
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

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

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China Success Finance Group Holdings Limited

中國金融發展(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3623)

**PROPOSED ADOPTION OF 2024 SHARE OPTION SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting of China Success Finance Group Holdings Limited to be held on the 21st Floor, Guangfa Building, No.29 Jihua 5th Road, Chancheng District, Foshan City on Friday, 28 June 2024 at 11:30 a.m. (or immediately after the annual general meeting of the Company to be held at the same venue on the same date) or any adjourned meeting thereof is set out on pages 38 to 40 of this circular.

A form of proxy for use at the extraordinary general meeting is enclosed with this circular. Whether or not you are able to attend such meeting, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of the power of attorney or authority, to 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, as soon as possible and in any event not less than 48 hours before the time appointed for holding such meeting or any adjourned meeting thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at such meeting or any adjourned meeting thereof (as the case may be) should you so wish.

12 June 2024

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DEFINITIONS

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

“2024 Share Option Scheme”	the new share option scheme proposed to be adopted by the Company at the EGM, a summary of the principal terms of which is set out in Appendix I to this circular;
“2024 Share Option Scheme Rules”	the rules of the 2024 Share Option Scheme in its present or any amended form;
“Adoption Date”	the date on which the 2024 Share Option Scheme is conditionally adopted by the Shareholders;
“AGM”	the annual general meeting of the Company to be convened on Friday, 28 June 2024 at 11:00 a.m. at the 21st Floor, Guangfa Building, No.29 Jihua 5th Road, Chancheng District, Foshan City or any adjournment thereof;
“Articles” or “Articles of Association”	the articles of association of the Company as amended, supplemented or modified from time to time;
“associate(s)”	has the meaning ascribed to it under the Listing Rules;
“Board”	board of Directors;
“Business Day(s)”	any day(s) on which the Stock Exchange is open for business of dealing in securities and on which banks are open for business in Hong Kong, throughout their normal business hours, other than a Saturday, Sunday, or a day on which a gale warning or black rainstorm warning or “extreme conditions” as defined under Chapter 1 of the Rules of the Exchange of the Stock Exchange is in force in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. and for the purpose of the 2024 Share Option Scheme “gale warning” and “black rainstorm warning” shall have the respective meanings ascribed thereto under Interpretation and General Clauses Ordinance (Cap. 1 of the Laws of Hong Kong) as amended from time to time;
“Companies Act”	the Companies Act (as revised) of the Cayman Islands, as amended, supplemented or otherwise modified from time to time;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;

DEFINITIONS

“Company”	China Success Finance Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange (stock code: 3623);
“Controlling Shareholders”	has the meaning ascribed thereto under the Listing Rules, and in the context of our Company, means Mr. Zhang Tiewei, Mr. Xu Kaiying, Mr. Pang Haoquan, Expert Depot Limited, Bliss Success Investments Limited and Novel Heritage Limited;
“Director(s)”	director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened on Friday, 28 June 2024 at 11:30 a.m. (or immediately after the conclusion of the annual general meeting of the shareholders of the Company to be held on the same date) at the 21st Floor, Guangfa Building, No.29 Jihua 5th Road, Chancheng District, Foshan City or any adjournment thereof to approve the proposed adoption of the 2024 Share Option Scheme;
“Eligible Participants”	Any person belonging to the following classes of participants: (i) Employee Participant(s); (ii) Related Entity Participant(s); and (iii) Service Provider(s);
“Employee Participant(s)”	director(s) and employee(s) (whether full time or part time employees) of the Company and/or of any of its subsidiaries (including persons who are granted Options under the 2024 Share Option Scheme as an inducement to enter into employment contracts with these companies);
“Grantee(s)”	any Participant(s) who accepts an Offer in accordance with the terms of the 2024 Share Option Scheme and holder of any outstanding Option or (where the context so permits) a Personal Representative of such Grantee;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

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“Individual Limit”	has the meaning as defined in the paragraph headed “4. Maximum entitlements to each Participant and Options granted to certain connected persons” in Appendix I to this circular;
“Latest Practicable Date”	11 June 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Offer”	an offer of the grant of an Option made in accordance with the 2024 Share Option Scheme Rules;
“Offer Date”	the date on which an Offer of such Option is made to a Participant subject to and in accordance with the terms of the 2024 Share Option Scheme and which must be a Business Day, provided that the date on which the Board resolves to make an Offer should be taken as the Offer Date for the purpose of calculating the exercise price;
“Option”	a right granted to a Grantee to subscribe for Shares pursuant to the 2024 Share Option Scheme;
“Option Period”	a period to be determined and notified by the Board to the Grantee during which the Option may be exercised, which period shall expire in any event not later than the last day of the 10-year period after the Offer Date (subject to the provisions for early termination), for the avoidance of doubt, such period may, if the Board so determines, be set at different lengths for different Grantees and the Board may also set conditions and/or restrictions on the exercise of such Option during the period an Option may be exercised;
“Other Schemes”	all the schemes or arrangements involving the grant by the Company or any member of the Group of options and awards over Shares or other securities of the Company to, or for the benefit of, specified participants of such schemes or arrangements which, in the opinion of the Stock Exchange, is analogous to a share scheme as described in Chapter 17 of the Listing Rules, other than the 2024 Share Option Scheme;
“Participant(s)”	the Employee Participants, the Related Entity Participants and the Service Providers

DEFINITIONS

“Personal Representative(s)”	in case of the death, physical or mental disability or incapacity of a Grantee or other events which, in the opinion of the Board, deprive a Grantee of his capacity to act (other than in the case of insolvency, bankruptcy or liquidation of the Grantee), such person(s) recognised by the Company as the representative(s) with the Option(s) granted to such Grantee or otherwise acting on behalf of the Selected Grantee in consequence of such events by operation of law and subject to provision of such evidence as to his or her entitlement as may from time to time be required by and to the satisfaction of the Board;
“PRC” or “China”	the People’s Republic of China which, for the purposes of this circular only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan;
“Post-IPO Share Option Scheme”	the share option scheme conditionally adopted by the Company on 18 October 2013 (as amended from time to time);
“Related Entity(ies)”	holding company(ies), fellow subsidiary(ies) or associated company(ies) of the Company;
“Related Entity Participant(s)”	director(s) and employee(s) (whether full time or part time employee) of the Related Entities;
“RMB”	Renminbi, the lawful currency of the PRC;
“Scheme Mandate Limit”	the limit on the total number of Shares which may be allotted and issued in respect of all Options that may be granted under the 2024 Share Option Scheme and all share options and all share awards that may be granted under any Other Schemes, which must not exceed 10% of the total number of Shares in issue as at the Adoption Date;
“Scheme Period”	in respect of the 2024 Share Option Scheme, the period commencing on the Adoption Date and expiring on the day immediately preceding the tenth anniversary of the Adoption Date (both days inclusive) but subject to early termination pursuant to the provisions of the 2024 Share Option Scheme Rules;

DEFINITIONS

“Service Provider(s)”	person(s) (whether a natural person, a corporate entity or otherwise) 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. Such person(s) work for any member of the Group as (i) independent contractors; and (ii) advisers or consultants, but 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;
“Service Provider Sublimit”	the limit on the total number of Shares which may be allotted and issued in respect of all Options that may be granted to the Service Providers under the 2024 Share Option Scheme and all share options and awards that may be granted to the Service Providers under any Other Schemes, which must not exceed 1% of the total number of Shares in issue as at the Adoption Date;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	the holder(s) of Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“Subscription Price”	the price at which each Share subject to an Option may be subscribed on the exercise of that Option as determined by the members of the Board, but subject to the provisions of the 2024 Share Option Scheme, or (where applicable) such price as from time to time adjusted pursuant to the 2024 Share Option Scheme Rules;
“subsidiary(ies)”	has the meaning ascribed thereto under the Companies Ordinance;
“substantial shareholder(s)”	has the meaning ascribed thereto under the Companies Ordinance;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC;

DEFINITIONS

“Vesting Date”	in respect of the 2024 Share Option Scheme, the earliest date stated in the Offer on which the Option (or a tranche thereof) may be exercised by the relevant Grantee;
“Vesting Period”	in respect of an Option under the 2024 Share Option Scheme, the period commencing on the date on which the Grantee accepts such Option granted to him/her and ending on the Vesting Date (both dates inclusive); and
“%”	per cent.

** In this circular, the English names of the PRC entities are translation of their Chinese names and included herein for identification purposes only. In the event of any inconsistency, the Chinese names shall prevail.*

LETTER FROM THE BOARD



China Success Finance Group Holdings Limited

中國金融發展(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3623)

Executive Directors:

Mr. Zhang Tiewei (*Chairman*)
Mr. Li Bin (*Chief Executive Officer*)
Ms. Dai Jing
Mr. Xu Kaiying
Mr. Pang Haoquan

Registered office in Cayman Islands:

Fourth Floor, One Capital Place
P.O. Box 847, Grand Cayman
KY 1-1103
Cayman Islands

Independent Non-Executive Directors:

Mr. Tsang Hung Kei
Mr. Au Tien Chee Arthur
Mr. Zhou Xiaojiang

Principal place of business in Hong Kong:

604, 6th Floor
Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

12 June 2024

To the Shareholders

Dear Sir or Madam,

PROPOSED ADOPTION OF 2024 SHARE OPTION SCHEME AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

The purpose of this circular is to provide you with information regarding the resolution to be proposed at the EGM and to give you notice of the EGM for the approval of the proposed adoption of the 2024 Share Option Scheme.

PROPOSED ADOPTION OF THE 2024 SHARE OPTION SCHEME

Our Company maintains two share option schemes, namely the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme. These schemes were adopted pursuant to a written resolution of Shareholders passed on 18 October 2013. No further options can be granted under the Pre-IPO Share Option Scheme after the listing of the Company and the Post-IPO Share Option Scheme has expired on 18 October 2023. No further options can be granted upon the expiration of the Post-IPO Share Option Scheme and the outstanding share options granted under the Post-IPO Share Option Scheme continue to be exercisable in accordance with the Post-IPO Share Option Scheme rules.

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Reasons for adoption of the 2024 Share Option Scheme

In view of the expiration of the Post-IPO Share Option Scheme, the Board proposes to adopt the 2024 Share Option Scheme in accordance with the requirements of Chapter 17 of the Listing Rules.

The purpose of the 2024 Share Option Scheme is to enable the Board to grant Options to the Eligible Participants as incentives or rewards for their contribution or potential contribution to the Group. A summary of the principal rules of the 2024 Share Option Scheme is set out in the Appendix I to this circular. The Directors believe that the provisions as well as such other terms as may be determined by the Board, will serve to protect the value of the Company as well as to achieve the purpose of the 2024 Share Option Scheme.

Scope of Participants

The rules of the 2024 Share Option Scheme enable the Company to grant Option(s) to Eligible Participants including Employee Participants, Service Providers and Related Entity Participants. The Directors are of the view that the adoption of the 2024 Share Option Scheme aligns with the market practice of providing incentives to Employee Participants to work towards achieving the long-term objectives for the benefit of the Group as a whole. The Directors (including the independent non-executive Directors) also consider that it is beneficial to include Service Providers and Related Entity Participants and aligns with the purpose of the 2024 Share Option Scheme since a sustainable and stable relationship with them is essential to the business development of the Group, and that the grant of 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 term.

Eligible Participants include the Employee Participants, the Service Providers and the Related Entity Participants, in each case provided that the Board considers, in its sole discretion, have contributed or will contribute to the Group.

In the case of the Employee Participants, in assessing their eligibility, the Board will consider, in its sole discretion, on a case-by-case basis, the following factors, including but not limited to (i) contribution or potential contribution to the development, growth and performance of the Group; (ii) quality of work performed for the Group; (iii) initiative and commitment in performing his/her duties, responsibilities or employment conditions according to the prevailing market practice and industry standard; (iv) length of service or contribution of the Group; and (v) the amount of support, assistance, guidance, advice or efforts that has been given or will be given towards the Group's success.

The Directors are of the view that the adoption of the 2024 Share Option Scheme is in line with current market practices of providing incentives to employees to motivate them to contribute to the growth of the organisation. By offering Options to Employee Participants, the 2024 Share Option Scheme aims to align Employee Participants' interests with the overall objectives of the Group, by encouraging them to work towards enhancing the enterprise value, as well as achieving the long-term objectives set by the Group and ultimately benefiting the Group as a whole.

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In assessing the eligibility of the Service Providers, the Board will take into account the criteria of (i) the individual performance of the Service Providers; (ii) the frequency of collaboration and the length of business relationship with the Group; (iii) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (iv) the track record in the quality of services provided to and/or cooperation with the Group and the ability to maintain the quality of services; and (v) the actual contribution or potential contribution towards the long-term development and success of the Group.

Further to the above criteria, set out below is the detailed basis of determining the eligibility of each category of the Service Providers:

Class of Service Providers	Contribution of the Service Providers	Criteria for determining eligibility under the 2024 Share Option Scheme
independent contractors	<p>The independent contractors under this category are contractors who regularly provide services to the Group's energy storage business, such as transportation companies that transport the Company's energy storage systems for sale overseas and the overseas sale distributors.</p> <p>The Group considers that it is important to maintain an ongoing collaborative relationship with the independent contractors as the Group may from time to time require their services for the Group to carry out its business activities. It would also be beneficial to the collaboration between the Group and the Service Provider if the Company grants such Service Providers proprietary ownership in the Company, which encourages the Service Provider to have a vested shareholding interest in the Group and the Group's future development.</p>	<p>The Board will, on a case-by-case basis, take into account both qualitative and quantitative factors when determining the eligibility of independent contractors, including:</p> <p>(i) the individual performance of the Service Providers; (ii) the frequency of collaboration and the length of business relationship with the Group; (iii) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (iv) the track record in the quality of services provided to and/or cooperation with the Group and the ability to maintain the quality of services; and (v) the actual contribution or potential contribution towards the long-term development and success of the Group.</p>

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Class of Service Providers	Contribution of the Service Providers	Criteria for determining eligibility under the 2024 Share Option Scheme
Advisers or consultants	<p>Advisers and consultants under this category would be individuals and/or businesses who provide consultancy and advisory services to the Group on a regular basis or from time to time for the operation aspect of the hog business, such as epidemic prevention, hog growth monitoring and hog breeding, and the production, research and development aspect of the energy storage business, such as the design and development of batteries and/or energy storage system and smart system to improve power utilization and efficiency. Both hog breeding and energy storage businesses are principal businesses of the Group.</p> <p>The Group may seek advisory services and consultancy services from consultants or advisers with the expertise, professional qualifications and industry experience, which can bring positive impacts or strategic benefits to the Group's business growth and development in light of the Group's business plan from time to time. Granting performance rewards in the form of Options to such Service Providers will motivate them to continuously devote resources towards the Group and serves to bind their interests with the Group's interests in the long term.</p>	<p>The Board will, on a case-by-case basis, take into account both qualitative and quantitative factors when determining the eligibility of such Service Providers, including:</p> <ul style="list-style-type: none">(i) the expertise, professional qualifications and industry experience of the Service Providers;(ii) the prevailing market fees chargeable by other services providers;(iii) the Group's period of engagement to for collaboration with the Service Providers; and(iv) the Service Providers' actual or potential contribution to the Group in terms of a reduction in costs or an increase in turnover or profit.

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In assessing whether a Service Provider provides services to the Group on a continuing and recurring basis, the Board will take into account factors such as: (i) the duration and nature of products or services provided to the Group in the past 6 months, and the recurrence and regularity of such products or services; (ii) the length of engagement of the Service Provider; (iii) the comparable metrics used to determine other Eligible Participants who have been granted Options under the 2024 Share Option Scheme; and (iv) the Group's objectives in engaging the Service Provider and how granting Options to the Service Provider would align with the purpose of the 2024 Share Option Scheme or benefit the Group and its Shareholders.

In assessing whether a Service Provider provides services to the Group in the Company's ordinary and usual course of business, the Board will take into account factors such as the nature of the services provided to the Group by the Service Provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group.

The qualified Service Providers shall directly contribute to the long-term growth of the Group's business by providing services that are of a continuing and recurring nature in the ordinary and usual course of the Group's business. In particular, they shall be closely connected to and crucial to the Group's operations.

In assessing the eligibility of the Related Entity Participant(s), the Board will consider, in its sole discretion, on a case-by-case basis, including (i) the responsibility taken up or to be taken up by the Related Entity Participant(s) towards the success of the Group's operations or enhancing the value of the Company and its Shares; (ii) the measurable positive contributions brought by, or expected to be brought by, the Related Entity Participant on the Group's business development in terms of financial performance or financial position; (iii) whether the Related Entity Participant has referred or introduced opportunities to the Group which have materialised into further business relationships; (iv) the materiality and nature of the business relations of holding companies, fellow subsidiaries or associated companies with the Group and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies of the Group which may benefit the principal businesses of the Group through a collaborative relationship.

Having considered the basis of determining the eligibility of Service Providers and Related Entity Participants, the Directors consider that (i) the proposed categories of the Service Providers and Related Entity Participants are in line with the Company's business needs and the industry norm of offering equity-based compensation to stakeholders; (ii) the success of the Group is not solely attributed to the contributions of employees and directors of the Group but also to the efforts and collaboration of non-employees, including Service Providers and Related Entity Participants, who contribute to the Group's development and ongoing success and may contribute in the future; and (iii) it is advantageous to foster a sustainable and stable relationship with Service Providers and Related Entity Participants which is vital to the Group's business development.

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In light of the above, the Directors (including the independent non-executive Directors) are of the view that the inclusion of the Employee Participants, Service Providers and Related Entity Participants in the 2024 Share Option Scheme and the basis of determining their respective eligibility are in line with the purpose of the 2024 Share Option Scheme. A vesting period of no less than 12 months, subject to certain exceptions as those set out in the paragraph headed “6. Vesting of Options” in the Appendix I, and performance target to be determined by the Board based on the Participant’s role and responsibilities to or in the Group, would afford flexibility to the Group to further align with the purpose of the 2024 Share Option Scheme and enabling the Group to attract and retain talented employees and valuable human resources from both within and outside the Group and promote its long-term growth. The adoption of the 2024 Share Option Scheme is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Specific Performance Targets and Clawback Mechanism

Unless otherwise determined by the Board or specified in the grant, there is generally no performance target that needs to be achieved before the exercise of an Option granted to a Grantee, provided that:

- (i) In respect of any Participant who is a Director or senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, the Remuneration Committee may, or in respect of any other Participant, the Board may, establish performance targets against the attainment of which the Options granted to the Participants could be exercised. The Directors (or, as the case may be, the Remuneration Committee) shall have the authority, after the grant of any Option which is performance linked, to make fair and reasonable adjustments to the prescribed performance targets during the Vesting Period if there is a change in circumstances, provided that any such adjustments shall be less onerous than the original performance targets and are considered fair and reasonable by the Directors (or, as the case may be, the Remuneration Committee).
- (ii) Proposed performance targets include business, financial, operations and creation of capital value for the Group’s business segments (such as increase in revenue and net profit) as well as that for the Participants based on individual performance indicators relevant to their roles and responsibilities. The Directors (or, as the case may be, the Remuneration Committee) will conduct assessment at the end of a performance period by comparing the performance of the business segments and the individual performance of the Participants with the pre-agreed targets to determine whether the targets and the extents to which the targets have been met.

The Board considers that it may not always be appropriate to impose performance target particularly when the purpose of granting Options is to remunerate or compensate employees. The Board may at its discretion specify any conditions (including performance targets (if any)) which must be satisfied before the Options may be exercised or may be vested. The Board believes that it is not practicable to expressly set out a generic set of performance targets in the 2024 Share Option Scheme Rules, as each Participant will play different roles and contribute in different ways to the Group, and new performance targets may be taken into account and/or imposed depending on the development of

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the industry segment and the macro environment. Providing the Board with more flexibility in setting the terms and conditions of the Options under particular circumstances of each grant will facilitate the Board's aim to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group and for the benefit of the Group and the Shareholders as a whole.

In circumstances where it, in the absolute opinion of the Board, may be regarded as inequitable for any Options to be vested or retained and/or (in case such Option has been exercised) the underlying Shares issued and allotted upon exercise of such Option to be held (as the case may be) by any Grantee, including but not limited to where there has been a material misstatement or omission in the financial reports of the Group or if the relevant Grantee has committed any fraud or serious misconduct, such Option if any, and (in case such Option has been exercised) the underlying Shares issued and allotted upon exercise of such Option if any, shall be subject to clawback set out in the paragraph headed "17. Clawback" in the Appendix I. For the avoidance of doubt, any Options, (in case such Option has been exercised) the underlying Shares issued and allotted upon exercise of such Options may be subject to clawback pursuant to the 2024 Share Option Scheme Rules, as amended from time to time.

The Board considers that the clawback mechanism to clawback the Options granted to Grantees culpable of fraud or serious misconduct and those Options which should not have been vested but for the material misstatement or omission in the financial reports of the Group, is in line with the purpose of the 2024 Share Option Scheme and in the interests of Group and the Shareholders as a whole.

Exercise Price

Grantees to whom Options shall be granted are entitled to subscribe for the number of Shares at the Subscription Price as determined on the Offer Date. The basis for determining the Subscription Price (being the exercise price) is also specified precisely in the 2024 Share Option Scheme Rules, which is summarised under the paragraph headed "10. Subscription Price of Options" in the Appendix I to this circular. As the Subscription Price must be not less than the price stipulated in the Listing Rules, it is expected that Grantees will endeavour to contribute to the development of the Group so as to bring about an increased market price of the Shares in order to capitalise on the benefits of the Options, which in turn is expected to benefit the Company and the Shareholders as a whole.

Vesting Period

The vesting period of Options granted under the 2024 Share Option Scheme shall be determined by the Board subject to a minimum period of no less than 12 months (or such other period as the Listing Rules may prescribe or permit from time to time). However, to fully attaining the purpose of the 2024 Share Option Schemes, the Board and the Remuneration Committee are of the view that (i) there are certain instances where a strict twelve (12)-month vesting requirement would not work or would not be fair to the holders of the Options which are those set out in the paragraph headed "6. Vesting of Options" in the Appendix I; (ii) there is a need for the Company to retain flexibility in certain cases to provide a competitive remuneration package to attract and retain individuals to provide services to the Group, for compliance and administrative purposes or in exceptional circumstances where justified; and (iii) the Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry

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competition, and thus should have flexibility to impose vesting conditions such as performance-based vesting conditions instead of time-based vesting criteria depending on individual circumstances, or such other time-based vesting criteria which effectively restricts a Grantee's Options for at least 12 months.

Hence, the Board and the Remuneration Committee are of the view that the shorter vesting period prescribed in the paragraph headed "6. Vesting of Options" in the Appendix I to this circular is in line with the market practice and is appropriate and aligns with the purpose of the 2024 Share Schemes.

Scheme Mandate Limit and Service Provider Sublimit

The total number of Shares which may be allotted and issued upon exercise of all Options, share options or share awards to be granted under the 2024 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. As at the Latest Practicable Date, there were an aggregate of 552,307,936 Shares in issue. Assuming there is no issue or repurchase of Shares from the Latest Practicable Date to the date of the EGM on which the 2024 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 granted under the 2024 Share Option Scheme and any other share option scheme(s) or share award scheme(s) of the Company is 55,230,793 representing no more than 10% of the Shares in issue as at the Adoption Date.

The Board has also set the Service Provider Sublimit in respect of the total number of Shares which may be allotted and issued in respect of all Options to be granted to Service Providers under the 2024 Share Option Scheme and all share options and share awards that may be granted to the Service Providers under any Other Schemes to 1% of the total number of Shares in issue on the Adoption Date, being no more than 5,523,079 Shares. The basis for determining the Service Provider Sublimit includes the potential dilution effect arising from grants to Service Providers, the actual or expected contribution in the Group's revenue or profits which is attributable to Service Providers, the nature of the Service Providers' contribution to the long-term growth of the Group's core business and the future capital needs of the Group.

The Service Provider Sublimit would provide the Group with flexibility to provide equity incentives (instead of expending cash resources in the form of monetary consideration) to reward and collaborate with Service Providers which are not employees of the Group but who may have exceptional expertise and who may be able to contribute to the Group in a way substantively comparable to contribution of highly-skilled or executive employees of the Group. In determining the Service Provider Sublimit, the Directors consider that it is important to ensure that the 2024 Share Option Scheme is attractive and provide sufficient incentives to Service Providers who are able to contribute to core functions on which the Group relies in its ordinary and usual course of business.

LETTER FROM THE BOARD

Taking into account (i) the business model of the Group, in particular; (ii) the benefit to and needs of the Group to provide long-term equity incentives to maintain the recurring and continuing contributions of the Service Providers in relation to day-to-day operations and core business functions of the Group; (iii) the proportion of cash consideration and equity rewards considering the historical amount of expenses borne by the Group and the potential growth in value of the Shares; and (iv) the minimal potential dilution to the shareholding of public Shareholders following the exercise of the Options to be granted to Service Providers under the Service Provider Sublimit, the Board is of the view that the Service Provider Sublimit is appropriate and reasonable. The Service Provider Sublimit is subject to separate approval by the Shareholders at the EGM.

No trustee has been appointed under the 2024 Share Option Scheme. None of the Directors is and will be a trustee of the 2024 Share Option Scheme nor has a direct or indirect interest in the trustees of the 2024 Share Option Scheme (if any). The Board has no present intention to grant Share Options to any of the Eligible Participants under the 2024 Share Option Scheme after its adoption. The 2024 Share Option Scheme will constitute a share option scheme under Chapter 17 of the Listing Rules and the terms of the 2024 Share Option Scheme are in accordance with the provisions of Chapter 17.

Document on display

A copy of the rules of the 2024 Share Option Scheme will be published on the websites of Stock Exchange (www.hkexnews.hk) and the Company (<http://www.chinasuccessfinance.com/>) for display for a period of not less than 14 days before the date of the EGM and will be made available for inspection at the EGM.

As at the Latest Practicable Date, (i) the Company had 11,508,400 outstanding share options granted under the Post-IPO Share Option Scheme; and (ii) the maximum number of share options that can be further granted by the Company under the then available scheme mandate limit of the Post-IPO Share Option Scheme was 48,598,362.

LETTER FROM THE BOARD

The categories of holders of share options under the Post-IPO Share Option Scheme which remain outstanding (i.e. granted but not yet exercised) as at the Latest Practicable Date are set out below:

Participants	Number of outstanding options at the Latest Practicable Date
Directors	
<i>Executive Director</i>	
Zhang Tiewei	400,000
Li Bin	1,400,000
Dai Jing	1,300,000
Xu Kaiying	400,000
Pang Haoquan	400,000
<i>Independent Non-Executive Director</i>	
Tsang Hung Kei	400,000
Au Tien Chee Arthur	400,000
Zhou Xiaojiang	<u>400,000</u>
Sub-total	5,100,000
Employees	<u>6,408,400</u>
Total	<u><u>11,508,400</u></u>

Conditions precedent of the 2024 Share Option Scheme

The 2024 Share Option Scheme will take effect upon satisfaction of the following conditions:

- (i) the passing of the necessary resolution to adopt the 2024 Share Option Scheme by the Shareholders in a general meeting of the Company and to grant authorities to the Board to (a) grant Options under the 2024 Share Option Scheme in accordance with the 2024 Share Option Scheme Rules and (b) allot, issue and deal in such number of Shares to be issued on the exercise of any Options to be granted under the 2024 Share Option Scheme; and
- (ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares which may fall to be issued by the Company pursuant to the exercise of any such Options in accordance with the terms and conditions of the 2024 Share Option Scheme.

An application will be made to the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of the Options to be granted under the 2024 Share Option Scheme.

LETTER FROM THE BOARD

EXTRAORDINARY GENERAL MEETING

A notice of the EGM to be held on the 21st Floor, Guangfa Building, No.29 Jihua 5th Road, Chancheng District, Foshan City on Friday, 28 June 2024 at 11:30 a.m. (or immediately after the AGM of the Company to be held on the same date) for the Shareholders to consider and, if thought fit, to approve the adoption of the 2024 Share Option Scheme is set out on pages 38 to 40 of this circular.

A form of proxy for use at the EGM is enclosed, a copy of which can also be obtained via the website of the Company at <http://www.chinasuccessfinance.com> or the website of HKEX news at www.hkexnews.hk. Whether you are able to attend the EGM or not, you are requested to complete, sign and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjourned meeting should you so wish.

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules and the Articles of Association, all votes at the EGM will be taken by poll and the Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules. As at the Latest Practicable Date, the Directors were not aware of any Shareholder who is required to abstain from voting on the resolutions to be proposed at the EGM.

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 misleading.

RECOMMENDATION

The Directors consider that the proposed resolution in respect of the proposed adoption of the 2024 Share Option Scheme is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors, together with their associates, intend to vote in favour of the relevant resolutions in respect of their respective shareholdings in the Company and recommend Shareholders to vote in favour of the resolution to be proposed at the EGM.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the Appendix I to this circular.

LETTER FROM THE BOARD

MISCELLANEOUS

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,
By order of the Board
China Success Finance Group Holdings Limited
Zhang Tiewei
Chairman and Executive Director

The following is a summary of the principal terms of the rules of the 2024 Share Option Scheme. It does not form part of, nor is it intended to be part of the rules of the 2024 Share Option Scheme and it should not be taken as affecting the interpretation of the rules of the 2024 Share Option Scheme.

1. Purposes of the 2024 Share Option Scheme

The purposes of the 2024 Share Option Scheme are (i) to recognise and acknowledge the contribution of the Participants and to motivate Participants to contribute to, and promote the interests of, the Company by granting Options to them as incentives or rewards for their contribution to the growth and development of the Group; (ii) to attract, retain and motivate high-calibre Participants to promote the sustainable development of the Group in line with the performance goals of the Group; (iii) to develop, maintain and strengthen long-term relationships that the Participants may have with the Group for the benefit of the Group; and (iv) to align the interest of the Grantees with those of the Shareholders to promote the long-term performance (whether in financial, business and operational aspects) of the Group.

2. Participants and basis of determining the eligibility of Participants

Eligible Participants include the Employee Participants, the Service Providers and the Related Entity Participants, in each case provided that the Board considers, in its sole discretion, have contributed or will contribute to the Group.

In the case of the Employee Participants, in assessing their eligibility, the Board will consider, in its sole discretion, on a case-by-case basis, the following factors, including but not limited to (i) contribution or potential contribution to the development, growth and performance of the Group; (ii) quality of work performed for the Group; (iii) initiative and commitment in performing his/her duties, responsibilities or employment conditions according to the prevailing market practice and industry standard; (iv) length of service or contribution of the Group; and (v) the amount of support, assistance, guidance, advice or efforts that has been given or will be given towards the Group's success.

The Directors are of the view that the adoption of the 2024 Share Option Scheme is in line with current market practices of providing incentives to employees to motivate them to contribute to the growth of the organisation. By offering Options to Employee Participants, the 2024 Share Option Scheme aims to align Employee Participants' interests with the overall objectives of the Group, by encouraging them to work towards enhancing the enterprise value, as well as achieving the long-term objectives set by the Group and ultimately benefiting the Group as a whole.

In assessing the eligibility of the Service Providers, the Board will take into account the criteria of (i) the individual performance of the Service Providers; (ii) the frequency of collaboration and the length of business relationship with the Group; (iii) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (iv) the track record in the quality of services provided to and/or cooperation with the Group and the ability to maintain the quality of services; and (v) the actual contribution or potential contribution towards the long-term development and success of the Group.

Further to the above criteria, set out below is the detailed basis of determining the eligibility of each category of the Service Providers:

Class of Service Providers	Contribution of the Service Providers	Criteria for determining eligibility under the 2024 Share Option Scheme
independent contractors	<p>The independent contractors under this category are contractors who regularly provide services to the Group's energy storage business, such as transportation companies that transport the Company's energy storage systems for sale overseas and the overseas sale distributors.</p> <p>The Group considers that it is important to maintain an ongoing collaborative relationship with the independent contractors as the Group may from time to time require their services for the Group to carry out its business activities. It would also be beneficial to the collaboration between the Group and the Service Provider if the Company grants such Service Providers proprietary ownership in the Company, which encourages the Service Provider to have a vested shareholding interest in the Group and the Group's future development.</p>	<p>The Board will, on a case-by-case basis, take into account both qualitative and quantitative factors when determining the eligibility of independent contractors, including:</p> <p>(i) the individual performance of the Service Providers; (ii) the frequency of collaboration and the length of business relationship with the Group; (iii) the materiality and nature of the business relationship with the Group (such as whether they relate to the core business of the Group and whether such business dealings could be readily replaced by third parties); (iv) the track record in the quality of services provided to and/or cooperation with the Group and the ability to maintain the quality of services; and (v) the actual contribution or potential contribution towards the long-term development and success of the Group.</p>

Class of Service Providers	Contribution of the Service Providers	Criteria for determining eligibility under the 2024 Share Option Scheme
Advisers or consultants	<p data-bbox="472 385 927 1051">Advisers and consultants under this category would be individuals and/or businesses who provide consultancy and advisory services to the Group on a regular basis or from time to time for the operation aspect of the hog business, such as epidemic prevention, hog growth monitoring and hog breeding, and the production, research and development aspect of the energy storage business, such as the design and development of batteries and/or energy storage system and smart system to improve power utilization and efficiency. Both hog breeding and energy storage businesses are principal businesses of the Group.</p> <p data-bbox="472 1098 927 1685">The Group may seek advisory services and consultancy services from consultants or advisers with the expertise, professional qualifications and industry experience, which can bring positive impacts or strategic benefits to the Group's business growth and development in light of the Group's business plan from time to time. Granting performance rewards in the form of Options to such Service Providers will motivate them to continuously devote resources towards the Group and serves to bind their interests with the Group's interests in the long term.</p>	<p data-bbox="954 385 1410 566">The Board will, on a case-by-case basis, take into account both qualitative and quantitative factors when determining the eligibility of such Service Providers, including:</p> <ul style="list-style-type: none"> <li data-bbox="954 612 1410 751">(i) the expertise, professional qualifications and industry experience of the Service Providers; <li data-bbox="954 798 1410 902">(ii) the prevailing market fees chargeable by other services providers; <li data-bbox="954 949 1410 1053">(iii) the Group's period of engagement of or collaboration with the Service Providers; and <li data-bbox="954 1100 1410 1272">(iv) the Service Providers' actual or potential contribution to the Group in terms of a reduction in costs or an increase in turnover or profit.

In assessing whether a Service Provider provides services to the Group on a continuing and recurring basis, the Board will take into account factors such as: (i) the duration and nature of products or services provided to the Group in the past 6 months, and the recurrence and regularity of such products or services; (ii) the length of engagement of the Service Provider; (iii) the comparable metrics used to determine other Eligible Participants who have been granted Options under the 2024 Share Option Scheme; and (iv) the Group's objectives in engaging the Service Provider and how granting Options to the Service Provider would align with the purpose of the 2024 Share Option Scheme or benefit the Group and its Shareholders.

In assessing whether a Service Provider provides services to the Group in the Company's ordinary and usual course of business, the Board will take into account factors such as the nature of the services provided to the Group by the Service Provider, and whether such services form part of or are directly ancillary to the businesses conducted by the Group.

The qualified Service Providers shall directly contribute to the long-term growth of the Group's business by providing services that are of a continuing and recurring nature in the ordinary and usual course of the Group's business. In particular, they shall be closely connected to and crucial to the Group's operations.

In assessing the eligibility of the Related Entity Participant(s), the Board will consider, in its sole discretion, on a case-by-case basis, including (i) the responsibility taken up or to be taken up by the Related Entity Participant(s) towards the success of the Group's operations or enhancing the value of the Company and its Shares; (ii) the measurable positive contributions brought by, or expected to be brought by, the Related Entity Participant on the Group's business development in terms of financial performance or financial position; (iii) whether the Related Entity Participant has referred or introduced opportunities to the Group which have materialised into further business relationships; (iv) the materiality and nature of the business relations of holding companies, fellow subsidiaries or associated companies with the Group and the Related Entity Participant's contribution in such holding companies, fellow subsidiaries or associated companies of the Group which may benefit the principal businesses of the Group through a collaborative relationship.

3. Scheme Mandate Limit and Service Provider Sublimit

3.1. Subject to refreshment and adjustment upon Share consolidation or subdivision, the maximum number of Shares which may be allotted and issued in respect of all Options to be granted under the 2024 Share Option Scheme, and all share options and all share awards to be granted under any Other Schemes (i.e. the Scheme Mandate Limit) must not in aggregate exceed 10% of the total number of Shares in issue as at the Adoption Date, and the maximum number of Shares which may be allotted and issued in respect of all Options, all share options and all share awards to be granted to Service Providers under the 2024 Share Option Scheme and any Other Schemes (i.e. the Service Provider Sublimit) must not in aggregate exceed 1% of the total number of Shares in issue as at the Adoption Date, unless the Company has obtained separate approval by Shareholders in general meeting.

- 3.2. For the purposes of calculating the Scheme Mandate Limit and Service Provider Sublimit, Shares which are the subject matter of any Options, any share options and share awards that have already lapsed in accordance with the respective terms of the 2024 Share Option Scheme and any Other Schemes shall not be regarded as utilised and hence shall not be counted for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.
- 3.3. The Scheme Mandate Limit and the Service Provider Sublimit may respectively be refreshed by ordinary resolution of the Shareholders in general meeting after three years from the Adoption Date or the date of Shareholders' approval for the last refreshment, provided that the total number of Shares which may be issued in respect of all Options to be granted under the 2024 Share Option Scheme and all share options and all share awards to be granted under any Other Schemes under the Scheme Mandate Limit as refreshed (the "**New Scheme Mandate 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 Mandate Limit (and New Service Provider Sublimit). Shares which are subject matter of any Options, any share options and share awards previously granted under the 2024 Share Option Scheme and any Other Schemes (including those exercised, outstanding, cancelled or lapsed in accordance with the terms of the 2024 Share Option Scheme or any Other Schemes) will not be counted for the purpose of calculating the total number of Shares subject to the New Scheme Mandate Limit (and New Service Provider Sublimit). The Company must send a circular to its Shareholders containing the number of Options, share options and share awards that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the refreshment.
- 3.4. Any refreshment to the Scheme Mandate Limit (and the Service Provider Sublimit) within any three-year period must be approved by the Shareholders, subject to the following:
- (a) any controlling Shareholders and their associates (or if there is no controlling Shareholder, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 and/or such other applicable provisions of the Listing Rules.
- 3.5. The requirements under paragraphs 3.4(a) and 3.4(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 Mandate Limit (or the New Scheme Mandate Limit, as the case may be) (as a percentage of the total number of Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit (or the New Scheme Mandate Limit, as the case may be) immediately before the issue of securities, rounded to the nearest integral whole Share.

- 3.6. The Company may seek separate Shareholders' approval in general meeting to grant Options under the 2024 Share Option Scheme beyond the Scheme Mandate Limit (or the Service Provider Sublimit) or, if applicable, the refreshed limits, provided that:
- (a) the Options in excess of the Scheme Mandate Limit (or the Service Provider Sublimit) are granted only to Participants specifically identified by the Company before such approval is sought;
 - (b) the Company must send a circular to the Shareholders containing the name of each specified Participant who may be granted such Options, the number and terms of the Options to be granted to each Participant, and the purpose of granting Options to the specified Participants with an explanation as to how the terms of the Options serve such purpose;
 - (c) the number and terms of Options to be granted to such Participant must be fixed before the Shareholders' approval on such grant is sought, and for this purpose, the date the Board resolved to propose such grant shall be taken as the Offer Date for the purpose of calculating the Subscription Price.
- 3.7. If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit (or New Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the New Service Provider Sublimit, as the case may be) has been approved by Shareholders in general meeting, the maximum number of Shares that may be issued in respect of all Options to be granted under the 2024 Share Option Scheme and all share options and share awards to be granted under any Other Schemes under the Scheme Mandate Limit (or New Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the New Service Provider Sublimit, as the case may be) as a percentage of the total number of the issued Share at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest integral whole Share.
- 4. Maximum entitlements to each Participant and Options granted to certain connected persons**
- 4.1. The total number of Shares issued and to be issued in respect of all Options granted under the 2024 Share Option Scheme and all share options and all share awards granted under any Other Schemes (including both exercised or outstanding Options and share options and vested or outstanding share awards but excluding any Options, share options and share awards lapsed in accordance with the terms of the 2024 Share Option Scheme or such Other Scheme(s)) to each Participant in any 12-month period up to and including the relevant Offer Date shall not exceed 1% of the total number of Shares in issue ("**Individual Limit**").

- 4.2. Where it is proposed that any Offer be made to a Participant which would result in the Shares issued and to be issued in respect of all Options or share awards granted and proposed to be granted to such Participant (including both exercised or outstanding Options and share options and vested or outstanding share awards but excluding any Options, share options and share awards lapsed in accordance with the terms of the 2024 Share Option Scheme or such Other Scheme(s)) to each Participant in any 12-month period up to and including the relevant proposed Offer Date exceeding the Individual Limit, such proposed further grant of Options shall be subject to and conditional upon the following conditions:
- (a) such proposed grant of Options having been separately approved by the Shareholders in general meeting of the Company with such Participant and his/her close associates (or associates if the Participant is a connected person) abstaining from voting;
 - (b) where required by the Listing Rules, the Company having first sent a circular to Shareholders within such time as may be specified in the Listing Rules disclosing such information required under the Listing Rules (which may include, where required, the identity of the Participant, the number and terms of the Options to be granted (and Options, share options or share awards previously granted to such Participant in the aforesaid 12-month period), the purpose of granting the Options to the Participant, an explanation as to how the terms of the Options serve such purpose); and
 - (c) the number and terms of such Options to be granted to such Participant having been fixed before the date on which Shareholders' approval on such grant is sought, and for this purpose, the date the Board resolved to propose such grant shall be taken as the Offer Date for the purpose of calculating the Subscription Price.
- 4.3. Each grant of Option(s) to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Grantee of the Options).
- 4.4. Where any grant of Options to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Options granted under the 2024 Share Option Scheme and all share options and all share awards granted under any Other Schemes (including both exercised or outstanding Options and share options and vested or outstanding share awards but excluding any Options, share options and share awards lapsed in accordance with the terms of the 2024 Share Option Scheme or such Other Scheme(s)) to such person in the 12-month period up to and including the relevant Offer Date representing in aggregate over 0.1% of the Shares in issue, such further grant of Options shall be subject to and conditional upon the following conditions:
- (a) where required under the Listing Rules, the Company having sent a circular to the Shareholders containing details of the number and terms of the Options to be granted to each Participant, the views of the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options) 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/or such information as required under the Listing Rules within such time as may be specified in the Listing Rules, including the information required under Rules 2.17 and 17.02(2)(c) of the Listing Rules;

- (b) where required under the Listing Rules, such grant of Options having been approved by the Shareholders in general meeting of the Company 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 the Company having complied with Rules 13.40, 13.41 and 13.42 and/or such other applicable provisions of the Listing Rules; and
- (c) the number and terms of such Options to be granted to such Participant having been fixed before the date on which Shareholders' approval on such grant is sought, and for this purpose, the date the Board resolved to propose such grant shall be taken as the Offer Date for the purpose of calculating the Subscription Price.

5. Offer and Acceptance of Options

5.1. The Board shall be entitled at any time within the Scheme Period to make an Offer to any Participant as the Board may in its absolute discretion select to subscribe for such number of Shares as the Board may determine at the Subscription Price, provided that an Offer must not be made after an inside information has occurred or an inside information has been the subject of a decision, until such inside information has been duly published and announced. In particular, no Offer shall be made and no Options shall be granted during the period commencing one month immediately before the earlier of:

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

and ending on the date of the results announcement (and for the avoidance of doubt, no Offer shall be made and no Option shall be granted during any period of delay in publishing a results announcement). Further, no Offer shall be made and no Options shall be granted to any Participant who is a Director during the periods or times in which the Directors are prohibited from dealing in the Shares pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

- 5.2. The Board may in its absolute discretion specify such terms, conditions, restrictions and/or limitations as it thinks fit when making an Offer to a Participant (including, without limitation, as to any performance targets to be achieved as well as the minimum period that an Option must be held before such Option can be exercised on a case-by-case basis), provided that such terms, conditions, restrictions and/or limitations shall not be inconsistent with any other terms and conditions of the 2024 Share Option Scheme and the applicable laws, rules and regulations (including the Listing Rules).
- 5.3. Any Offer may be accepted within such period and in such manner specified in the Offer in respect of all or less than the number of Shares in respect of which it is offered provided that such lesser number is clearly stated in the acceptance and if the Board deems fit, may impose condition in the Offer that it may be accepted only in respect of a board lot for dealing in Shares on the Stock Exchange or an integral number thereof, in each case the acceptance must be accompanied by payment in favour of the Company of the Option Price (i.e. HK\$1.00 or such other amount as may be determined by the Board) as consideration for the Offer.
- 5.4. To the extent that an Offer is not accepted (whether in respect of all or less than the number of Shares in respect of which it is offered) within the time stated in the Offer for that purpose, it will be deemed to have been irrevocably declined, and hence lapse, in its entirety or to the extent not accepted (as the case may be).

6. Vesting of Options

The Vesting Period in respect of any Options shall not be less than 12 months (or such other period as the Listing Rules may prescribe or permit from time to time). Options granted to Employee Participants may be subject to a shorter Vesting Period as determined by (i) the Remuneration Committee if such Employee Participant is a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, or (ii) the Board if such Employee Participant is not a Director or a senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, under any of the following circumstances:

- (a) grants of “make-whole” Options to a new Employee Participant to replace the share awards or share options that such Employee Participant forfeited when leaving his or her previous employer;
- (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out of control events;
- (c) grants of Options with performance-based vesting conditions as determined by the Board, in lieu of time-based vesting criteria;
- (d) grants of Options that are made in batches during a year for administrative and compliance reasons;

- (e) grants of Options with a mixed or accelerated vesting schedule such as where the Options may vest evenly over a period of 12 months; and
- (f) grants of Options with a total vesting and holding period of more than 12 months.

7. Exercise of Options

- 7.1. In respect of an Option, the period within which an option may be exercised is to be determined and notified by the Board to each Grantee at the time of making an Offer, which shall not expire later than ten years from the date of grant. An Option may be exercised in whole or in part by the Grantee by giving notice in writing to the Company stating that the Option is to be exercised and the number of Shares in respect of which it is exercised in such manner specified in the Offer, or by such other method as the Board may from time to time prescribe, accompanied by a remittance for the full amount of the Subscription Price for the Shares in respect of which the notice is given.
- 7.2. An Option may be exercised by the Grantee (or his Personal Representative(s)) at any time during the Option Period, provided that:
 - (a) subject to paragraphs 7.2(e) and 8.1(c), where the Grantee (being an Employee Participant at the time of Offer) of an outstanding Option ceases to be an Employee Participant for any reason, then unless the Board shall in its sole and absolute discretion determine otherwise, the Grantee may exercise the Option up to his or her entitlement at the date of cessation (to the extent exercisable but not already exercised) within one month (or such other period as the Board may determine) after the date of such cessation, which date of cessation shall be his last actual working day with the Company or any subsidiary of the Company whether salary is paid in lieu of notice or not, provided that if any of the events referred to in paragraphs 7.2(f), 7.2(g), 7.2(h) or 7.2(i) occurs during such period, such outstanding Option may only be exercisable in such manner and within such period pursuant to paragraphs 7.2(f), 7.2(g), 7.2(h) or 7.2(i) respectively;
 - (b) subject to paragraphs 7.2(c), 7.2(e) and 8.1(c), where the Grantee (being an Related Entity Participant at the time of Offer) of an outstanding Option ceases to be an Related Entity Participant for any reason, then unless the Board shall in its sole and absolute discretion determine otherwise, the Grantee may exercise the Option up to his or her entitlement at the date of cessation (to the extent exercisable but not already exercised) within one month (or such other period as the Board may determine) after the date of such cessation, which date of cessation shall be his last actual working day with the Related Entity to which such Grantee is previously employed, holds directorship or office whether salary is paid in lieu of notice or not, provided that if any of the events referred to in paragraphs 7.2(f), 7.2(g), 7.2(h) or 7.2(i) occurs during such period, such outstanding Option may only be exercisable in such manner and within such period pursuant to paragraphs 7.2(f), 7.2(g), 7.2(h) or 7.2(i) respectively;

- (c) where the Grantee (being a Related Entity Participant at the time of Offer) of an outstanding Option ceases to be a Related Entity Participant because the Related Entity to which such Grantee is employed, holds directorship or office ceases to be a Related Entity, then unless the Board shall in its sole and absolute discretion determine otherwise, the Grantee may exercise the Option up to his or her entitlement at the date of such cessation (to the extent exercisable but not already exercised) within such period determined by the Board and any Option not so exercised shall lapse at the end of such period, provided that if any of the events referred to in paragraphs 7.2(f), 7.2(g), 7.2(h) or 7.2(i) occurs during such period, such outstanding Option may only be exercisable in such manner and within such period pursuant to paragraphs 7.2(f), 7.2(g), 7.2(h) or 7.2(i) respectively;
- (d) where the Grantee of an outstanding Option (who is not an Employee Participant at the date of Offer) subsequently in the absolute opinion of the Board ceases to be qualified as a Participant by reason of termination of its relation with the Company or the relevant Related Entity or otherwise, then unless the Board shall in its sole and absolute discretion determine otherwise, any outstanding Options held by such Grantee shall lapse with immediate effect on the date when the Company notifies such Grantee of the relevant termination;
- (e) where the Grantee of an outstanding Option dies or for Grantee (being Employee Participant or Related Entity Participant at the date of Offer) otherwise ceases to be an Employee Participant or Related Entity Participant (as the case may be) by reason of physical or mental disability or incapacity or other event which, in the opinion of the Board, deprives him of his capacity to act (other than in the case of insolvency, bankruptcy or liquidation of the Grantee) before exercising the Option in full or at all and none of the events which would be a ground for termination of his employment or appointment as specified in paragraph 8.1(c) has arisen, then unless the Board shall in its sole and absolute discretion determine otherwise, the Option (to the extent exercisable but not already exercised) may be exercised up to the entitlement of such Grantee at the date of his death, physical or mental disability or incapacity or such other event by the Grantee or his Personal Representative(s) within twelve months after the date of death, physical or mental disability or incapacity or such other event (or such other period as the Board may determine), such date shall be ascertained and determined by the Board upon receipt of documentary evidence provided by the Personal Representative(s) to the satisfaction of the Board, provided that (i) in respect of any Options that may have met the earliest Vesting Date as stated in the Offer but have not been vested because the performance targets stated in the Offer have not been satisfied, the Board may (but not obliged to) by reference to the level of attainment of the prescribed performance targets and other equitable factors, determine that the Grantee or his Personal Representative(s) may exercise such Option in respect of such number of Shares and within such time as the Board may consider appropriate, such to any conditions or limitation as they may impose; and (ii) if any of the events referred to in paragraphs 7.2(f), 7.2(g), 7.2(h) or 7.2(i) occurs during such period, such outstanding Option may only be exercisable in such manner and within such period pursuant to paragraphs 7.2(f), 7.2(g), 7.2(h) or 7.2(i) respectively;

- (f) whereby if there is a change of control of the Company leading to a general offer (whether by way of a takeover offer, share buyback offer, or scheme of arrangement or otherwise in the like manner, but other than a privatisation offer as stated in paragraphs 7.2(g) being made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror) and (i) in case of a scheme of arrangement, if the arrangement is formally proposed to the holders of the Shares prior to the expiry of the Option, or (ii) in any other cases, if such offer becomes or is declared unconditional prior to the expiry of the Option, then unless the Board shall in its sole and absolute discretion determine otherwise, the Grantee (or his Personal Representative(s), as the case may be) may by notice in writing to the Company within 14 days after (i) in case of a scheme of arrangement, such scheme becoming effective, or (ii) in any other cases, such offer (or the revised offer) becoming or being declared unconditional (or such other period as the Board may in its sole and absolute discretion determine provided that such other period shall not exceed the expiry of the original Option Period) exercise the Option to its full extent or to the extent specified in such notice, subject to compliance with paragraph 6 where the Vesting Period of the Option shall not be less than 12 months notwithstanding that the Option Period in respect of the relevant Option may not have commenced, and for the purpose of this paragraph 7.2(f), “control” shall have the meaning as specified in the Takeovers Code from time to time;
- (g) if an offer to acquire and/or cancel the Shares arising from a privatisation proposal of the Company, whether by way of take-over offer, share buy-back offer, or scheme of arrangement or otherwise and whether or not involving a change of control of the Company, is made to all the Shareholders (or all such Shareholders other than the offeror and/or any person controlled by such offeror and/or any person acting in association or concert with such offeror) and (i) in case of a scheme of arrangement, if the arrangement is formally proposed to the holders of the Shares prior to the expiry of the Option, or (ii) in any other cases, if such offer becomes or is declared unconditional prior to the expiry of the Option, then unless the Board shall in its sole and absolute discretion determine otherwise, the Grantee (or his Personal Representatives) may thereafter (but before such time as shall be notified by the Company in writing not exceeding the expiry of the original Option Period) and in any case, before (i) in case of a scheme of arrangement, the latest time for lodging transfer of Shares in order to qualify for entitlements under such scheme of arrangement, or (ii) in any other case, the close of such offer (or any revised offer) by notice in writing to the Company exercise the Option to its full extent or to the extent specified in such notice notwithstanding that the Option Period may not have commenced at that time and subject to compliance with paragraph 6 where the Vesting Period of the Option shall not be less than 12 months and for the purpose of this paragraph 7.2(g), “control” shall have the meaning as specified in the Takeovers Code from time to time;

- (h) in the event a compromise or arrangement between the Company on the one hand and its members and/or creditors on the other hand is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company summoning a meeting to consider such a compromise or arrangement give notice thereof to all Grantees and thereupon, unless the Board shall in its sole and absolute discretion determine otherwise, each Grantee (or his Personal Representative(s)) shall be entitled to exercise all or any of his Options (to the extent not already exercised) at any time not later than 5 Business Days prior to the said proposed meeting of the Company and subject to compliance with paragraph 6 where the Vesting Period of the Option shall not be less than 12 months by giving notice in writing to the Company whereupon the Company shall as soon as practicable as the circumstances allow and, in any event, no later than the Business Day immediately prior to the date of the proposed meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid, and the Company may require any Grantee (or his Personal Representative(s)) to transfer or deal with the Shares issued as a result of the exercise of Options in this circumstances so as to place the Grantee (or his Personal Representative(s)) in the same position, as nearly as possible, as would have been the case had such Shares been subject to such compromise or arrangement; and
- (i) in the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it despatches such notice to each member of the Company give notice thereof to all Grantees and thereupon, unless the Board shall in its sole and absolute discretion determine otherwise, each Grantee (or his Personal Representative(s)), subject to compliance with paragraph 6 where the Vesting Period of the Option shall not be less than 12 months, shall be entitled to exercise all or any of his Options (to the extent not already exercised) at any time not later than 2 Business Days prior to the proposed general meeting of the Company by giving notice in writing to the Company whereupon the Company shall as soon as practicable as the circumstances allow and, in any event, no later than the Business Day immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the Grantee credited as fully paid.

7.3. Subject to compliance with the applicable laws, rules and regulations (including the Listing Rules), the Board shall have the sole and absolute discretion to make any decision regarding the exercise of Option, notwithstanding the terms of the relevant Offer in respect of an Option and the provisions under paragraph 7.2.

8. Lapse of Options

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

- (a) the expiry of the Option Period (subject to any alteration pursuant to the provisions of these Scheme Rules subject to compliance with applicable laws, rules and regulations including the Listing Rules);
- (b) the expiry of any of the periods referred to in paragraph 7.2 (except as otherwise determined by the Board);
- (c) the date on which (i) the Grantee (being an Employee Participant as at the date of Offer) ceases to be an Employee Participant or (ii) the Grantee (being an Related Entity Participant as at the date of Offer) ceases to be a Related Entity Participant, in each case by reason of the termination of his employment or other contract on any one or more of the grounds that he has been guilty of misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment at common law or pursuant to any applicable laws, rules and regulations or under the Grantee's service contract with the Company or the relevant subsidiary of the Company or the relevant Related Entity(as the case may be);
- (d) the expiry of any period determined by the Board pursuant to paragraph 7.3;
- (e) the date on which the Grantee sells, transfers, charges, mortgages, encumbers, or otherwise disposes of or creates any interest whatsoever in favour of any third party over or in relation to any Option or enters into any agreement so to do, in breach of the 2024 Share Option Scheme Rules;
- (f) in respect of the Grantee other than an Employee Participant or Related Entity Participant (whether individual or corporation), the date on which the Board at their sole and absolute discretion determines that such Grantee has breached or otherwise failed to comply with any provisions of the relevant contract entered into between the Grantee on the one part and any member of the Group on the other part, or that the Grantee has breached its fiduciary duty owed to any member of the Group under the common law, or that the Grantee could no longer make any contribution to the growth and development of any member of the Group by reason of cessation of its relations with the Group or for any other reasons whatsoever;
- (g) the non-fulfilment of or failure to comply with any conditions of Offer specified by the Board;

- (h) the date when the Board resolves to exercise the right to clawback pursuant to the Company's policy on clawback, as amended from time to time;
- (i) the date on which the Option is cancelled; or
- (j) subject to paragraph 11 below, the date of the commencement of the winding-up of the Company.

8.2. For the avoidance of doubt,

- (a) transfer of employment of a Grantee who is an Employee Participant from one member of the Group to another member of the Group or seconded to a Related Entity and transfer of employment of a Grantee who is a Related Entity Participant from a Related Entity to another Related Entity or seconded to any member of the Group shall not be considered cessation of employment; and
- (b) any Grantee who is an Employee Participant or Related Entity Participant is on such leave of absence with prior approval by the directors of the relevant member of the Group or Related Entity is not to be considered cessation of employment of the Grantee.

9. Performance targets

Unless otherwise determined by the Board or specified in the grant, there is generally no performance target that needs to be achieved before the exercise of an Option granted to a Grantee, provided that:

- (a) In respect of any Participant who is a Director or senior manager (as defined under Rule 17.01A of the Listing Rules) of the Company, the Remuneration Committee may, or in respect of any other Participant, the Board may, establish performance targets against the attainment of which the Options granted to the Participants could be exercised. The Directors (or, as the case may be, the Remuneration Committee) shall have the authority, after the grant of any Option which is performance linked, to make fair and reasonable adjustments to the prescribed performance targets during the Vesting Period if there is a change in circumstances, provided that any such adjustments shall be less onerous than the original performance targets and are considered fair and reasonable by the Directors (or, as the case may be, the Remuneration Committee).
- (b) Proposed performance targets include business, financial, operations and creation of capital value for the Group's business segments (such as increase in revenue and net profit) as well as that for the Participants based on individual performance indicators relevant to their roles and responsibilities. The Directors (or, as the case may be, the Remuneration Committee) will conduct assessment at the end of a performance period by comparing the performance of the business segments and the individual performance of the Participants with the pre-agreed targets to determine whether the targets and the extents to which the targets have been met.

10. Subscription Price for Options

The Subscription Price (subject to the adjustments under paragraph 13) shall be a price determined by the Board and notified to a Participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the Offer Date, which must be a Business Day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 Business Days immediately preceding the Offer Date; and (iii) the nominal value of a Share.

11. Rights attached to the Options

Any Share to be allotted and issued upon exercise of an Option shall not carry voting rights until the registration of the Grantee (or his Personal Representative(s)) as the holder thereof in the register of members of the Company.

The Shares to be allotted upon the exercise of an Option shall be subject to the Company's memorandum of association and Articles and any applicable laws, rules and regulations (including the Listing Rules) for the time being in force and shall rank *pari passu* in all respects with the fully-paid Shares in issue as at the date of allotment (or, if that date falls on a period when the register of members of the Company is closed, the first day of the reopening of the register of members) and will entitle the holders to participate in all dividends or other distributions paid or made on or after the date of allotment (or, if that date falls on a period when the register of members of the Company is closed, the first day of the reopening of the register of members) 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 of allotment.

In the event notice is given of a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall forthwith give notice thereof to the Option holders and thereupon, each Option holder (or his/ her Personal Representative(s)) shall, subject to compliance with paragraph 6 where the Vesting Period of the Option shall not be less than 12 months, be entitled to exercise all or any of his Options (to the extent not already exercised) at any time not later than two (2) business days prior to the proposed general meeting of the Company referred to above by giving notice in writing to the Company, accompanied by a remittance for the full payment of the aggregate Subscription Price for the Shares in respect of which the notice is given, whereupon the Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot and issue the relevant Shares to the Option holders credited as fully paid. Subject thereto, all Options then outstanding shall lapse and determine on the commencement of the winding-up.

12. Duration and termination of the 2024 Share Option Scheme

The 2024 Share Option Scheme shall be effective from the Adoption Date and shall be valid and effective for the Scheme Period unless sooner terminated. The 2024 Share Option Scheme may be terminated at any time by the Board or by the Company by resolution in general meeting.

After the expiry or termination of the 2024 Share Option Scheme, no further Options shall be offered or granted thereunder, but in all other respects the provisions of the 2024 Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the vesting and exercise of any Options granted under the 2024 Share Option Scheme prior thereto or otherwise as may be required in accordance with the provisions of the 2024 Share Option Scheme Rules, and Options granted prior to such expiry or termination shall continue to be valid and exercisable in accordance with the 2024 Share Option Scheme Rules and their terms of grant.

13. Alteration of share capital

In the event of any alteration in the capital structure of the Company whilst any Option remains exercisable or the 2024 Share Option Scheme remains in effect, and such event arises from a capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than an issue of Shares as consideration in respect of a transaction while any Option remains exercisable), then, in any such case (other than in the case of capitalisation issue), the Company shall instruct the auditors or 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 Option holder, to:

- (a) the number of Shares to which the 2024 Share Option Scheme or any Option(s) relates (insofar as it is/they are unexercised); and/or
- (b) the Subscription Price of any unexercised Options,

and an adjustment as so certified by the auditors or the independent financial adviser shall be made, provided that, (1) any such adjustment shall be made on the basis that the aggregate Subscription Price payable by an Option holder on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, (2) 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, (3) any such adjustment shall be made on the basis that an Option holder shall be given the same proportion of the issued share capital of the Company, rounded to the nearest whole Share, for which any Option holder would have been entitled to subscribe had he exercised all the Options held by him immediately prior to such adjustment (as interpreted in accordance with FAQ 13-No. 16 issued by the Stock Exchange last updated in May 2024 or any further or updated guidance or interpretation of the Listing Rules issued by the Stock Exchange from time to time).

In respect of any such adjustment, other than any made on a capitalisation issue, the Auditors or the independent financial adviser must confirm to the Directors in writing that the adjustment satisfy the requirements of the relevant provision of the Listing Rules.

14. Cancellation of Options

The Board in its absolute discretion may cancel an Option granted but not exercised with the approval of the grantee of such Option.

Options may be granted to a Participant in place of his cancelled Options provided that there are available Scheme Mandate Limit and Service Provider Sublimit approved by the Shareholders from time to time. The Options cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit and the Service Provider Sublimit.

15. Transferability of Options

An Option shall be personal to the Grantee to whom it is made and shall not be assignable nor transferable, and 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 Option or enter into any agreement so to do, save for (i) exercise of Options by the Grantee's Personal Representative(s) or its nominee(s) pursuant to the provisions of the 2024 Share Option Scheme Rules; or (ii) the Board has expressly consented in writing and the Stock Exchange has given an express waiver.

16. Alteration of the 2024 Share Option Scheme and to the Options

16.1. The 2024 Share Option Scheme may be altered in any respect by the Board except that:

- (a) any alterations to the terms and conditions of the 2024 Share Option Scheme which are of a material nature including the provisions of the 2024 Share Option Scheme as to the definitions of "Participant", "Employee Participant", "Related Entity", "Related Entity Participant", "Service Providers" and "Grantee" must be approved by the Shareholders in general meeting;
- (b) any alterations to the provisions of the 2024 Share Option Scheme relating to the matters set out in Rule 17.03 of the Listing Rules to the advantage of Grantees or prospective Grantees must be approved by the Shareholders in general meeting;
- (c) any change to the authority of the Board or the administrators of the 2024 Share Option Scheme to alter the terms of the 2024 Share Option Scheme must be approved by the Shareholders in general meeting; and
- (d) no such alterations shall operate to affect adversely the terms of issue of any Option granted or agreed to be granted prior to such alterations except with the consent or sanction of such majority of the Grantees (calculated on the basis of one vote per Share underlying the Option(s) held by such Grantees for the time being), as would be required of the Shareholders under the Articles for the time being of the Company for a variation of the rights attached to the Shares as if the Options constituted a separate class of share capital and as if the provisions under the Articles for the time being of the Company applied *mutatis mutandis* thereto.

16.2. Notwithstanding any provisions contained in the 2024 Share Option Scheme Rules or any terms or conditions stated in the Offer but subject always to the applicable laws, rules and regulations including the Listing Rules, the Company may at any time and at its sole and absolute discretion alter the terms and conditions of the Options granted to a Participant, provided that any such alteration to the terms of Options granted to a Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders in the manner set out in the Listing Rules (as the case may be) if the initial grant of the Options requires such approval (except where the change takes effect automatically under the existing terms of the 2024 Share Option Scheme).

16.3. The amended terms of the 2024 Share Option Scheme or the Options must comply with the relevant requirements of Chapter 17 of the Listing Rules.

17. Clawback

The Company may exercise the clawback right in circumstances where, in the absolute opinion of the Board, it may be regarded as inequitable for any Option to be vested on and/or (in case such Option has been exercised) the underlying Shares issued and allotted upon exercise of such Option be held by any Participant, including but not limited to where there has been a material misstatement or omission in the financial reports of the Group or if the relevant Participant has committed any fraud or serious misconduct. Without limiting the generality of the foregoing, any Option and any Shares issued and fall to be issued upon exercise of any Option may be subject to clawback pursuant to the Company's policy on clawback, as amended from time to time.

NOTICE OF EGM



China Success Finance Group Holdings Limited

中國金融發展(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3623)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “**EGM**”) of China Success Finance Group Holdings Limited (the “**Company**”) will be held at 11:30 a.m. on Friday, 28 June 2024 (or immediately after the conclusion of the annual general meeting of the Company to be held on the same date) on the 21st Floor, Guangfa Building, No.29 Jihua 5th Road, Chancheng District, Foshan City for the purpose of considering and, if thought fit, passing the following resolution. Capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated on 12 June 2024 unless otherwise specified.

ORDINARY RESOLUTION

As special business, to consider and, if thought fit, to pass with or without amendments, the following resolution as an ordinary resolution of the Company:

1. “**THAT:**

- (a) subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) granting approval of the listing of, and permission to deal in, the shares in the shares of the Company (the “**Share(s)**”) which may fall to be allotted and issued pursuant to the exercise of the share options which may be granted under the share option scheme of the Company (the “**2024 Share Option Scheme**”), a copy of which is tabled at the EGM and signed by the chairman of the EGM and marked “B” for the purpose of identification, the 2024 Share Option Scheme and the Scheme Mandate Limit (as defined in the 2024 Share Option Scheme) on the total number of Shares that may be issued in respect of all share options or share awards to be granted under the 2024 Share Option Scheme or all other share option schemes or share award schemes of the Company (i.e. 10% of the shares of the Company in issue as at the date of passing of this resolution, being 55,230,793 Shares) be and are hereby approved and adopted and the directors of the Company be and are hereby authorised to grant options and to allot, issue and deal with the Shares pursuant to the exercise of any option granted thereunder and to take all such acts and enter into all such transactions, arrangements and agreements as they may consider

NOTICE OF EGM

necessary or expedient to implement or give full effect to the 2024 Share Option Scheme, including without limitation:

- (i) administering the 2024 Share Option Scheme under which options will be granted to participants eligible under the 2024 Share Option Scheme to subscribe for Shares;
 - (ii) modifying and/or amending the 2024 Share Option Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the 2024 Share Option Scheme relating to modification and/or amendment and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
 - (iii) 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 options granted under the 2024 Share Option Scheme; and
 - (iv) 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 2024 Share Option Scheme.
- (b) the Service Provider Sublimit (as defined in the 2024 Share Option Scheme) on the total number of Shares that may be issued in respect of all share options or share awards to be granted to Service Providers (as defined in the 2024 Share Option Scheme) under the 2024 Share Option Scheme or all other share option schemes or share award schemes of the Company (i.e. 1% of the shares of the Company in issue as at the date of passing of this resolution, being 5,523,079 shares) 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
China Success Finance Group Holdings Limited
Zhang Tiewei
Chairman and Executive Director

Hong Kong, 12 June 2024

Principal place of business:
604, 6th, Floor
Tesbury Centre
28 Queen's Road East, Wanchai
Hong Kong

Registered office:
Fourth Floor, One Capital Place
P.O. Box 847, Grand Cayman
KY1-1103
Cayman Islands

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Notes:

1. Any member of the Company entitled to attend and vote at the above meeting may appoint another person as his proxy to attend and to vote instead of him. A proxy need not be a member of the Company.
2. All resolutions at the extraordinary general meeting will be taken by way of poll pursuant to the Listing Rules and the results of the poll will be published on the websites of the Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.
3. Where there are joint registered holders of any share of the Company, any one such person may vote at the meeting, either personally or by proxy, in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
4. In order to be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be delivered to the office of 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.
5. The register of members of the Company will be closed from 25 June 2024 to 28 June 2024 (both days inclusive), during which period no transfer of shares of the Company will be registered and no shares will be allotted and issued on the exercise of the subscription rights attaching to the outstanding share options granted by the Company. In order to qualify for attending the meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar 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, for registration not later than 4:30 p.m. on 24 June 2024.
6. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

As at the date of this notice, the Board comprises (i) five executive Directors, namely, Mr. Zhang Tiewei, Mr. Li Bin, Ms. Dai Jing, Mr. Xu Kaiying and Mr. Pang Haoquan, and (ii) three independent non-executive Directors, namely, Mr. Tsang Hung Kei, Mr. Au Tien Chee Arthur, and Mr. Zhou Xiaojiang.