordance with the provisions of paragraph 6.5 at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement, as the case may be;

Notwithstanding any contrary provisions in the foregoing paragraph, the vesting period for any Service Providers shall not be less than 12 months.

- (d) in the event of a resolution being proposed for the voluntary winding-up of the Company during the Option Period, the Grantee may, subject to the provisions of all applicable laws, by notice in writing to the Company at any time not less than five (5) Business Days before the date on which such resolution is to be considered and/or passed, exercise his/her Share Option (to the extent not already exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of paragraph 6.5 and the Company shall allot and issue to the Grantee the Shares in respect of which such Grantee has exercised his/her Share Option not less than the Business Day immediately before the date on which such resolution is to be considered and/or passed whereupon he/she shall accordingly be entitled, in respect of the Shares allotted and issued to him/her in the aforesaid manner, to participate in the distribution of the assets of the Company available in liquidation *pari passu* with the holders of the Shares in issue on the day prior to the date of such resolution. Subject thereto, all Share Options then outstanding shall lapse and determine on the commencement of the winding-up;

Notwithstanding any contrary provisions in the foregoing paragraph, the vesting period for any Service Providers shall not be less than 12 months.

- (e) if a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of a scheme for the reconstruction of the Company or its amalgamation with any other companies pursuant to the laws of jurisdictions in which the Company was incorporated, the Company shall give notice to all the Grantees of the Share Options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a compromise or arrangement and any Grantee may by notice in writing to the Company accompanied by a remittance for the full amount of the aggregate Exercise Price for the Shares in respect of which the notice is given (such notice to be received by the Company no later than five (5) Business Days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and the Company shall as soon as possible and in any event no later than the Business Day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the Grantee which falls to be issued on such exercise of the Share Option credited as fully paid and register the Grantee as holder thereof. With effect from the date of such meeting, the rights of all Grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Share Options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of Grantees to exercise their respective Share Options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable.

Notwithstanding any contrary provisions in the foregoing paragraph, the vesting period for any Service Providers shall not be less than 12 months.

- 6.6 Shares to be allotted and issued upon the exercise of a Share Option will be subject to the provisions of the Bye-Laws 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 when the name of the Grantee is registered on the register of members of the Company and accordingly will entitle the holders thereof to participate in all dividends or distributions paid or made on or after the name of the Grantee is registered on the register of members of the Company, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date when the name of the Grantee is registered on the register of members of the Company. A Share allotted and issued upon the exercise of a Share Option shall not carry voting rights until the name of the Grantee has been duly entered on the register of members of the Company as the holder thereof.

7 EARLY TERMINATION OF OPTION PERIOD

7.1 The Option Period in respect of any Share Option shall automatically terminate and that Share Option (to the extent not already exercised) shall lapse at the earliest of:

- (a) the expiry of the Option Period as may be determined by the Directors;
- (b) the expiry of any of the periods referred to in paragraph 6.5;
- (c) the date of commencement of the winding-up of the Company referred to in paragraph 6.5(d);
- (d) in respect of a Grantee who is an employee of the Group when an Offer is made to him/her, the date on which such Grantee ceases to be an employee of the Group by reason of a termination of his/her employment on any one or more of the grounds that he/she has been guilty of persistent or serious misconduct, or has been liable for a material misstatement in the Company's financial statements, or has committed any act of bankruptcy or has become insolvent or has made any arrangement or composition with his/her creditors generally, or has been convicted of any criminal offence (other than an offence which in the opinion of the Directors does not bring the Grantee or the Group into disrepute and does not involve his integrity or honesty) or (if so determined by the Board) on any other grounds on which an employer would be entitled to terminate his/her employment summarily;
- (e) in respect of a Grantee other than an employee of the Group (i.e. a Service Provider), the date on which the Board shall at their absolute discretion determine that: (i) the Grantee or his/her associate has committed any breach of any contract entered into between the Grantee or his/her associate on the one part and any member of the Group on the other part; or (ii) 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 creditors generally; or (iii) the Grantee could no longer make any contribution to the growth and development of any member of the Group by reason of the cessation of its relations with the Group or by any other reason whatsoever; and
- (f) the date on which the Directors shall exercise the Company's right to cancel the Share Option by reason of a breach of paragraph 6.1 by the Grantee in respect of that or any other Share Option.

- 7.2 A resolution of the Directors or written communication on behalf of the Board to the effect that the employment of a Grantee has been terminated on one or more of the grounds specified in paragraph 7.1(d) and (e) has occurred shall be conclusive and binding on all persons who may be affected thereby.
- 7.3 Transfer of employment of a Grantee who is an employee of the Group from one member of the Group to another member of the Group shall not be considered a cessation of employment. It shall not be considered a cessation of employment if a Grantee who is an employee of the Group is placed on such leave of absence which is considered by the directors of the relevant member of the Group not to be a cessation of employment of the Grantee.

8 MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION

- 8.1 The total number of Shares which may be allotted and issued upon exercise of all share options or share awards to be granted under the New Share Option Scheme and any other share option scheme(s) or share award scheme(s) of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date (the “**Scheme Limit**”).
- 8.2 Subject to paragraph 8.1, the total number of Shares which may be allotted and issued in respect of all share options or share awards to be granted to Service Providers under the New Share Option Scheme and any other share option scheme(s) or share award scheme(s) of the Company must not in aggregate exceed 1% of the total number of Shares in issue as at the Adoption Date (the “**Service Provider Sublimit**”).
- 8.3 For the avoidance of doubt, the Shares underlying any Share Options granted under the New Share Option Scheme which have been cancelled will be counted for the purpose of calculating the Scheme Limit and Service Provider Sublimit. Where the Company has reissued such cancelled Share Options, the Shares underlying both the cancelled Share Options and the re-issued Share Options will be counted as part of the total number of Shares subject to paragraphs 8.1 and 8.2. The Share Options lapsed in accordance with the terms of the New Share Option Scheme will, however, not be regarded as utilized for the purpose of calculating the Scheme Limit and the Service Provider Sublimit.
- 8.4 If the Company conducts a share consolidation or subdivision after the Scheme Limit or the Service Provider Sublimit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all Share Options or share awards to be granted under all of the share option scheme(s) or share award scheme(s) of the Company under the Scheme Limit or the Service Provider Sublimit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share.

- 8.5 The Scheme Limit (and the Service Provider Sublimit) may be refreshed at any time by obtaining approval of the Shareholders in general meeting after three years from Adoption Date or the date of Shareholders' approval for the last refreshment provided that:
- (a) the total number of Shares which may be issued in respect of all share options and shares awards to be granted under all of the share option scheme(s) or share award scheme(s) of the Company under the Scheme Limit as refreshed (the "**New Scheme Limit**") must not exceed 10% (and the Service Provider Sublimit as refreshed (the "**New Service Provider Sublimit**") must not exceed 1%) of the Shares in issue at the date of the Shareholders' approval of such New Scheme Limit (and New Service Provider Sublimit). Share Options previously granted under the New Share Option Scheme (including those exercised, outstanding, cancelled or lapsed in accordance with the terms of the New Share Option Scheme) will not be counted for the purpose of calculating the total number of Shares subject to the New Scheme Limit (and New Service Provider Sublimit). The Company must send a circular to its Shareholders containing the number of Share Options that were already granted under the existing Scheme Limit (and/or the existing Service Provider Sublimit), and the reason for the refreshment.
 - (b) any refreshment to the Scheme Limit (or the Service Provider Sublimit) within any three-year period must be approved by the Shareholders, where any controlling shareholders and their associates (or if there is no controlling shareholder, Directors (excluding independent non-executive Directors) and the chief executive of Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting and in accordance with the requirements under the Listing Rules.
 - (c) the requirements under paragraph 8.5(b) do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of the Scheme Limit (as a percentage of the total number of Shares in issue) upon refreshment is the same as the unused part of the Scheme Limit immediately before the issue of securities, rounded to the nearest whole Share.
- 8.6 Without prejudice to paragraph 8.5, the Company may seek separate Shareholders' approval in general meeting to grant Share Options under the New Share Option Scheme beyond the Scheme Limit (or the Service Provider Sublimit) or, if applicable, the New Scheme Limit (or the New Service Provider Sublimit) referred to in paragraph 8.5, provided the Share Options in excess of the Scheme Limit (or the Service Provider Sublimit) are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified Eligible Participant who may be granted such Share Options, the number and terms of the Share Options

to be granted to each Eligible Participant, and the purpose of granting Share Options to the specified Eligible Participants with an explanation as to how the terms of the Share Options serve such purpose. The number and terms of Share Options to be granted to such Eligible Participant must be fixed before Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the exercise price.

- 8.7 Subject to paragraph 8.8, the total number of Shares issued and which may fall to be issued in respect of all share options and share awards granted under the New Share Option Scheme or any other share option scheme(s) or share award scheme(s) of the Company (excluding any share options and share awards lapsed in accordance with the terms of the scheme) to each Eligible Participant in any 12-month period up to and including the date of such grant (i.e. the Offer Date) shall not exceed 1% of the total number of Shares in issue. The Company may further grant Share Options to an Eligible Participant that would result in the Shares issued and to be issued upon exercise of all share options or share awards granted to such person under the New Share Option Scheme and any other share option scheme(s) or share award scheme(s) of the Company (excluding any share options and share awards lapsed in accordance with the terms of the scheme) under the New Share Option Scheme and any other share option scheme(s) or share award scheme(s) of the Company in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, provided that:
- (a) such further grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting;
 - (b) the Company has first sent a circular to Shareholders disclosing the identity of the Eligible Participant, the number and terms of the Share Options, share options to be granted (and Share Options, share options or share awards previously granted to such Eligible Participant in the aforesaid 12-month period), the purpose of granting the Share Options to the Eligible Participant and an explanation as to how the terms of the Share Options serve such purpose; and
 - (c) the number and terms of Share Options to be granted to such Eligible Participant must be fixed before the Shareholders' approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the exercise price.

- 8.8 Without prejudice to paragraphs 4.2 and 4.3, each grant of Share Options to a Director, chief executive of the Company or substantial shareholder (or any of their respective associates) must be approved by the independent non-executive Directors (excluding independent non-executive Director who is the proposed Grantee of a Share Option).
- 8.9 Where any grant of Share Options to an independent non-executive Director or a substantial shareholder (or any of their respective associates) would result in the Shares issued and to be issued in respect of all share options or share awards granted under the New Share Option Scheme or any other share option scheme(s) or share award scheme(s) of the Company (excluding any share options or share awards lapsed in accordance with the scheme) to such person in the 12-month period up to and including the date of such grant (i.e. the Offer Date) representing in aggregate over 0.1% of the Shares in issue, such further grant of Share Options shall be subject to:
- (a) the issue of a circular by the Company to the Shareholders; and
 - (b) the approval by the Shareholders in general meeting at which the Grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting, and in compliance with Rules 13.40, 13.41 and 13.42 of the Listing Rules.
- 8.10 The circular to be issued by the Company to the Shareholders pursuant to paragraph 8.9(b) must contain the following information:
- (a) details of the number and terms of the Share Options to be granted to each Eligible Participant, which must be fixed before the Shareholders' meeting. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the exercise price;
 - (b) the views of the independent non-executive Directors (excluding any independent non-executive Director who is the Grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and its Shareholders as a whole, and their recommendation to the independent Shareholders as to voting; and
 - (c) other information required under Rule 2.17 of the Listing Rules.
- 8.11 Any change in the terms of Share Options granted to an Eligible Participant who is a Director, chief executive or substantial shareholder, or any of their respective associates, must be approved by the Shareholders in the manner as set out in

Rule 17.04(4) of the Listing Rules (effective from 1 January 2023) if the initial grant of the Share Options requires such approval (except where the changes take effect automatically under the existing terms of the New Share Option Scheme).

9 ADJUSTMENTS TO THE EXERCISE PRICE

9.1 In the event of any alteration in the capital structure of the Company whilst any Share Option remains exercisable or the New Share Option Scheme remains in effect, and such event arises from capitalisation issue, rights issue, sub-division or consolidation of Shares or reduction of capital, then, in any such case the Company shall request the auditors or an independent financial adviser to certify in writing the adjustment, if any, that ought in their opinion fairly and reasonably to be made either generally or as regards any particular Grantee, to:

- (a) the number or nominal amount of Shares to which the New Share Option Scheme or any Share Option(s) relates (insofar as it is/they are unexercised); and/or
- (b) the Exercise Price of any Share Option; and/or
- (c) the number of Shares comprised in a Share Option or which remain comprised in a Share Option, and an adjustment as so certified by the auditors or such independent financial adviser shall be made, provided that:
 - (i) any such adjustment shall give the Grantee the same proportion of the issued share capital of the Company (rounded to the nearest whole share) for which such Grantee would have been entitled to subscribe had he/she exercised all the Share Options held by him/her immediately prior to such adjustment;
 - (ii) no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;
 - (iii) the issue of Shares or other securities of the Group as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustment; and
 - (iv) any such adjustment shall be made in compliance with such rules, codes and guidance notes of the Stock Exchange from time to time.

In respect of any adjustment referred to in this paragraph 9.1, other than any adjustment made on a capitalisation issue, the auditors or independent financial adviser must confirm to the Directors in writing that the adjustments satisfy the requirements of this paragraph 9.1(c) and the relevant provisions of the Listing Rules.

- 9.2 If there has been any alteration in the capital structure of the Company as referred to in paragraph 9.1, the Company shall, upon receipt of a notice from a Grantee in accordance with paragraph 6.2, inform the Grantee of such alteration and shall either inform the Grantee of the adjustment to be made in accordance with the certificate of the auditors or the independent financial adviser obtained by the Company for such purpose or, if no such certificate has yet been obtained, inform the Grantee of such fact and instruct the auditors or the independent financial adviser as soon as practicable thereafter to issue a certificate in that regard in accordance with paragraph 9.1.
- 9.3 In giving any certificate under this paragraph 9, the auditors or the independent financial adviser appointed under paragraph 9.1 shall be deemed to be acting as experts and not as arbitrators and their certificate shall, in the absence of manifest error, be final, conclusive and binding on the Company and all persons who may be affected thereby. The costs of the auditors or the independent financial adviser to the Company shall be borne by the Company.

10 CANCELLATION OF SHARE OPTIONS GRANTED

- 10.1 Subject to paragraph 6.1 and Chapter 17 of the Listing Rules, any Share Option granted but not exercised may not be cancelled except with the prior written consent of the relevant Grantee and the approval of the Directors.
- 10.2 Where the Company cancels any Share Option granted to a Grantee but not exercised and issues new Share Option(s) to the same Grantee, the issue of such new Share Option(s) may only be made with available unissued Share Options (excluding, for this purpose, the Share Options so cancelled) within the Scheme Limit, the Service Provider Sublimit or the limits approved by the Shareholders pursuant to paragraph 8.5.
- 10.3 The Share Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Limit (and the Service Provider Sublimit).

11 ALTERATION OF THE NEW SHARE OPTION SCHEME

- 11.1 Subject to paragraphs 11.2 to 11.4, the terms of the New Share Option Scheme may be altered in any respect by a resolution of the Directors except that:
- (a) any alteration to the terms and conditions of the New Share Option Scheme which are of a material nature; and

- (b) any alteration to the provisions of the New Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Eligible Participants;

must be approved by the Shareholders in general meeting.

- 11.2 Any change to the terms of Share Options granted to a Grantee must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be) if the initial grant of the Share Options was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors and/or the Shareholders (as the case may be), unless the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- 11.3 Any change to the authority of the Directors or the administrators of the New Share Option Scheme to alter the terms of the New Share Option Scheme must be approved by the Shareholders in general meeting.
- 11.4 The amended terms of the New Share Option Scheme and/or any Share Options pursuant to this paragraph 11 must still comply with the relevant requirements of Chapter 17 of the Listing Rules.

12 TERMINATION OF THE NEW SHARE OPTION SCHEME

The Company by resolution in general meeting may at any time terminate the operation of the New Share Option Scheme and in such event no further Share Options will be offered, but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Share Options (to the extent not already exercised) granted or any Share Options exercised but remaining outstanding prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme, and Share Options (to the extent not already exercised) granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme. Details of the Share Options granted, including Share Options exercised or outstanding, under the New Share Option Scheme must be disclosed in the circular to Shareholders seeking approval of any subsequent share option scheme to be established or refreshment of scheme mandate limit under any existing scheme after such termination.



DINGYI GROUP INVESTMENT LIMITED

鼎億集團投資有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 508)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (the “**SGM**”) of DINGYI GROUP INVESTMENT LIMITED (the “**Company**”) will be held at Unit 2703, 27/F., Convention Plaza – Office Tower, 1 Harbour Road, Wanchai, Hong Kong at 3:00 p.m. on Friday, 3 November 2023, to consider and, if thought fit, to pass with or without amendments the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. **“THAT:**

- (a) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting the approval for listing of, and permission to deal in, the shares of the Company (the “**Shares**”) to be allotted and issued pursuant to the exercise of the share options which may be granted under the new share option scheme of the Company (the “**New Share Option Scheme**”), a copy of which is tabled at the SGM and signed by the chairman of the SGM for the purpose of identification, the New Share Option Scheme be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and agreements as they may consider necessary or expedient to implement or give full effect to the New Share Option Scheme, including without limitation:
 - (i) administering the New Share Option Scheme;
 - (ii) modifying and/or amending the New Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the New Share Option Scheme relating to modification and/or amendment and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”);
 - (iii) granting share options under the New Share Option Scheme and to allot and issue from time to time such number of Shares in the capital of the Company as may be required to be allotted and issued in respect of the share options granted under the New Share Option Scheme;

NOTICE OF SGM

- (iv) making application at the appropriate time or times to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, any new Shares or any part thereof that may hereafter from time to time be allotted and issued pursuant to the exercise of the share options granted under the New Share Option Scheme;
 - (v) consenting, if it so deems fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the New Share Option Scheme.
- (b) the Scheme Limit (as defined in the rules of the New Share Option Scheme) on the total number of Shares which may be issued in respect of all share options and share awards to be granted to the eligible participants under all the share schemes of the Company (i.e. 10% of the Shares in issue as at the date of passing of this resolution) be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the directors of the Company may consider necessary, desirable or expedient to effect and implement the Scheme Limit.”
2. **“THAT** conditional upon the passing of resolution numbered (1) above, the Service Provider Sublimit (as defined in the rules of the New Share Option Scheme) on the total number of Shares which may be issued in respect of all share options and share awards to be granted to service providers under all the share schemes of the Company (i.e. 1% of the Shares in issue as at the date of passing of this resolution) be and is hereby approved and adopted and the directors of the Company be and are hereby authorised to take all such steps and attend all such matters, approve and execute (whether under hand or under seal) such documents and do such other things, for and on behalf of the Company, as the directors of the Company may consider necessary, desirable or expedient to effect and implement the Service Provider Sublimit.”

By order of the Board
DINGYI GROUP INVESTMENT LIMITED
Su Xiaonong
Acting Chairman and Chief Executive Officer

Hong Kong, 16 October 2023

Notes:

1. Any Shareholder of the Company (the “**Shareholder(s)**”) entitled to attend and vote at the SGM is entitled to appoint one or, if he/she holds two or more Shares, more than one proxy to attend and vote in his/her stead. A proxy need not be a Shareholder.

NOTICE OF SGM

2. To be valid, a proxy form together with any power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited, at 17/F, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof (as the case may be). Completion and return of the proxy form shall not preclude the Shareholder from attending and voting in person at the SGM.
3. In the case of joint registered holders of any Share(s), the proxy form may be signed by any joint registered holder, but if more than one joint registered holder are present at the SGM, whether in person or by proxy, that one of the joint registered holders whose name stands first on the register of members of the Company in respect of the relevant jointly registered Shares(s) shall alone be entitled to vote in respect thereof to the exclusion of the votes of the other joint registered holders.
4. The register of members of the Company will be closed from Tuesday, 31 October 2023 to Friday, 3 November 2023, both dates inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the SGM, all transfers accompanied by the relevant share certificates and transfer forms must be lodged at the Company's branch share registrar and transfer office in Hong Kong, Tricor Standard Limited, at 17/F, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 30 October 2023.
5. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 12:00 noon on the date of the SGM, the SGM will not be held on that day and will be adjourned. The Company will publish an announcement on the website of Company at www.dingyi.hk and on the website of the Stock Exchange at www.hkexnews.hk to notify the Shareholders of the date, time and place of the adjourned meeting.
6. Please refer to Appendix to the circular of the Company dated 16 October 2023 for the summary of the principal terms of the rules of the New Share Option Scheme.

As at the date hereof, the Board comprises Mr. SU Xiaonong (Acting Chairman and Chief Executive Officer), Mr. WANG Xiaohua and Mr. HO Cheong Hang Edmond as Executive Directors; and Mr. CHOW Shiu Ki, Mr. CAO Kuangyu and Mr. IP Chi Wai as Independent Non-executive Directors.