THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Hong Kong Robotics Group Holding Limited (formerly known as China Best Group Holding Limited), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other registered dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Hong Kong Robotics Group Holding Limited
港仔機器人集團控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

PROPOSALS FOR
(1) GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES;
(2) RE-ELECTION OF RETIRING DIRECTORS;
(3) TERMINATION OF THE EXISTING SHARE OPTION SCHEME;
(4) ADOPTION OF THE SHARE AWARD SCHEME; AND
(5) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the Annual General Meeting of the Company to be held at Suites 1901-2 & 14, 19/F, Tower 6, The Gateway, Harbour City, Kowloon, Hong Kong on Monday, 8 September 2025 at 11:00 a.m. or any adjournment thereof is set out on pages 50 to 55 of this circular.

Whether or not you are able to attend the Annual General Meeting or any adjourned meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the same as soon as practicable to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hkrobotics.ai). Completion and the delivery of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting should you so wish.

4 August 2025

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

"Adoption Date"	8 September 2025, the date on which the Share Award Scheme will be conditionally adopted by the Shareholders
"Annual General Meeting" or "AGM"	an annual general meeting of the Company to be held at Suites 1901-2 & 14, 19/F, Tower 6, The Gateway, Harbour City, Kowloon, Hong Kong on Monday, 8 September 2025 at 11:00 a.m., or any adjournment thereof, to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which are set out on pages 50 to 55 of this circular
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Auditors"	the auditors of the Company for the time being
"Award(s)"	award(s) of Share(s) pursuant to the Share Award Scheme
"Awarded Share(s)"	in respect of a Grantee, such number of Share(s) awarded by the Board
"Board"	the board of the Directors
"Business Day(s)"	any day (excluding a Saturday and Sunday) on which banks are generally open for business in Hong Kong
"Bye-laws"	the memorandum of association and bye-laws of the Company, as amended, modified or otherwise supplemented from time to time
"CCASS"	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
"close associate(s)"	has the meaning ascribed to it under the Listing Rules
"Company"	Hong Kong Robotics Group Holding Limited (formerly known as China Best Group Holding Limited), a company duly incorporated in Bermuda with limited liability, whose shares are listed and traded on the Stock Exchange (Stock Code: 370)

"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Contributed Amount"	cash paid or made available to the Trust by way of settlement or otherwise contributed by the Company or any of its Subsidiaries as permitted under the Share Award Scheme to the Trust as determined by the Board from time to time
"controlling shareholder"	has the meaning ascribed to it under the Listing Rules
"core connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"Eligible Participant(s)"	Employee Participant(s) and Related Entity Participant(s)
"Employee Participant(s)"	the Directors and director(s) and employee(s) (whether full time or part time) of the Group (including persons who are granted Awards under the Share Award Scheme as an inducement to enter into employment contracts with any member of the Group)
"Excluded Participant(s)"	any Eligible Participant who is resident in a place where the grant of an Award and/or the vesting and transfer of the Awarded Share(s) pursuant to the terms of the Share Award Scheme is not permitted under the laws or regulations of such place or where in the view of the Board or the Trustee (as the case may be), compliance with applicable laws or regulations in such place makes it necessary or expedient to exclude such Eligible Participant
"Existing Share Option Scheme"	the existing share option scheme of the Company adopted on 1 September 2021
"Grantee(s)"	any Eligible Participant who accepts an Offer in accordance with the terms of the Share Award Scheme, or (where the context so permits) a person entitled to any such Award in consequence of the death of the original Grantee, or the Personal Representative of such person
"Grant Date"	in respect of an Award, the Business Day on which the Board resolves to make an Offer, or the grant of an Award to an Eligible Participant, whether or not the Offer is subject to Shareholders' approval on the terms of the Share Award Scheme

"Grant Letter"	the letter issued by the Company to the Eligible Participant with respect to the Awarded Shares granted under the Share Award Scheme
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Individual Limit"	has the meaning ascribed to it in paragraph 6.7 of Appendix III to this circular
"inside information"	has the meaning defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
"Issuance Mandate"	as defined in the section headed "Repurchase and Issuance Mandates" of the letter from the Board in this circular
"Latest Practicable Date"	29 July 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
"Nomination Committee"	the nomination committee of the Board
"Offer"	the offer of the grant of an Award made in accordance with the Share Award Scheme
"Personal Representative(s)"	the person or persons who, in accordance with the laws of succession applicable in respect of the death of a Grantee (being an individual), is or are entitled to exercise the Award granted to such Grantee (to the extent not already exercised)
"PRC"	the People's Republic of China
"Purchase Price"	the purchase price of the Awarded Shares (where applicable) granted by the Board to a Grantee as notified by the Board to such Grantee

"Related Entity Participant(s)"	director(s) and employee(s) of the holding companies, fellow subsidiaries or associated companies of the Company
"Remuneration Committee"	the remuneration committee of the Board
"Repurchase Mandate"	as defined in the section headed "Repurchase and Issuance Mandates" of the letter from the Board in this circular
"Scheme" or "Share Award Scheme"	this share award scheme in its present form or as amended from time to time in accordance with the provisions hereof
"Scheme Mandate Limit"	has the meaning ascribed to it in paragraph 6.1 of Appendix III to this circular
"Scheme Period"	has the meaning ascribed to it in paragraph 3.1 of Appendix III to this circular
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended from time to time
"Share(s)"	ordinary share(s) of HK$0.10 each in the capital of the Company (or such other nominal value as shall result from a subdivision, consolidation, reclassification or restructuring of such shares from time to time)
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary(ies)"	a company which is for the time being and from time to time a subsidiary (within the meaning of the Listing Rules) of the Company, whether incorporated in Hong Kong or elsewhere
"substantial Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Takeovers Code"	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission in Hong Kong, as amended from time to time
"Treasury Share(s)"	has the meaning ascribed to the term "treasury shares" under the Listing Rules as applied to the Shares, and for the purposes of the Share Award Scheme, new Shares include Treasury Shares and the issue of new Shares includes the transfer of Treasury Shares

"Trust"	the trust constituted by the Trust Deed
"Trustee"	the trustee(s) may be appointed by the Board for the administration of the Share Award Scheme
"Trust Deed"	a trust deed may be entered into between the Company and the Trustee (as restated, supplemented and amended from time to time) in relation to the Share Award Scheme
"Trust Fund"	the funds and properties directly or indirectly held under the Trust and managed by the Trustee for the benefit of the Eligible Participants (other than the Excluded Participants)
"Vesting Period"	has the meaning ascribed to it in paragraph 9.2 of Appendix III to this circular; and
"%"	per cent

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



港仔機器人
HKROBOTICS

Hong Kong Robotics Group Holding Limited
港仔機器人集團控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

Non-Executive Director:
Mr. Li Mengzhe *(Chairman)*

Executive Directors:
Ms. Wang Yingqian *(Deputy Chairman)*
Mr. Qin Jie *(Chief Executive Officer)*
Mr. Li Haitao

Independent Non-Executive Directors:
Mr. Liu Tonghui
Ms. Yin Meiqun
Mr. Ye Jianmu

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:
Suites 1901-2 & 14, 19/F
Tower 6, The Gateway
Harbour City, Kowloon
Hong Kong

4 August 2025

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR (1) GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE SHARES; (2) RE-ELECTION OF RETIRING DIRECTORS; (3) TERMINATION OF THE EXISTING SHARE OPTION SCHEME; (4) ADOPTION OF THE SHARE AWARD SCHEME; AND (5) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the Annual General Meeting for the approval of (i) general mandates to repurchase shares and to issue shares; (ii) re-election of retiring directors; (iii) termination of the Existing Share Option Scheme; (iv) adoption of the Share Award Scheme; and (v) notice of Annual General Meeting.

2. REPURCHASE AND ISSUANCE MANDATES

The Listing Rules contain provisions to regulate the repurchase by companies with primary listing on the Stock Exchange of their own shares on the Stock Exchange.

At the adjourned annual general meeting of the Company held on 10 September 2024 (the "**2024 AGM**"), general mandates were given to the Directors to exercise the powers of the Company to undertake repurchases of the Company's fully paid up Shares of up to a maximum of 209,150,099 Shares, representing 10% of the issued share capital of the Company on the date of passing the relevant ordinary resolution at the 2024 AGM and to allot, issue and deal with new shares of up to 418,300,198 Shares, representing 20% of the issued share capital of the Company on the date of passing the relevant ordinary resolution at the 2024 AGM. Such general mandates will lapse at the conclusion of the forthcoming Annual General Meeting.

Hence, ordinary resolutions will be proposed at the Annual General Meeting:

(a) to grant a general mandate to the Directors to exercise the powers of the Company to undertake repurchases of the Company's fully paid up Shares up to a maximum of 10% of the issued share capital of the Company (excluding Treasury Shares) on the date of passing the relevant ordinary resolution (the "**Repurchase Mandate**");

(b) to grant a general mandate to the Directors to allot, issue and deal with new Shares up to a maximum of 20% of the issued share capital of the Company (excluding Treasury Shares) on the date of passing the relevant ordinary resolution (the "**Issuance Mandate**"); and

(c) to extend the Issuance Mandate by the number of Shares repurchased by the Company under the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in resolution nos. 4A and 4B set out in the notice of Annual General Meeting. Based on 2,091,500,991 Shares in issue as at the Latest Practicable Date and assuming there is no change in the number of issued shares after the Latest Practicable Date and up to the date of the Annual General Meeting, the Directors will be able to repurchase up to a total of 209,150,099 Shares if the Repurchase Mandate is granted at the Annual General Meeting and to allot, issue and deal with up to a total of 418,300,198 Shares if the Issuance Mandate is granted at the Annual General Meeting.

If the Company repurchases Shares pursuant to the Repurchase Mandate, the Company may (i) cancel the repurchased Shares and/or (ii) hold such Shares in treasury, subject to market conditions and the capital management needs of the Company at the relevant time such repurchases of Shares are made. If the Company holds Shares in treasury, any resale of Shares held in treasury will be subject to resolution numbered 4A set out in the notice of AGM and made in accordance with the Listing Rules and applicable laws and regulations of Bermuda.

In accordance with the Listing Rules, the Company is required to send to the Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. An explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

3. RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of seven Directors, namely, Mr. Li Mengzhe as non-executive Director, Ms. Wang Yingqian, Mr. Qin Jie and Mr. Li Haitao as executive Directors, and Mr. Liu Tonghui, Ms. Yin Meiqun and Mr. Ye Jianmu as independent non-executive Directors.

The Company received the annual confirmation of independence provided by each independent non-executive Director and the Nomination Committee has assessed the independence of all independent non-executive Directors and considered that each of them has met the independence criteria set out in Rule 3.13 of the Listing Rules and remain independent under the Listing Rules.

In accordance with Bye-law 83(2) of the Company's Bye-laws, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorization by the Shareholders in general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by Shareholders in general meeting. Any Director so appointed by the Board shall hold office only until the first annual general meeting of the Company after his/her appointment and shall then eligible for re-election at the meeting.

Accordingly, Mr. Li Mengzhe will be subject to the re-election at the Annual General Meeting.

In accordance with the Bye-law 84(1) of the Bye-laws, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director shall retire from office at least once every three years.

Accordingly, Ms. Wang Yingqian and Mr. Ye Jianmu shall retire by rotation at the Annual General Meeting and, being eligible, will offer themselves for re-election at the Annual General Meeting.

The Nomination Committee has considered the background, skills, professional knowledge, qualifications and experience of each of Mr. Li Mengzhe, Ms. Wang Yingqian and Mr. Ye Jianmu, having regard to the Board diversity policy and the policy for appointment/re-appointment of Directors of the Company, and is of the view that they have extensive experience in different fields and professionals that are relevant to the Company's business. In addition, the Nomination Committee considers their respective education, background and experience allow them to provide valuable and relevant insights and contribute to the diversity of the Board, which is in line with the Board diversity policy of the Company, details of which are set out in the annual report of the Company for the year ended 31 March 2025.

The Board, on the recommendation of the Nomination Committee, is of the view that the diverse and invaluable knowledge, skills set and experience of each of Mr. Li Mengzhe, Ms. Wang Yingqian and Mr. Ye Jianmu will continue to generate significant contributions to the Company and, therefore, proposes them to stand for re-election as Directors at the Annual General Meeting. Details of the Directors proposed to be re-elected at the Annual General Meeting are set out in Appendix II to this circular.

4. TERMINATION OF THE EXISTING SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed by the Shareholders at an annual general meeting on 1 September 2021, the Company had adopted the Existing Share Option Scheme. Under the Existing Share Option Scheme, the Board may offer options to the eligible participants prescribed in the Existing Share Option Scheme in its absolute discretion. As at the Latest Practicable Date, the Company had granted 192,083,403 options (adjusted after the completion of the rights issue as announced by the Company on 20 September 2023) under the Existing Share Option Scheme to subscribe for an aggregate of 192,083,403 Shares, of which 40,033,362 options had been lapsed and/or forfeited and 10,008,339 options had been cancelled. As at the Latest Practicable Date, there were 142,041,702 outstanding options granted but not yet exercised under the Existing Share Option Scheme. The Directors confirm that they have no intention to grant any further options under the Existing Share Option Scheme.

The following table sets out the details of outstanding options under the Existing Share Option Scheme as at the Latest Practicable Date:

Category of grantees	**Date of grant of options**	**Exercise price per share** *(HK$)*	**Exercise period**	**Outstanding as at the Latest Practicable Date**
Employees	28 April 2022	0.7194	28 April 2022 to 27 April 2028	33,361,134
	30 April 2025	1.04	30 April 2025 to 29 April 2028	92,000,000
Consultants	28 April 2022	0.7194	28 April 2022 to 27 April 2028	16,680,568
				142,041,702

Although the Existing Share Option Scheme will expire in September 2031, the Board considers that it is unnecessary to keep two share schemes that serve similar purposes at the same time when the Share Award Scheme takes effect.

Conditional upon the passing of the resolution by the Shareholders at the AGM, the Existing Share Option Scheme will be terminated and no further options shall be granted pursuant to the Existing Share Option Scheme but the Existing Share Option Scheme shall in all other respects remain in force to the extent necessary to give effect to the exercise of the outstanding options granted prior to its termination. Therefore, at the AGM, ordinary resolutions will be proposed to the Shareholders to terminate the Existing Share Option Scheme.

5. PROPOSED ADOPTION OF SHARE AWARD SCHEME

The Board proposes the adoption of the Share Award Scheme, which will be valid for a period of ten (10) years from the Adoption Date.

Duration and Purpose

The purposes of the Share Award Scheme are to reward and incentivize Eligible Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. By granting Awards to the Eligible Participants who are expected to make meaningful future contribution to the Group's performance and success, it serves as a recognition of their potential and strengthens their sense of belonging and loyalty to the Group. It also reinforces a corporate culture of meritocracy and performance excellence by delivering a clear signal to the employees that sustained contribution and alignment with the Group's values would be recognized. Furthermore, by granting rewards to the Eligible Participants in the form of equity interests in the Company, it helps the Group foster long-term relationship with the Eligible Participants by aligning their interests with that of the Group and Shareholders through them owning a proprietary interest in the Company and becoming future Shareholders, which fosters employee behaviour and decision-making that supports long-term value creation for the Group and its stakeholders.

Administration

The Share Award Scheme shall be subject to the administration of the Board in accordance with the rules of the Share Award Scheme. The Board may, from time to time and in its absolute discretion, grant Awards to any Eligible Participants. The Board may delegate the authority to administer the Share Award Scheme to any committee of the Board or appoint one or more persons, entities or contractors (including without limitation the Trustee) to assist in the administration of the Share Award Scheme and delegate such powers and/or functions relating to the administration of the Share Award Scheme as the Board thinks fit.

The Share Award Scheme may be funded by:

(i) existing Shares (by purchasing the Shares from the market);

(ii) issuance of new Shares by the Company under the Scheme Mandate Limit; and

(iii) transfer of Treasury Shares by the Company under the Scheme Mandate Limit.

The Board may, in its absolute discretion, determine that the Award shall be satisfied by any of the following methods:

(i) by the Company allotting and issuing the relevant number of new Shares fully paid or credited as fully paid, and/or transferring or procuring the transfer of the relevant number of Treasury Shares, to the Grantee directly; and/or

(ii) by the Company allotting and issuing the relevant number of new Shares fully paid or credited as fully paid, and/or transferring or procuring the transfer of the relevant number of Treasury Shares, to the Trust as Awarded Shares in favour of any Grantees; and/or

(iii) the Board may from time to time cause to be paid the Contributed Amount to the Trust by way of settlement or otherwise contributed by the Company or any of its Subsidiaries as directed by the Company which shall constitute part of the Trust Fund, for the subscription of Awarded Shares in favour of any Grantees and other purposes set out in the Share Award Scheme and the Trust Deed.

Subject to the requirements in the Share Award Scheme and all applicable laws, rules and regulations, the Board may from time to time instruct the Trustee in writing to subscribe for Awarded Shares from the Company at a purchase price (if any) representing the nominal value of the Shares or the Board may from time to time allot and issue the Awarded Shares to the Trustee at a purchase price (if any). Once purchased, or subscribed for or allotted and issued to the Trustee, the Awarded Shares may be held on trust by the Trustee for the Grantees until such Awarded Shares are vested with the relevant Grantees in accordance with the rules of the Share Award Scheme and the Trust Deed. The decision of the Board regarding the administration and operation of the Share Award Scheme shall be final and binding on all parties.

As of the Latest Practicable Date, no Trustee has been appointed under the Shares Award Scheme. The Company may enter into the Trust Deed with the Trustee as and when appropriate. It is expected that none of the Directors will be a trustee of the Share Award Scheme nor has a direct or indirect interest in the Trustee.

The Company is allowed to use Treasury Shares for the Share Award Scheme to the extent permitted by the Listing Rules, all applicable laws and regulations and the Bye-laws of the Company. If the Company has Treasury Shares available, the Company may use the Treasury Shares for the Share Award Scheme where appropriate.

Scope of Eligible Participants

The Eligible Participants of the Share Award Scheme are Employee Participants and Related Entity Participants.

Employee Participants are the Directors and director(s) and employee(s) (whether full time or part time) of the Group (including persons who are granted Awards under the Share Award Scheme as an inducement to enter into employment contracts with any member of the Group). Related Entity Participants are the director(s) and employee(s) of the holding companies, fellow subsidiaries or associated companies of the Company.

The inclusion of the Related Entity Participants as Eligible Participants is consistent with the purpose of the Share Award Scheme. This enables the Group to have the flexibility to utilise the Award as a means of incentivising or rewarding persons outside of the Group to contribute to its long-term success by aligning the interests of these stakeholders and strengthening their ongoing relationships with the Group. The Group will also be able to recruit and retain high-calibre employees and attract human resources that are valuable to the Group both inside and outside of the Group, which is conducive to the long-term development of the Group.

Employee Participants

When assessing the eligibility of an Employee Participant, the Board will consider factors as it shall consider relevant, including but not limited to, (i) their job positions, responsibilities, duties and importance of their roles, as well as their overall work performance and value towards the Group's business operations and objectives; (ii) their professional qualifications and knowledge in the industry, particularly where such attributes algin with the Group's direction and would contribute meaningfully to the Group's future development; (iii) their length of engagement or employment with the Group, with appropriate consideration given to long-serving individuals who have demonstrated loyalty and consistent performance, as well as newer employees whose potential contributions are expected to be critical to the Group's future development; (iv) their past contribution made or future contribution expected to be made to the existing business of the Group, and to the growth and development of the Group, in which the Board would consider the significance and strategic relevance of the individual's contribution or potential; and (v) whether granting of an Award is an appropriate incentive, and how an Award (taken together with any performance targets and/or vesting terms) can serve the purpose of the Share Award Scheme with respect to both the proposed Grantee and the long-term growth of the Group, specifically, the Board will consider whether the Award is likely to meaningfully motivate the proposed Grantee and reinforce alignment with the Group's core values and strategic objectives. The Board may also utilise the internal assessment system of the Company to assess the Employee Participant against the criteria(s) set out above and form a holistic view as to whether the relevant criteria(s) have been satisfied.

Although independent non-executive Directors also fall within the categories of Employee Participants, the Company is mindful of the recommended best practices under E.1.9 of the Corporate Governance Code set out in Appendix C1 to the Listing Rules, which provides that issuers generally should not grant equity-based remuneration (e.g. share options or grants) with performance-related elements to independent non-executive Directors as they may lead to bias in their decision-making and comprise their objectivity and independence. Notwithstanding the above, the Board considered that including the independent non-executive Directors as Employee Participants can enhance the alignment of their interests with those of the Company and its Shareholders. The Board, with the recommendation of the Remuneration Committee, considered that:

(i) including independent non-executive Directors as Employee Participants would enable the Group to attract and/or retain high-quality talent to the Board as independent non-executive Directors;

(ii) similar with other Directors and senior management of the Company, the alignment of interest encourages independent non-executive Directors to contribute to the long-term success of the Company. By granting them Awards, the Company can leverage their insights and expertise more effectively in strategic decision-making; and

(iii) except with the Shareholders' approval, the individual limit of granting the Awards to independent non-executive Directors are 0.1% of the total number of issued Share (excluding Treasury Shares) during any 12-month period. As such, since the number of Awarded Shares which can be granted to independent non-executive Directors are limited under the said individual limit set for independent non-executive Directors, the Company considers including independent non-executive Directors as Employee Participants would not impair their objectivity and independence.

Given the above, the Board, with the recommendation of the Remuneration Committee, considered that the inclusion of independent non-executive Directors aligns with the Share Award Scheme's purpose of attracting and retaining talent to the Board, which fosters the long-term success of the Company. It is also considered that the performance targets are not necessary for granting Awards to the independent non-executive Directors, primarily because their role focuses on providing independent oversight and strategic guidance rather than direct management of operations. Their effectiveness is not easily quantifiable through traditional performance metrics. By granting Awards without performance targets, the Remuneration Committee emphasizes the value of their independent judgment and contributions to the Board's decision-making processes.

As at the Latest Practicable Date, the Company does not have any plan or intention to grant Awards to the independent non-executive Directors.

Related Entity Participants

When considering the eligibility of the Related Entity Participants, the Board will consider factors as it shall consider relevant, including but not limited to, the factors set out in the sub-paragraph headed "Employee Participants" above and (i) the responsibility taken up or to be taken up by the Related Entity Participants 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; and (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 Company which may benefit the principal businesses of the Group through a collaborative relationship.

The Board considers it may not be practicable to set any specific benchmarks at this stage to measure the positive contributions brought by, or expected to brought by, the Related Entity Participant on the Group's business development in terms of financial performance or financial position in order to qualify them as one of the Eligible Participants. However, the Board considers that the Related Entity Participants who may be selected as Grantees under the Share Award Scheme are limited to those who is capable of (i) a higher degree of participation and involvement in promoting the business of the Group, who are akin to those of employees of the Group on areas relating to the Group's principal businesses by providing his or her specific skills, knowledge and/or guidance based on his or her pre-existing expertise; and (ii) maintaining a stable and long-term relationship with the Group through owning a proprietary interest in the Company. The Directors are of the view that although they are not employees of the Group, their specific industry and professional knowledge which will provide insights and expertise to the Group would make contributions in ways that are similar to the Employee Participants under the Share Award Scheme. Such restriction will ensure that only persons with sufficient connection and materiality to the Group and its business can qualify as a Related Entity Participant.

The collaborative relationships between the Company and the Related Entity Participants and the circumstances under which the Company would collaborate with the Related Entity Participants include (i) directors or employees of holding companies, fellow subsidiaries or associated companies of the Company seconded to the Group; (ii) Related Entity Participants providing technical, advisory, or management services to the Company; and (iii) directors or employees of an associated company of the Company.

As at the Latest Practicable Date, the Company has not granted any options to any Related Entity Participants under the Existing Share Option Scheme.

The Directors (including the independent non-executive Directors) consider the proposed categories of Related Entity Participants are in line with market norms and the inclusion of Related Entity Participants is appropriate and aligns with the purpose of the Share Award Scheme. In particular:

(i) Related Entity Participants will have a sufficiently close relationship with the Group and would likely be in a position to contribute to the Group's business, reputation, operations and performance;

(ii) the Company could have the flexibility to grant Awards to Related Entity Participants as incentives or rewards for their contributions to the Group if potential Related Entity Participants are identified in the future; and

(iii) this scope is consistent with the scope of participants permitted under the Listing Rules, as well as, to the best knowledge of the Directors, the common practices of other companies listed in Hong Kong.

Therefore, the Directors (including the independent non-executive Directors) consider it appropriate to include the Related Entity Participants to enhance the long-term relationship with these Related Entity Participants by aligning their interests with that of the Company and the Shareholders.

Pursuant to the Note (1) to Rule 17.03(2) of the Listing Rules, the Company has sought legal advice on the prospectus requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) in relation to the Share Award Scheme. The Company is advised that the adoption of the Share Award Scheme would not constitute an offer to public, and the prospectus requirements under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) are not applicable.

Scheme Mandate Limit

The total number of Shares which may be allotted and issued (involving issue of new Shares or transfer of Treasury Shares, as the case may be) in respect of all Awards to be granted under the Share Award Scheme and any options and awards to be granted under any other schemes of the Company shall not, in aggregate exceed 10% of the total number of issued Shares (excluding Treasury Shares) as at the date on which the Share Award Scheme is approved by the Shareholders (the "**Scheme Mandate Limit**") or the relevant date of approval of the refreshment of the Scheme Mandate Limit. As at the Latest Practicable Date, the Company did not have any Treasury Shares. Option(s) or award(s) lapsed in accordance with the terms of the Share Award Scheme and such other schemes of the Company (as the case may be) will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. For the avoidance of doubt, any new Shares and/or Treasury Shares subscribed by or allotted to the Trustee for the purpose of satisfying any Award under the Share Award Scheme granted to an Eligible Participant shall be considered as issued and utilizing the Scheme Mandate Limit. For the avoidance of doubt, no Award shall be granted to the Trustee unless specific Grantees have been identified.

As at the Latest Practicable Date, there were 2,091,500,991 Shares in issue (excluding Treasury Shares) and nil Treasury Shares. Assuming that no further Shares will be allotted, issued, repurchased or cancelled prior to the Annual General Meeting and after the resolutions regarding the proposed adoption of the Share Award Scheme are passed at the Annual General Meeting, the Scheme Mandate Limit will be 209,150,099 Shares, representing approximately 10% of the issued Shares as at the Latest Practicable Date (excluding Treasury Shares).

Individual Limit

The total number of Shares allotted and issued or to be allotted and issued (involving issue of new Shares or transfer of Treasury Shares, as the case may be) in respect of all options and awards granted to an individual Grantee at any one time or in aggregate under the Share Award Scheme and all other share schemes (excluding any options and awards lapsed in accordance with the terms of the respective share schemes) in any 12-month period up to and including the date of such relevant grant should not exceed 1% of the Shares in issue (excluding Treasury Shares) for the time being.

However, if:

(i) any grant of Award (excluding grant of options under other share schemes of the Company) to a Director (excluding independent non-executive Director), or chief executive or any of their respective associates would result in the Shares allotted and issued or to be allotted and issued (involving issue of new Shares or transfer of Treasury Shares, as the case may be) in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the Share Award Scheme) to such person in the twelve-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue on the date of such grant (excluding Treasury Shares); or

(ii) any grant of Award to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares allotted and issued or to be allotted and issued (involving issue of new Shares or transfer of Treasury Shares, as the case may be) in respect of all share options and awards granted under the Share Award Scheme and other share scheme(s) of the Company (excluding any options and awards lapsed in accordance with the terms of the relevant scheme) to such person in the twelve-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue on the date of such grant (excluding Treasury Shares),

such further grant of Award must be approved by the Shareholders in general meeting. The Company must send a circular to the Shareholders containing all those terms as required under the Listing Rules. The Grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour of the resolution at such general meeting of the Shareholders.

As at the Latest Practicable Date, the Company may consider granting the Awards to Eligible Participants under the Share Award Scheme in the next 12 months. However, the Company has not finalized or confirmed any details of such plans. The Company will make relevant disclosures by way of announcement(s) in compliance with Chapter 17 of the Listing Rules when granting the Award to the Eligible Participants.

Vesting

Subject to the satisfaction of all vesting conditions applicable to the vesting of Awarded Shares to each Grantee, the Company may:

(i) allot, issue and/or transfer (as the case may be) the Awarded Shares to the Grantee; and/or

(ii) procure the Trustee to transfer the Awarded Shares held by the Trustee on behalf of such Grantee and the Trustee shall cause the Awarded Shares to be transferred to such Grantee in accordance with the rules of the Share Award Scheme, pursuant to the provision hereof to such Grantee in accordance with the applicable vesting schedule as set out in the Grant Letter.

The Awards granted under the Share Award Scheme shall be held for not less than twelve (12) months before being vested on the Eligible Participants.

To ensure the practicability in fully attaining the purpose of the Share Award Scheme, the Board and the Remuneration Committee are of the view that a shorter Vesting Period may be more beneficial to the Company than a strict twelve (12)-month vesting requirement for the following reasons:

(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 Awards, such as those set out in items (a) and (b) in the paragraph headed "Vesting of Awarded Shares" in paragraph 9.3 of Appendix III to this circular;

(ii) to provide for succession planning and the effective transition of employee responsibilities and to reward exceptional performers with accelerated vesting or in exceptional circumstances where justified, enabling the Group to provide a competitive remuneration package to attract and retain individuals, to reward past contribution which may otherwise be neglected due to administrative or compliance reasons and to grant Awarded Shares in exceptional circumstances where justified (see items (c), (d) and (f) in the paragraph headed "Vesting of Awarded Shares" in paragraph 9.3 of Appendix III to this circular); and

(iii) 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 example, it may be more efficient and meaningful for the Company to formulate its own talent recruitment and retention strategies in response to changing market conditions and industry competition, which requires the flexibility to impose vesting conditions based on individual performances instead of time-based vesting criteria in a competitive and dynamic business environment (see item (e) in the paragraph headed "Vesting of Awarded Shares" in paragraph 9.3 of Appendix III to this circular).

Hence, the Board and the Remuneration Committee are of the view that the shorter Vesting Period prescribed in paragraph 9.3 of Appendix III to this circular is in line with the market practice and is appropriate and aligns with the purpose of the Share Award Scheme.

Purchase Price of the Awarded Shares

The Board may in its absolute discretion grant the Awarded Shares at nil consideration, or at a Purchase Price by taking into consideration matters such as the performance and contribution of the Grantee, which shall be paid upon vesting of the Awarded Shares, or at such other time as determined by the Board in its absolute discretion.

The Board considers that such room for discretion on purchase price provides the Board with flexibility to stipulate, if necessary, a purchase price for the Awarded Shares, while balancing the purpose of the Share Award Scheme and the interests of Shareholders.

Performance Targets and Clawback Mechanism

Subject to the Share Award Scheme and the Listing Rules, the Board may at its absolute discretion when making the offer for the grant of an Award impose any conditions, restrictions or limitations in relation thereto including the Vesting Period and/or the achievement of any performance targets by the Company and/or the Grantee before the Award shall vest and/or any clawback mechanism for the Company to recover or withhold any remuneration (which may include Award granted to any Grantee) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the Share Award Scheme.

There are provisions in the Share Award Scheme which provides for circumstances under which the Award shall lapse automatically in the event that the Grantees cease to be the Eligible Participants, or commit a breach of the Share Award Scheme in relation to transfer restrictions. As the circumstances for each grant may vary, it may not always be appropriate to impose a generic set of performance target or clawback mechanism. The Award may or may not contain any performance target or clawback mechanism. The Board considers that it is more beneficial for the Company to have flexibility to determine whether and to what extent any performance targets or clawback mechanism will be attached to each grant in light of the specific circumstances of each Eligible Participant. The Board and the Remuneration Committee will consider all relevant circumstances including the purpose of the grant and the category of the Eligible Participants in determining whether any performance target or clawback mechanism should be imposed. By allowing the Company to impose such performance targets and/or clawback mechanism on a case by case basis, the Board (including the independent non-executive Directors) considers the Company will be in a better position to retain such Eligible Participants to continue serving the Company and to provide incentives to such Eligible Participants in achieving the goals of the Group, which align with the purpose of the Share Award Scheme.

If any performance targets are imposed in the relevant Grant Letter, the Board will have regard to the purpose of the Share Award Scheme in assessing such performance targets, with reference to factors including but not limited to, as and when appropriate, (i) key performance indicators specific to the Eligible Participant, which may vary based on the individual's department and position (e.g. overall sales performance for the sales department, efficiency and teamwork synergy for the operational department); (ii) the individual's operational efficiency, punctuality, integrity, honesty or compliance with internal business procedures; and (iii) key performance indicators in respect of the Group as a whole, which may include sales performance (e.g. revenue), operating performance (e.g. profits, operation efficiency), financial performance (e.g. profits, cash flow, earnings, market capitalisation, return on equity), corporate sustainability parameter (e.g. timeliness and accuracy in handling customer feedback, team work capabilities, adherence to corporate culture), and such other goals as the Board may determine from time to time. The achievement of his/her target would be assessed by his/her manager through the annual performance review process and his/her final rating will be subject to the performance results and approval by the relevant department head. Due to the business nature of the Group, it would not be practicable, or possible, to delineate a precise list of performance targets that would apply to all Eligible Participants. The parameters whereby each Eligible Participant is or may be measured will be determined on a case-by-case basis and will be highly dependent on their roles and duties within the Group. The targets may also vary year to year as the business of the Group is evolving and may be impacted by ever changing market conditions, and the Board should be afforded the flexibility to determine appropriate targets when the Awards are granted.

Other than the circumstances under which the Award shall be cancelled automatically as set out in the Share Award Scheme, if any clawback mechanism is imposed, the Board will take into account individual circumstances when devising such mechanism such as the role of the Grantee, the purpose of the grant (for example whether as recognition of past contribution or as incentive to motivate such Grantee to contribute to the Group in the future on an ongoing basis), whether it would be particularly burdensome and complicated to implement the clawback mechanism, whether there are any tax implications etc.

Although the Board would evaluate the circumstances of each grant to determine the need for imposing clawback mechanism, where there has been an occurrence of misconduct (the "**Misconduct**"), such as:

(i) material misstatements or omissions in the Company's financial statements by a Grantee;

(ii) violation by a Grantee of confidentiality or non-competition obligations owed to the Group, or any leakage by such Grantee of the Group's trade secrets, intellectual property or proprietary information;

(iii) termination of employment contract by a Grantee without notice or payment in lieu of notice;

(iv) conviction of any criminal offence by a Grantee involving integrity or honesty;

(v) conduct of a Grantee that has material adverse effect to the reputation or interests of the Group;

(vi) termination of the Grantee's employment on the grounds that he or she has been guilty of serious misconduct;

(vii) the Grantee appears either to be unable to pay or to have no reasonable prospect of being able to pay his or her debts or has committed any act of bankruptcy or has become insolvent or has made any arrangements or compromise with his or her creditors generally; or

(viii) occurrence of any other grounds on which an employer would be entitled to terminate his or her employment summarily,

the Award granted but not yet vested shall be subject to clawback automatically due to the occurrence of Misconduct and shall therefore be cancelled. Any grants of Awards to the Directors and senior management of the Group without clawback mechanism shall be further subject to the approval of the Board and the Remuneration Committee and any other requirements under the Listing Rules.

The Board (including the independent non-executive Directors) is of the view that the performance target and clawback mechanism allow more flexibility for the Board in setting the terms and conditions of the Award under particular circumstances of each grant. By facilitating the Board's aim to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group, the performance target and clawback mechanism are considered to be beneficial to the Group and the Shareholders as a whole.

Conditions Precedent of the Share Award Scheme

The adoption of the Share Award Scheme is conditional upon:

(i) approval by ordinary resolution of Shareholders in the Annual General Meeting to adopt the Share Award Scheme and to authorise the Board to grant the Awards under the Share Award Scheme and to allot, issue and deal with Shares pursuant to the grant of any Awards in accordance with the terms and conditions of the Share Award Scheme; and

(ii) the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, any Share on the Stock Exchange which may be issued in respect of all Awards to be granted in accordance with the terms and conditions of the Share Award Scheme.

General

A summary of the principal rules of the Share Award Scheme is set out in Appendix III to this circular. Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued in respect of all Awards to be granted under the Share Award Scheme.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, no Shareholder had any material interest in the adoption of the Share Award Scheme. As such, no Shareholder is required to abstain from voting on the resolution(s) in relation thereto.

6. VOTING BY POLL

All the resolutions set out in the notice of the Annual General Meeting will be decided by poll in accordance with the Listing Rules. The poll results will be published on the Company's website at www.hkrobotics.ai and the Stock Exchange's website at www.hkexnews.hk after the conclusion of the Annual General Meeting.

7. ANNUAL GENERAL MEETING

The notice of Annual General Meeting is set out on pages 50 to 55 of this circular. At the Annual General Meeting, resolutions will be proposed to approve, among others, (i) the granting of the Repurchase Mandate and the Issuance Mandate; (ii) the re-election of Directors; (iii) the termination of the Existing Share Option Scheme; and (iv) the adoption of the Share Award Scheme.

Pursuant to the Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the Annual General Meeting. An announcement on the poll vote results will be published by the Company after the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

To the extent that the Directors are aware, having made all reasonable enquiries, none of the Shareholders is required to abstain from voting on the proposed resolutions at the Annual General Meeting.

For the purpose of determining the Shareholders who are entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 2 September 2025 to Monday, 8 September 2025, both days inclusive. In order to qualify for attending and voting at the Annual General Meeting, all transfer documents accompanied by relevant share certificates should be lodged for registration with Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Monday, 1 September 2025.

A form of proxy for use at the Annual General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hkrobotics.ai). If you intend to appoint a proxy to attend the Annual General Meeting, you are requested to complete and sign the proxy form and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting or adjourned meeting (as the case may be). Completion and return of the form of proxy will not prevent you from attending and voting at the Annual General Meeting or any adjourned meeting if you so wish.

8. RECOMMENDATIONS

The Directors consider that the proposed granting of the Repurchase Mandate and the Issuance Mandate, the re-election of the Directors, the termination of the Existing Share Option Scheme and the adoption of the Share Award Scheme are all in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of all the relevant resolutions to be proposed at the Annual General Meeting.

9. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendix I (Explanatory Statement – Repurchase Mandate), Appendix II (Details of Directors proposed to be re-elected at the Annual General Meeting) and Appendix III (Summary on Principal terms of the Share Award Scheme) to this circular.

10. RESPONSIBILITY STATEMENT

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

Yours faithfully,
By Order of the Board
Hong Kong Robotics Group Holding Limited
Mr. Li Mengzhe
Chairman

The following is the explanatory statement required to be sent to the Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the granting of the Repurchase Mandate to be proposed at the Annual General Meeting.

1. REASONS FOR SHARE REPURCHASE

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have general authority from the Shareholders to enable the Company to repurchase Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made if the Directors believe such repurchases will benefit the Company and the Shareholders.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued and fully paid up share capital of the Company comprised 2,091,500,991 Shares of HK$0.10 each and the Company did not hold any Treasury Shares.

Subject to the passing of the ordinary resolution to approve the Repurchase Mandate and on the basis that there is no change in the number of issued shares prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 209,150,099 Shares, representing up to 10% of the issued share capital of the Company.

If the Company repurchases Shares pursuant to the Repurchase Mandate, the Company may (i) cancel the repurchased Shares and/or (ii) hold such Shares in treasury, subject to market conditions and the capital management needs of the Company at the relevant time such repurchases of Shares are made. If the Company holds Shares in treasury, any resale of Shares held in treasury will be subject to the resolution numbered 4A set out in the notice of AGM and made in accordance with the Listing Rules and applicable laws and regulations of Bermuda.

To the extent that any Treasury Shares are deposited with CCASS pending resale, the Company will adopt appropriate measures to ensure that it does not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those shares were registered in the Company's own name as Treasury Shares. These measures may include approval by the Board that (i) the Company will not (or will procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the Treasury Shares deposited with CCASS and (ii) in the case of dividends or distributions, the Company will withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

3. FUNDING OF REPURCHASES

In repurchasing Shares under the Repurchase Mandate, the Company may only apply funds legally available for such purpose in accordance with its Bye-laws, the Listing Rules and the applicable laws of Bermuda. Under applicable law, share repurchases may only be made out of the capital paid up on the relevant Shares or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purposes of the repurchase; and any premium, if any, payable may only be provided for out of funds of the Company which would otherwise be available for dividend or distribution or out of the Company's share premium account before the Shares are repurchased.

There might be material adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited consolidated financial statements of the Company for the year ended 31 March 2025, being the date of the most recent published audited accounts of the Company, in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

4. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during the previous 12 months preceding the Latest Practicable Date were as follows:

Month	Price per Share	
	Highest	Lowest
	HK$	*HK$*
2024		
July	0.127	0.082
August	0.115	0.089
September	0.102	0.074
October	0.275	0.091
November	0.285	0.245
December	0.275	0.246
2025		
January	0.50	0.250
February	0.68	0.475
March	1.23	0.73
April	1.04	0.70
May	1.71	1.05
June	1.87	1.39
July (up to the Latest Practicable Date)	1.69	1.39

5. DISCLOSURE OF INTEREST OF DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and having made all reasonable enquiries, any of their respective close associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate, in the event the Repurchase Mandate is approved by Shareholders.

No core connected person of the Company has notified the Company that he/she has a present intention to sell Shares to the Company or has undertaken not to do so in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

6. NO UNUSUAL FEATURES

The Directors confirmed that neither this explanatory statement nor the proposed Repurchase Mandate has any unusual features.

The Directors will exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules, the Bermuda laws and the Bye-laws of the Company.

7. EFFECT OF THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As a result, a Shareholder, or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, the Shareholders who were interested in 5% or more of the issued share capital of the Company, according to the register of interests required to be kept by the Company under section 336 of the SFO, were as follows:

Name of Shareholders	**Capacity**	**Number of Shares beneficially held**	**Percentage interest in the issued share capital of the Company as at the Latest Practicable Date**	**Percentage interest in the issued share capital of the Company in the event the Repurchase Mandate is exercised in full (assuming there is no other change in the issued share capital of the Company)**
Li Mengzhe *(Note 1)*	Interest in a controlled corporation	624,980,154	29.88%	33.20%
Max Kensho Capital Group Limited ("**Max Kensho Capital**") *(Note 1)*	Interest in a controlled corporation	624,980,154	29.88%	33.20%
South Leader Limited ("**South Leader**") *(Note 1)*	Beneficial owner	624,980,154	29.88%	33.20%
Wang Baoning *(Note 2)*	Interest in a controlled corporation	244,296,000	11.68%	12.98%
Sunbow Int'l Enterprise Limited ("**Sunbow**") *(Note 2)*	Beneficial owner	244,296,000	11.68%	12.98%

Notes:

1. 624,980,154 Shares are held by South Leader, which is wholly-owned by Max Kensho Capital. As Mr. Li Mengzhe has the 100% shareholding in Max Kensho Capital, by virtue of the SFO, he and Max Kenso Capital are deemed to be interested in all the Shares beneficially held by South Leader.

2. 244,296,000 Shares are held by Sunbow. As Mr. Wang Baoning has the 100% shareholding in Sunbow, by virtue of the SFO, he is deemed to be interested in all the Shares beneficially held by Sunbow.

Based on such interests and assuming that there is no change in the number of issued shares prior to the Annual General Meeting, in the event that the Directors exercise in full the power to repurchase Shares pursuant to the Repurchase Mandate, the interests of South Leader, which is wholly-owned by Max Kensho Capital and beneficial owned by Mr. Li Mengzhe, in the Company would be increased to approximately 33.20% of the total number of Shares in issue. In the opinion of the Directors, such increase may give rise to any obligation to make a mandatory offer in accordance with Rule 26 and 32 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent as would result in such mandatory offer obligation arising.

Save as aforesaid, the Directors are not aware of any consequences which will arise under the Takeovers Code as a consequence of any repurchases made pursuant to the Repurchase Mandate.

The Directors will not make any repurchase of Shares on the Stock Exchange if the repurchase would result in the number of Shares in the hands of public falling below the prescribed minimum percentage of 25%.

8. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company nor any of its subsidiaries (whether on the Stock Exchange or otherwise) during the last six months immediately preceding the Latest Practicable Date.

Stated below are the details of the Directors for re-election at the Annual General Meeting in accordance with the Bye-laws:

(1) Mr. Li Mengzhe, aged 30, *Non-Executive Director*

Mr. Li has been appointed as non-executive Director since January 2025. He graduated from University of British Columbia with a bachelor's degree of Art in 2019 and obtained a master's degree of Liberal Arts from Harvard University in 2021. Mr. Li established his own private equity investment entity in October 2020 which is principally engaged in undertaking and managing various private equity and pre-initial public offering investments in the high-tech sectors in the PRC, covering artificial intelligence, big data, financial technology about deep learning-based investment strategies, smart hardware, intelligent logistics and innovative pharmaceuticals. Besides managing his investments portfolio, Mr. Li also served in the private bank team of a North American bank from September 2017 to February 2018, and in Power Capital, a financial institution based in the PRC with approximately RMB20 billion of assets under management, from August 2021 to December 2021.

As at the Latest Practicable Date, Mr. Li is beneficially interested in 624,980,154 shares.

Save as disclosed above, as at the Latest Practicable Date, (i) Mr. Li did not have other major appointments or professional qualifications or other directorship held in other listed public companies in the past three years; (ii) Mr. Li did not have, and was not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO; (iii) Mr. Li did not hold any other position with the Company or other members of the Company; and (iv) Mr. Li did not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

The Company entered into a letter of appointment with Mr. Li in relation to his appointment as a non-executive Director for a term of 3 years commencing on 17 January 2025, which is determinable by either party serving on the other not less than 3 months' written notice, subject to retirement by rotation and re-election in accordance with the Bye-laws and the Listing Rules. Mr. Li is entitled to an annual director's fee of HK$240,000 and provided with a director's quarter, which was determined with reference to the prevailing market conditions and his experiences and responsibilities in the Group. Mr. Li will, at the discretion of the Board, be entitled to an annual bonus and/or other fringe benefits as determined by the Board from time to time with reference to his scope of duties and performance.

Save as disclosed herein, there are no matters that are required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Li's re-election.

(2) Ms. Wang Yingqian, aged 61, *Executive Director*

Ms. Wang was appointed as non-executive Director in June 2018 and has been redesignated as executive Director since October 2019. She holds a bachelor degree of Economics from Renmin University of China (中國人民大學) and a qualification of intermediate economist issued by Ministry of Personnel of the PRC (中華人民共和國人事部). Ms. Wang worked in Industrial and Commercial Bank of China Beijing Municipal Branch (中國工商銀行北京市分行) from 1985 to 2006 and was the deputy general manager of its corporate banking department from 2005 to 2006. She worked in Bank of Communications Beijing Municipal Branch (交通銀行北京市分行) from 2006 to 2016 and served as its vice president from 2010 to 2013 and was a director of Bank of Communications Financial Leasing Co., Ltd. (交銀金融租賃有限責任公司) from 2010 to 2012. For the period from April 2017 to March 2019, Ms. Wang was an executive director of Noble Century Investment Holdings Limited (currently known as Hong Kong Chaoshang Group Limited), a company listed on the main board of the Stock Exchange (stock code: 2322). For the period from March 2016 to January 2020, she was the supervisor of Fortunes United International Leasing Co., Ltd. (萬瑞聯合國際融資租賃有限公司), a company established in the PRC. For the period from March 2019 to June 2025, she was an independent director of Bloomage Biotechnology Corporation Limited, the shares of which are listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange (Stock code: 688363). She has also been appointed as (i) an independent director of ABC Life Insurance Co., Ltd, a subsidiary of Agricultural Bank of China Limited (stock code: 1288) since March 2018, and (ii) an independent director of Huatai Securities (Shanghai) Asset Management Co., Ltd.* (華泰證券 (上海) 資產管理有限公司) since December 2022. Ms. Wang has over 30 years of experience in the commercial banking industry and have extensive experience in project management and financing.

Saved as disclosed above, as at the Latest Practicable Date, (i) Ms. Wang did not have other major appointments or professional qualifications or other directorship held in other listed public companies in the past three years; (ii) Ms. Wang did not have, and was not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO; (iii) Ms. Wang did not hold any other position with the Company or other members of the Company; and (iv) Ms. Wang did not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

The Company entered into a letter of appointment with Ms. Wang for an initial term of three years commencing on 19 June 2018 and further entered into a service agreement (as supplemented and renewed) with her upon her redesignation from a non-executive Director to an executive Director on 2 October 2019 but her initial term remained unchanged. After the expiration of Ms. Wang's initial term of office, the appointment was renewed respectively on 21 May 2021 and 21 May 2024 for a period of three years each, which is determinable by either party serving on the other not less than 3 months' written notice, subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws and the Listing Rules. Ms. Wang is entitled to a monthly director's remuneration of HK$40,000, which was determined with reference to the prevailing market conditions and her experiences and responsibilities in the Group. Ms. Wang will, at the discretion of the Board, be entitled to an annual bonus and/or other fringe benefits as determined by the Board from time to time with reference to her scope of duties and performance.

Save as disclosed herein, there are no matters that are required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Wang's re-election.

(3) Mr. Ye Jianmu, aged 58, *Independent Non-Executive Director*

Mr. Ye has been appointed as independent non-executive Director since October 2022. He graduated from China University of Geosciences, Wuhan with a bachelor's degree in Industrial Management and Engineering in 1992 and obtained a master's degree in Engineering in 1996 and a doctor's degree in Management Science and Engineering in 2003 from Wuhan University of Technology. Mr. Ye has been teaching in the School of Management of Wuhan University of Technology since July 2003 and currently is a professor of the Finance and Accounting Faculty and a doctoral supervisor. He is an expert reviewer in various science projects conducted by government bodies, including the National Natural Science Foundation of China*(國家自然科學基金), the National Social Science Fund of China*(國家社會科學基金) and The Ministry of Education of Humanities and Social Science Project*(教育部人文社科項目). Mr. Ye is also a council member of the Accounting Society of Wuhan City*(武漢市會計學會). From April 2012 to March 2014, Mr. Ye was an independent director of Hubei Hongcheng General Machinery Co., Ltd.*(湖北洪城通用機械股份有限公司)(currently known as Hubei Jumpcan Pharmaceutical Co., Ltd.*(湖北濟川藥業股份有限公司), a company listed on the Shanghai Stock Exchange, stock code: 600566). Since December 2021, Mr. Ye has appointed as independent director of Wuhan Changli New Material Technology Co., Ltd.*(武漢長利新材料科技股份有限公司), which is in process of application for initial public offering on the Shanghai Stock Exchange. He has also appointed as independent director of Shanghai Baolong Automotive Technology Co., Ltd.*(上海保隆汽車科技股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 603197), since December 2022.

As at the Latest Practicable Date, save as disclosed above, (i) Mr. Ye did not have other major appointments or professional qualifications or other directorship held in other listed public companies in the past three years; (ii) Mr. Ye did not have, and was not deemed to have, any interests or short positions in any shares, underlying shares or debentures of the Company and its associated corporations within the meaning of Part XV of the SFO; (iii) Mr. Ye did not hold any other position with the Company or other members of the Company; and (iv) Mr. Ye did not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company.

The Company entered into a letter of appointment with Mr. Ye for a term of 3 years commencing on 11 October 2022, which may be terminated by not less than one month of written notice served by either party. The appointment of Mr. Ye is subject to retirement by rotation and re-election in accordance with the Bye-laws and the Listing Rules. Mr. Ye is entitled to an annual director's fee of HK$130,000, which was determined with reference to the prevailing market conditions and his experiences and responsibilities in the Group. Mr. Ye will, at the discretion of the Board, be entitled to an annual bonus and/or other fringe benefits as determined by the Board from time to time with reference to his scope of duties and performance.

Save as disclosed herein, there are no matters that are required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor is there any other matter which needs to be brought to the attention of the Shareholders in connection with Mr. Ye's re-election.

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

1. PURPOSE OF THE SHARE AWARD SCHEME

1.1 The purposes of the Share Award Scheme are to reward and incentivize Eligible Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. By granting Awards to the Eligible Participants who are expected to make meaningful future contribution to the Group's performance and success, it serves as a recognition of their potential and strengthens their sense of belonging and loyalty to the Group. It also reinforces a corporate culture of meritocracy and performance excellence by delivering a clear signal to the Eligible Participants that sustained contribution and alignment with the Group's values would be recognized. Furthermore, by granting rewards to the Eligible Participants in the form of equity interests in the Company, it helps the Group foster long-term relationship with the Eligible Participants by aligning their interests with that of the Group and Shareholders through them owning a proprietary interest in the Company and becoming future Shareholders, which fosters their behaviour and decision-making that supports long-term value creation for the Group and its stakeholders.

2. ELIGIBLE PARTICIPANTS OF THE SHARE AWARD SCHEME

2.1 The Board may, in its absolute discretion, grant Awards to any Eligible Participants according to the terms and conditions of the Share Award Scheme.

2.2 When assessing the eligibility of an Employee Participant, the Board will consider factors as it shall consider relevant, including but not limited to, (i) their job positions, responsibilities, duties and importance of their roles, as well as their overall work performance and value towards the Group's business operations and objectives; (ii) their professional qualifications and knowledge in the industry, particularly where such attributes algin with the Group's direction and would contribute meaningfully to the Group's future development; (iii) their length of engagement or employment with the Group, with appropriate consideration given to long-serving individuals who have demonstrated loyalty and consistent performance, as well as newer employees whose potential contributions are expected to be critical to the Group's future development; (iv) their past contribution made or future contribution expected to be made to the existing business of the Group, and to the growth and development of the Group, in which the Board would consider the significance and strategic relevance of the individual's contribution or potential; and (v) whether granting of an Award is an appropriate incentive, and how an Award (taken together with any performance targets and/or vesting terms) can serve the purpose of the Share Award Scheme with respect to both the proposed Grantee and the long-term growth of the Group, specifically, the Board will consider whether the Award is likely to meaningfully motivate the proposed Grantee and reinforce alignment with the Group's core values and strategic objectives. The Board may also utilise the internal assessment system of the Company to assess the Employee Participant against the criteria(s) set out above and form a holistic view as to whether the relevant criteria(s) have been satisfied.

2.3 When considering the eligibility of the Related Entity Participants, the Board will consider factors as it shall consider relevant, including but not limited to, the factors set out in the paragraph above and (i) the responsibility taken up or to be taken up by the Related Entity Participants 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; and (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 Company which may benefit the principal businesses of the Group through a collaborative relationship.

3. DURATION

3.1 The Share Award Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date (the "**Scheme Period**"), unless terminated earlier as determined by the Board. Awards granted during the Scheme Period, but which remain outstanding and have not lapsed as at the expiry of the Scheme Period, shall continue to be valid in accordance with their terms of grant notwithstanding the expiry of the Scheme Period.

4. ADMINISTRATION OF THE SHARE AWARD SCHEME

4.1 The Share Award Scheme shall be subject to the administration of the Board in accordance with the rules of the Share Award Scheme. The decision of the Board regarding the administration and operation of the Share Award Scheme shall be final and binding on all parties. The Board shall have the right to (a) interpret and construe the provisions of the Share Award Scheme; (b) determine the persons (if any) who shall be offered Awards under the Share Award Scheme, and the number of Shares and Purchase Price, subject to paragraph 3; (c) subject to paragraphs 14 and 16, make such adjustments to the terms of the Award granted under the Share Award Scheme to the relevant Grantee as the Board deems necessary, and shall notify the relevant Grantee of such adjustment by written notice; and (d) make such other decisions or determinations as it shall deem appropriate in relation to the Offers and/or the administration of the Share Award Scheme provided that the same are not inconsistent with the provisions of the Share Award Scheme and the Listing Rules. The Board may delegate the authority to administer the Share Award Scheme to any committee of the Board or appoint one or more persons, entities or contractors (including without limitation the Trustee) to assist in the administration of the Share Award Scheme and delegate such powers and/or functions relating to the administration of the Share Award Scheme as the Board thinks fit.

4.2 The Share Award Scheme shall take effect subject to:

(a) passing of the resolution by the Shareholders to approve and adopt the Share Award Scheme and to authorise the Board to grant Awards under the Share Award Scheme and to allot and issue Awarded Shares (including issue of new Shares or transfer of Treasury Shares, as the case may be); and

(b) granting of approval for the listing of, and permission to deal in, the Shares that may be allotted and issued in respect of the Awards to be granted under the Share Award Scheme by the Stock Exchange.

4.3 The Share Award Scheme may be funded by:

(i) existing Shares (by purchasing the Shares from the market);

(ii) the issuance of new Shares by the Company under the Scheme Mandate Limit; and

(iii) transfer of Treasury Shares by the Company under the Scheme Mandate Limit.

4.4 The Company may from time to time cause to be paid the Contributed Amount to the Trust by way of settlement or otherwise contributed by the Company or any of its Subsidiaries as directed by the Company which shall constitute part of the Trust Fund, for the subscription of Awarded Shares in favour of any Grantees and other purposes set out in the Share Award Scheme and the Trust Deed. For the avoidance of doubt, no Award shall be granted to the Trustee unless specific Grantees have been identified.

4.5 The Company may from time to time instruct the Trustee in writing to directly or indirectly purchase Shares (other than from any connected person of the Company). Once purchased, the Shares are to be held directly or indirectly by the Trustee for the benefit of the Eligible Participants under the Trust on and subject to the terms and conditions of the Share Award Scheme and the Trust Deed. On each occasion when the Company instructs the Trustee to directly or indirectly purchase Shares (other than from any connected person of the Company), it shall specify the maximum amount of funds to be used and the range of prices at which such Shares are to be purchased. The Trustee may not incur more than the maximum amount of funds or, directly or indirectly, purchase any Shares at a price falling outside the range of prices so specified unless with the prior written consent of the Company.

4.6 As soon as practicable after receiving the notice setting out the instructions from the Company and during such period until being notified by the Company to suspend or cease the purchase, the Trustee shall apply such amount of Residual Cash towards the purchase, directly or indirectly of such maximum board lot of Shares according to the instructions set out in the notice. The Trustee shall also pay the related purchase expenses (including for the time being, the brokerage fee, stamp duty, the Securities and Futures Commission transaction levy, Stock Exchange trading fee) and such other necessary expenses required for the completion of the purchase of the Shares out of the Residual Cash. For the avoidance of doubt, the Shares so purchased and the remaining balance of any Residual Cash shall continue to form part of the Trust Fund. The Trustee is not obliged to purchase any Shares unless it has received the necessary cleared funds from the Company or has sufficient funds in the Trust to undertake the purchase of such Shares.

4.7 The Company is allowed to use Treasury Shares for the Share Award Scheme to the extent permitted by the Listing Rules, all applicable laws and regulations and the Bye-laws. If the Company has Treasury Shares available, the Company may use the Treasury Shares for the Share Award Scheme where appropriate.

4.8 The Board may, in its absolute discretion, determine that the Award shall be satisfied by any of the following methods:

(i) by the Company allotting and issuing the relevant number of new Shares fully paid or credited as fully paid, and/or transferring or procuring the transfer of the relevant number of Treasury Shares, to the Grantee directly; and/or

(ii) by the Company allotting and issuing the relevant number of new Shares fully paid or credited as fully paid, and/or transferring or procuring the transfer of the relevant number of Treasury Shares, to the Trust as Awarded Shares in favour of any Grantees; and/or

(iii) the Board may from time to time cause to be paid the Contributed Amount to the Trust by way of settlement or otherwise contributed by the Company or any of its Subsidiaries as directed by the Board which shall constitute part of the Trust Fund, for the subscription of Awarded Shares in favour of any Grantees and other purposes set out in the Share Award Scheme and the Trust Deed.

4.9 Subject to the requirements in the Share Award Scheme and all applicable laws, rules and regulations, the Board may from time to time instruct the Trustee in writing to subscribe for Awarded Shares from the Company at a purchase price (if any) representing the nominal value of the Shares or the Board may from time to time allot and issue the Awarded Shares to the Trustee at a purchase price (if any). Once purchased or subscribed for or allotted and issued to the Trustee, the Awarded Shares shall be held on trust by the Trustee for the Grantees until such Awarded Shares are vested with the relevant Grantees in accordance with the rules of the Share Award Scheme and the Trust Deed.

4.10 No member of the Board shall be personally liable by reason of any contract or other instrument executed by such member or on his or her behalf in his or her capacity as a member of the Board nor for any mistake of judgment made in good faith, and the Company shall indemnify on demand and hold harmless each employee, officer or Director of the Company to whom any duty or power relating to the administration or interpretation of the Share Award Scheme may be allocated or delegated, against any cost or expense (including legal fees) or liability (including any sum paid in settlement of a claim with the approval of the Board) arising out or omission to act in connection with the Share Award Scheme unless arising out of such person's own negligence, fraud or bad faith.

5. OFFER AND ACCEPTANCE

5.1 Subject to the rules of the Share Award Scheme and all applicable laws, rules and regulations, the Board may, from time to time at its absolute discretion, select any Eligible Participant (other than any Excluded Participant) to be a Grantee and grant to such Grantee Awarded Shares at nil consideration or at the Purchase Price (where applicable) in such number and on and subject to such terms and conditions as it may in its absolute discretion determine.

5.2 An Offer shall be made to the Grantee by a Grant Letter in such form as the Board may from time to time determine requiring the Grantee to undertake to hold the Award on the terms on which it is to be granted and to be bound by the provisions of the Share Award Scheme.

5.3 The Offer shall remain open for acceptance by the Grantee concerned for a period of twenty- eight (28) days from the Grant Date provided that no such Offer shall be open for acceptance after the expiry of the Scheme Period or after the Share Award Scheme has been terminated in accordance with the terms hereof or after the Grantee for whom the Offer is made has ceased to be an Eligible Participant. Any such Offer which is declined or not accepted by the Grantee within the prescribed period shall be regarded as lapsed. In such circumstances, all Awarded Shares under the Offer shall also be regarded as lapsed.

5.4 Any Offer may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of a whole board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof. An Offer is deemed to be accepted when the Company receives from the Grantee the Grant Letter signed by the Grantee specifying the number of Shares in respect of which the Offer is accepted and a remittance to the Company of HK$1.00 as consideration for the grant of an Award. Such remittance is not refundable in any circumstances.

5.5 The Board may in its absolute discretion grant the Awarded Shares at nil consideration, or at a Purchase Price by taking into consideration matters such as the performance and contribution of the Grantee, which shall be paid upon vesting of the Awarded Shares, or at such other time as determined by the Board in its absolute discretion.

5.6 A Grantee shall ensure that the acceptance, vesting and the holding of any Awarded Shares under the Share Award Scheme and the exercise of all rights attaching thereto are valid and comply with all laws, legislation and regulations including all applicable exchange control, fiscal and other laws to which he/she is subject. The Board may, as a condition precedent of making an Award, require an Eligible Participant to produce such evidence as it may reasonably require for such purpose.

5.7 No Offer shall be made to, nor shall any Offer be capable of acceptance by, any Eligible Participant at a time when the Eligible Participant would or might be prohibited from dealing in the Shares by the Listing Rules or by any other applicable rules, regulations or law.

5.8 An Offer may not be made after any inside information has come to the Company's attention until (and including) the trading day after such inside information has been published in accordance with the relevant provisions of the Listing Rules. In particular, during the period commencing thirty (30) days immediately preceding the earlier of:

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

(b) the deadline for the Company to publish an announcement of 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 (or during any period of delay in publishing results announcements), no Award may be granted.

5.9 For the avoidance of doubt, in compliance with the Listing Rules, a Director must not deal in any securities of the Company (and no Award may be granted to a director) on any day on which the Company's financial results are published and:

(a) during the period of sixty (60) days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(b) during the period of thirty (30) days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results,

unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met as described in Section C of Appendix C3 to the Listing Rules.

5.10 Any grant of Award to a Director, chief executive or substantial shareholder of the Company, or any of their respective associates, under the Share Award Scheme must be approved by the independent non-executive Directors.

5.11 Where:

(a) any grant of Award (excluding grant of options under other share schemes of the Company) to a Director (excluding independent non-executive Director) or chief executive or any of their respective associates would result in the Shares allotted and issued or to be allotted and issued (involving issue of new Shares or transfer of Treasury Shares, as the case may be) in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the Share Award Scheme) to such person in the twelve (12)-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue on the date of such grant (excluding Treasury Shares); or

(b) any grant of Award to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in the Shares allotted and issued or to be allotted and issued (involving issue of new Shares or transfer of Treasury Shares, as the case may be) in respect of all share options and awards granted under the Share Award Scheme and other share scheme(s) of the Company (excluding any options and awards lapsed in accordance with the terms of the relevant scheme) to such person in the 12 (twelve)-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue on the date of such grant (excluding Treasury Shares),

such further grant of Award must be approved by the Shareholders in general meeting in the manner set out below. The Company must send a circular to the Shareholders containing all those terms as required under the Listing Rules. The Grantee, his/her associates and all core connected persons of the Company must abstain from voting in favour of the resolution at such general meeting of the Shareholders. Parties that are required to abstain from voting in favour at the general meeting pursuant to Rule 17.04(4) of the Listing Rules may vote against the resolution at the general meeting of the Company, provided that their intention to do so has been stated in the relevant circular to the Shareholders. Any vote taken at the general meeting to approve the grant of such Award must be taken on a poll and comply with the requirements under the Listing Rules. The circular must contain:

(i) details of the number and terms of the Award to be granted to each Eligible Participant, which must be fixed before the Shareholders' meeting;

(ii) the views of the independent non-executive Directors (excluding any independent non- executive Director who is the proposed Grantee) as to whether the terms of the grant are fair and reasonable and whether such grant is in the interests of the Company and the Shareholders as a whole, and their recommendation to the independent Shareholders as to voting; and

(iii) the information required under the Listing Rules and the Stock Exchange from time to time.

5.12 Any change in the terms of Award granted to a Grantee who is a Director, chief executive of the Company or substantial Shareholder, or any of their respective associates, must be approved by the Shareholders in the manner as set out above if the initial grant of the Award requires such approval (except where the changes take effect automatically under the existing terms of the Share Award Scheme). For the avoidance of doubt, the requirements for the grant of Award to a Director or chief executive of the Company set out in Rule 17.04 of the Listing Rules do not apply where the Eligible Participant is only a proposed Director or chief executive of the Company.

6. MAXIMUM NUMBER OF SHARES

6.1 The total number of Shares which may be allotted and issued (involving issue of new Shares or transfer of Treasury Shares, as the case may be) in respect of all Awards to be granted under the Share Award Scheme and any options and awards to be granted under any other schemes of the Company shall not, in aggregate exceed 10% of the total number of issued Shares (excluding Treasury Shares) as at the date on which the Share Award Scheme is approved by the Shareholders (the "**Scheme Mandate Limit**"). Options or awards lapsed in accordance with the terms of the Share Award Scheme and (as the case may be) such other schemes of the Company will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit. For the avoidance of doubt, any new Shares and/or Treasury Shares subscribed by or allotted to the Trustee for the purpose of satisfying any Award under the Share Award Scheme, whether or not such Shares have been granted to an Eligible Participant, shall be considered as issued utilizing the Scheme Mandate Limit. For the Awards funded by existing Shares, any such Awarded Shares shall not be counted towards the Scheme Mandate Limit.

6.2 The Company may seek approval by its Shareholders in general meeting to "refresh" the Scheme Mandate Limit after three (3) years from the date of Shareholders' approval for the last refreshment (or the adoption of this Share Award Scheme).

6.3 Any "refreshment" of the Scheme Mandate Limit within any three (3)-year period must be approved by Shareholders subject to the following provisions:

(i) any controlling shareholders of the Company 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

(ii) the Company must comply with the requirements under the Listing Rules.

6.4 The requirements set out in (i) and (ii) above 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 (as a percentage of the relevant class of Shares in issue) upon refreshment is the same as the unused part of the Scheme Mandate Limit immediately before the issue of securities, rounded to the nearest whole share.

6.5 The Scheme Mandate Limit as "refreshed" must not exceed 10% of the relevant class of shares in issue (excluding Treasury Shares) as at the date of approval of the refreshed Scheme Mandate Limit. The Company must send a circular to its Shareholders containing the number of options and awards that were already granted under the existing Scheme Mandate Limit and the reason for the "refreshment".

6.6 The Company may seek separate approval by its Shareholders in general meeting for granting awards under this Share Award Scheme or option or award under any other schemes of the Company (as the case may be) beyond the Scheme Mandate Limit provided the options or awards in excess of the limit are granted only to participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified participant who may be granted such options or awards, the number and terms of the options or awards to be granted to each participant, and the purpose of granting options or awards to the specified participants with an explanation as to how the terms of the options or awards serve such purpose. The number and terms of options or awards to be granted to such participant must be fixed before Shareholders' approval.

6.7 The total number of Shares allotted and issued or to be allotted and issued (involving issue of new Shares or transfer of Treasury Shares, as the case may be) in respect of all options and awards granted to an individual Grantee at any one time or in aggregate under the Share Award Scheme and all other share schemes (excluding any options and awards lapsed in accordance with the terms of the respective share schemes) in any twelve (12)month period up to and including the date of such relevant grant should not exceed 1% of the Shares in issue (excluding Treasury Shares) for the time being (the "**Individual Limit**").

6.8 Where any further grant of Award to an Eligible Participant would exceed the Individual Limit, such further grant must be separately approved by Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. The Company must send a circular to the Shareholders disclosing the identity of the Eligible Participant in question, the number and terms of the Awards to be granted (and Awards previously granted to such Eligible Participant in the twelve (12)-month period), the purpose of granting the Award to such Eligible Participant, explanation as to how the terms of the Award serve such purpose, and such other information required under the Listing Rules. The number and terms of the Award to be granted must be fixed before the Shareholders' approval.

7. RIGHTS OF GRANTEE

7.1 A Grantee cannot vote or receive dividends and does not have any transfer or other rights of a shareholder in respect of the Awarded Shares, including those arising on a liquidation of the Company, until the Awarded Shares are vested with and transferred to the Grantee and he/she has been registered in the register of members of the Company in respect of the Awarded Shares.

7.2 During the period from the date of Award to the Vesting Date to a Grantee, if the Company declares any cash dividends, cash income, scrip dividends, bonus Shares, scrip Shares or other distributions in respect of or derived from the Awarded Shares (the "**Distributions**"), the Grantee shall not be entitled to the Distributions. The Company shall not make any Distributions derived from the Awarded Shares and all Distributions held by the Trustee (if any) shall be returned to the Company.

8. RIGHTS OF THE TRUSTEE

8.1 The Trustee holding unvested Awarded Shares, whether directly or indirectly, shall abstain from voting on matters that require Shareholders' approval under the Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given.

9. VESTING OF AWARDED SHARES

9.1 Subject to the satisfaction of all vesting conditions applicable to the vesting of Awarded Shares to each Grantee, the Company may:

(i) allot, issue and/or transfer (as the case may be) the Awarded Shares to the Grantee; and/or

(ii) procure the Trustee to transfer the Awarded Shares held by the Trustee on behalf of such Grantee and the Trustee shall cause the Awarded Shares to be transferred to such Grantee in accordance with the rules of the Share Award Scheme,

pursuant to the provision hereof to such Grantee in accordance with the applicable vesting schedule as set out in the Grant Letter.

9.2 Save for the circumstances prescribed below, an Award must be held for at least twelve (12) months before being vested on the Eligible Participant (the "**Vesting Period**").

9.3 The Vesting Period in respect of an Employee Participant may be less than twelve (12) months from the Grant Date in the following circumstances:

(a) grants of "make-whole" Award(s) to new joiners to replace the share award(s) or option(s) they forfeited when leaving the previous employers;

(b) grants to an Eligible Participant whose employment is terminated due to death or disability or occurrence of any out of control event;

(c) grants that are made in batches during a year for administrative and compliance reasons, which include Award(s) that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the Vesting Period may be shorter to reflect the time from which the Award(s) would have been granted;

(d) grants of Award with a mixed or accelerated vesting schedule such as where the Award may vest evenly over a period of twelve (12) months;

(e) grants with performance-based vesting conditions in lieu of time-based vesting criteria; or

(f) grants of Award with a total vesting and holding period of more than twelve (12) months such as where the Award may vest by several batches with the first batch to vest within twelve (12) months of the Grant Date and the last batch to vest twelve (12) months after the Grant Date.

10. LAPSE OF AWARDS

10.1 Any Award made to the Grantee(s) shall automatically lapse forthwith on the occurrence of any of the following:

(a) the date of the commencement of the winding-up of the Company;

(b) the date on which the Grantee commits a breach of the prohibition on assignment or transfer of Awards as referred to in paragraph 12.1 below; or

(c) the date on which the Grantee ceases to be an Eligible Participant for any other reason.

10.2 In the event of lapse of any Awards, the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall remain part of the Trust Fund. The relevant Grantee shall have no right or claim against the Company, any other member of the Group, the Board, the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way.

11. PERFORMANCE TARGETS AND CLAWBACK MECHANISM

11.1 Subject to the Share Award Scheme and the Listing Rules, the Board may at its absolute discretion when making the offer for the grant of an Award impose any conditions, restrictions or limitations in relation thereto including the Vesting Period and/or the achievement of any performance targets by the Company and/or the Grantee before the Award shall vest and/or any clawback mechanism for the Company to recover or withhold any remuneration (which may include Award granted to any Grantee) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances, provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the Share Award Scheme.

11.2 If any performance targets are imposed in the relevant Grant Letter, the Board will have regard to the purpose of the Share Award Scheme in assessing such may assess such performance targets, with reference to factors including but not limited to, as and when appropriate, (i) key performance indicators specific to the Eligible Participant, which may vary based on the individual's department and position (e.g. overall sales performance for the sales department, efficiency and teamwork synergy for the operational department); (ii) the individual's operational efficiency, punctuality, integrity, honesty or compliance with internal business procedures; and (iii) key performance indicators in respect of the Group as a whole, which may include sales performance (e.g. revenue), operating performance (e.g. profits, operation efficiency), financial performance (e.g. profits, cash flow, earnings, market capitalisation, return on equity), corporate sustainability parameter (e.g. timeliness and accuracy in handling customer feedback, team work capabilities, adherence to corporate culture) and discipline and responsibility (e.g. punctuality, integrity, honesty or compliance with internal business procedures), and such other goals as the Board may determine from time to time.

11.3 In the case of Eligible Participants other than the Directors, the achievement of his/her target would be assessed by his/her manager through the annual performance review process and his/her final rating will be subject to the performance results and approval by the relevant department head.

11.4 In the case of Eligible Participants who are the Directors, the achievement of his/her target will be subject to assessment and approval by the Remuneration Committee (provided that if the proposed Grantee(s) in question is/are member(s) of the Remuneration Committee, such member(s) shall abstain from considering any matters in relation to the assessment of achievement of performance targets with respect to him/herself).

11.5 Due to the business nature of the Group, it would not be practicable, or possible, to delineate a precise list of performance targets that would apply to all Eligible Participants. The parameters whereby each Eligible Participant is or may be measured will be determined on a case-by-case basis and will be highly dependent on their roles and duties within the Group. The targets may also vary year to year as the business of the Group is evolving and may be impacted by ever changing market conditions, and the Board should be afforded the flexibility to determine appropriate targets when the Awards are granted.

11.6 Other than the circumstances under which the Award(s) shall be cancelled automatically as set out in the Share Award Scheme, if any clawback mechanism is imposed, the Board will take into account individual circumstances when devising such mechanism such as the role of the Grantee, the purpose of the Grant (for example whether as recognition of past contribution or as incentive to motivate such Grantee to contribute to the Group in the future on an ongoing basis), whether it would be particularly burdensome and complicated to implement the clawback mechanism, whether there are any tax implications etc.

11.7 The Award(s) granted shall automatically lapse if the relevant performance target(s) or vesting term(s) are not satisfied or fulfilled.

11.8 Although the Board would evaluate the circumstances of each grant to determine the need for imposing clawback mechanism, where there has been an occurrence of Misconduct, such as:

(i) any material misstatements or omissions in the Company's financial statements by a Grantee;

(ii) any violation by a Grantee of confidentiality or non-competition obligations owed to the Group, or any leakage by such Grantee of the Group's trade secrets, intellectual property or proprietary information;

(iii) any termination of employment contract by a Grantee without notice or payment in lieu of notice;

(iv) any conviction of any criminal offence by a Grantee involving integrity or honesty;

(v) any conduct of a Grantee that has material adverse effect to the reputation or interests of the Group;

(vi) termination of the Grantee's employment on the grounds that he or she has been guilty of serious misconduct;

(vii) the Grantee appears either to be unable to pay or to have no reasonable prospect of being able to pay his or her debts or has committed any act of bankruptcy or has become insolvent or has made any arrangements or compromise with his or her creditors generally; or

(viii) occurrence of any other grounds on which an employer would be entitled to terminate his or her employment summarily,

the Award granted but not yet vested shall be subject to clawback automatically due to the occurrence of Misconduct and shall therefore be cancelled. Under the above circumstances, the Board shall give notice in writing to the Grantee concerned claw back such number of the Awarded Shares (to the extent not being vested) as the Board may consider appropriate. The Awarded Shares that are clawed back due to the occurrence of Misconduct shall be regarded as cancelled and the Awarded Shares so clawed back will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

12. TRANSFERABILITY OF AWARDS

12.1 Subject to paragraph 12.2, an Award shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to any Award. If a Grantee does any of the foregoing, whether voluntarily or involuntarily, the Award will immediately and automatically lapse.

12.2 The Stock Exchange may consider granting a waiver to allow a transfer of an Award to a vehicle (such as a trust or a private company) for the benefit of the Grantee and any family members of such Grantee (e.g. for estate planning or tax planning purposes) that would continue to meet the purpose of the Share Award Scheme and comply with other requirements of the Listing Rules. Where such waiver is granted, the beneficiaries of the trust or the ultimate beneficial owners of the transferee vehicle shall be disclosed.

13. ADJUSTMENT MECHANISMS

13.1 In the event of an alteration in the capital structure of the Company by way of capitalisation of profits or reserves, bonus issue, rights issue, open offer, subdivision or consolidation of shares, or reduction of the share capital of the Company in accordance with legal requirements and requirements of the Stock Exchange (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party), the Company will make corresponding adjustments (as necessary and in accordance with the Listing Rules and any guidance materials published by the Stock Exchange from time to time) to:

(i) the number of Shares subject to the Scheme Mandate Limit (as refreshed from time to time); and/or

(ii) the number of Awarded Shares pursuant to the outstanding Awards; and/or

(iii) the Purchase Price (where applicable); or any combination thereof, provided that:–

(a) any such adjustments give a Grantee the same proportion of the equity capital of the Company as that to which that Grantee was previously entitled; and

(b) notwithstanding sub-paragraph (a) above, any adjustments as a result of an issue of securities with a price-dilutive element, such as a rights issue, open offer or capitalisation issue, shall be made in accordance with Frequently Asked Questions FAQ13 – No.16 or such other guidance as may be issued by the Stock Exchange from time to time,

but no such adjustments shall be to the extent that a Share would be issued at less than its nominal value. Other than adjustments made on a capitalisation issue, the Company shall engage independent auditors or financial advisor to certify in writing, either generally or as regards any particular Grantee, that the adjustments made by the Company under this paragraph satisfies the requirements set out in paragraphs (a) and (b) above and are in their opinion fair and reasonable. The capacity of the Auditors or financial advisor (as the case may be) in this paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantee. The costs of the Auditors or financial advisor (as the case may be) shall be borne by the Company.

14. RANKING OF SHARES

14.1 The Awarded Shares to be vested with and transferred to the Grantees shall be identical to all existing issued Shares and shall be subject to all the provisions of the Bye-laws for the time being in force, and such Shares shall rank pari passu in all respects with the existing fully paid Shares in issue on the date of allotment and issue of the Awarded Shares and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made after the date on which Shares are vested with and transferred to the Grantees other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the date on which the Shares are vested.

15. ALTERATION TO THE SHARE AWARD SCHEME AND THE AWARDS

15.1 Any alterations to the terms and conditions of this Share Award Scheme which relate to the matters set out in Rule 17.03 of the Listing Rules must be approved by ordinary resolution of Shareholders in a general meeting.

15.2 Any change to the terms of Award granted to an Eligible Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders of the Company if the initial grant of the Award was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders of the Company (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the Share Award Scheme.

15.3 The amended terms of the Share Award Scheme must comply with the relevant requirements of all laws, rules and regulations including but not limited to Chapter 17 of the Listing Rules and any guidance on the interpretation of the Listing Rules issued by the Stock Exchange from time to time.

16. TERMINATION OF THE SHARE AWARD SCHEME

16.1 The Company by ordinary resolution in general meeting or the Board may at any time terminate the Share Award Scheme and in such event no further Award may be granted but in all other respects the provisions of the Share Award Scheme shall remain in full force and effect to give effect to the settlement of any Award granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Award Scheme. Awards that are granted during the life of the Share Award Scheme and remain outstanding immediately prior to the termination of the Share Award Scheme shall continue to be valid and eligible to vest in accordance with their terms of issue after the termination of the Share Award Scheme. Details of the Award(s) granted, including Award(s) outstanding, under the Share Award Scheme and (if applicable) Award(s) that become void or non-exercisable as a result of the termination must be disclosed in the circular to the Shareholders seeking approval of the first new share award scheme to be established after such termination. The Company shall notify all Grantees and (if applicable) the Trustee of such termination and of how any property held by the Trustee on trust for the Grantees (including, but not limited to, any Shares held) and the outstanding Awards shall be dealt with.

17. CANCELLATION

17.1 Any Awards granted may be cancelled if :

(i) the Grantee so agrees;

(ii) upon occurrence of any events triggering the clawback mechanism due to Misconduct (and whether an event is to be regarded as triggering the clawback mechanism due to Misconduct is subject to the sole determination of the Board) in relation to a Grantee, the Board will claw back such number of Awarded Shares granted (to the extent not already vested). The Board may (but is not obliged to) by notice in writing inform the relevant Grantee in respect of the cancellation; or

(iii) in the Board's absolution opinion, it is necessary to comply with the laws or regulations in the jurisdictions in which the Eligible Participants and the Company are subject to, or in order to comply with, the requirements of the Listing Rules and/or other laws or regulations.

17.2 For the avoidance of doubt, where the Company cancels Award granted to an Eligible Participant and grants new Award (or option(s) or award(s) under any other share scheme of the Company) to the same Eligible Participant, such new grant may only be made with available Scheme Mandate Limit, and that the Award cancelled will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

17.3 Other than the circumstances under which the Award(s) shall lapse as set out in the Share Award Scheme, the Awarded Shares that are clawed back due to Misconduct shall be regarded as cancelled and the Awarded Shares so cancelled shall be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

18. DISPUTES

18.1 Any dispute arising in connection with the Share Award Scheme shall be referred to the Board, whose decision shall be final and binding on all persons who maybe affected thereby.

19. MISCELLANEOUS

19.1 The Company shall bear the costs of establishing and administering the Share Award Scheme including any costs of the Auditors and the independent financial advisers in relation to the preparation of any certificate by them or providing any other service in relation to the Share Award Scheme.

19.2 Any notice or other communication served:

(a) by the Company shall be deemed to have been served 24 hours after the same was sent by pre-paid post or delivered by hand or by courier or by fax or by e-mail to the address, fax number or e-mail address of the Grantee (as the case may be) as notified to the Company from time to time; and

(b) by a Grantee shall not be deemed to have been received until the same shall have been received by the Company at its principal place of business in Hong Kong for the time being.

19.3 A Grantee shall be responsible for obtaining any governmental or other official consent that may be required by any country or jurisdiction in order to permit the receipt of the Awarded Shares. A Grantee shall pay all tax and discharge all other liabilities to which he or she may become subject to as a result of the participation in the Share Award Scheme or the receipt of the Awarded Shares. The Company shall not be responsible for any failure by a Grantee to obtain any such consent or for any tax or other liability to which a Grantee may become subject as a result of his or her participation in the Share Award Scheme. A Grantee shall, on demand, indemnify the Company fully against all claims and demands which may be made against the Company (whether alone or jointly with other party or parties) for or in respect of or in connection with any failure on the part of the Grantee to obtain any necessary consent referred to hereinabove or to pay tax or other liabilities referred to hereinabove and against all incidental costs and expenses which may be incurred or spent by the Company.

19.4 The Board shall have the power from time to time to make or vary regulations for the administration and operation of the Share Award Scheme, provided that the same are not inconsistent with the other provisions of the Share Award Scheme. The Board shall also have the power to delegate its powers to grant Awards to Eligible Participants and to determine the Purchase Price, to any of the Company's directors from time to time.

19.5 The Share Award Scheme shall not form part of any contract of employment between the Company or any Subsidiary and any employee and the rights and obligations of any employee under the terms of his or her office or employment shall not be affected by his or her participation in the Share Award Scheme or any right which he or she may have to participate in it and the Share Award Scheme shall afford such an employee no additional rights to compensation or damages in consequence of the termination of such office or employment for any reason.

19.6 No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of Award pursuant to the Share Award Scheme, unless and until the relevant Awarded Shares are actually transferred to the Grantee upon vesting.

19.7 The Share Award Scheme and all Awards granted hereunder shall be governed by and construed in accordance with the laws of Hong Kong.

Hong Kong Robotics Group Holding Limited
港仔機器人集團控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 370)

NOTICE IS HEREBY GIVEN that an annual general meeting (the "**Annual General Meeting**") of Hong Kong Robotic Group Holding Limited (formerly known as China Best Group Holding Limited) (the "**Company**") will be held at Suites 1901-2 & 14, 19/F, Tower 6, The Gateway, Harbour City, Kowloon, Hong Kong on Monday, 8 September 2025 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the reports of the directors and of the auditors for the year ended 31 March 2025;

2. (a) To re-elect Mr. Li Mengzhe as non-executive director of the Company;

   (b) To re-elect Ms. Wang Yingqian as executive director of the Company;

   (c) To re-elect Mr. Ye Jianmu as independent non-executive director of the Company;

   (d) To authorize the board of directors of the Company to appoint additional directors not exceeding the maximum number determined from time to time by the shareholders of the Company in general meeting; and

   (e) To authorize the board of directors of the Company to fix the remuneration of the directors of the Company;

3. To re-appoint ZHONGHUI ANDA CPA Limited as auditors and to authorize the board of directors of the Company to fix their remuneration;

To consider as special business and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

4A. "**THAT**

(a) subject to paragraph (b) below, the directors of the Company be hereby generally and unconditionally authorized to exercise during the Relevant Period (as defined below) all the powers of the Company to issue, allot and deal with additional shares of the Company and to make or grant offers, agreements and options which would or might require the exercise of any of such powers during or after the end of the Relevant Period;

(b) the aggregate number of the shares allotted, issued or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval in paragraph (a) above, other than pursuant to (i) a Rights Issue (as defined below); or (ii) an issue of shares of the Company by way of scrip dividend pursuant to the bye-laws of the Company from time to time; or (iii) the exercise of any option granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or its subsidiaries, of options to subscribe for, or rights to acquire, shares of the Company, shall not in total exceed 20% of the total number of shares of the Company in issue (excluding treasury shares held by the Company (the "**Treasury Shares**")) on the date of passing this resolution; and

(c) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company's shareholders in general meeting; and

(iii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and

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

(d) Any reference to an allotment, issue, grant, offer or disposal of shares of the Company shall include the sale or transfer of Treasury Shares in the capital of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, options, warrants or similar rights to subscribe for shares of the Company) to the extent permitted by, and subject to the provisions of, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and applicable laws and regulations.

4B. "**THAT**

(a) the directors of the Company be generally and unconditionally authorized to exercise during the Relevant Period (as defined below) all the powers of the Company to purchase its shares, subject to and in accordance with the applicable laws;

(b) the total number of shares which may be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate number of shares of the Company in issue (excluding Treasury Shares) on the date of passing this resolution; and

(c) for the purpose of this resolution, "Relevant Period" means the period from the passing of this resolution until whichever is the earliest of:

(i) the conclusion of the next annual general meeting of the Company;

(ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company's shareholders in general meeting; and

(iii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held."

4C. "**THAT** conditional upon the ordinary resolutions no. 4A and no. 4B above being approved, the aggregate number of shares of the Company which are repurchased by the Company pursuant to and in accordance with ordinary resolution no. 4B shall be added to the aggregate number of shares of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to and in accordance with ordinary resolution no. 4A above."

5. "**THAT** subject to and conditional upon the Share Award Scheme becoming effective, the existing share option scheme of the Company adopted on 1 September 2021 be and is hereby terminated."

6. "**THAT**

(a) Subject to and conditional upon the Listing Committee of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") granting the approval for the listing of, and permission to deal in, such number of Shares of the Company which may fall to be allotted and issued, and Treasury Shares transferred or to be transferred, pursuant to the vesting of the awarded Shares under the Share Award Scheme of the Company (the rules of which are contained in the document marked "A" produced to this meeting and signed by the chairman of this meeting for the purpose of identification) (the "**Share Award Scheme**"), the Share Award Scheme be and is hereby approved and adopted and that any director of the Company be and is hereby authorised to do all such acts and to enter into all such transactions, arrangements and agreements as may be necessary or expedient in order to give full effect to the Share Award Scheme including without limitation:

(i) to administer the Share Award Scheme under which awarded Shares will be granted to Grantee(s) (as defined under the Share Award Scheme) under the Share Award Scheme;

(ii) to modify and/or amend the Share Award Scheme from time to time provided that such modification and/or amendment is effected in accordance with the provisions of the Share Award Scheme relating to modification and/or amendment and subject to Chapter 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**");

(iii) to grant awards under the Share Award Scheme to allot, issue and deal with and to procure the transfer of and deal with from time to time such number of Shares (including Treasury Shares, as the case may be) as may be required to be allotted, issued and dealt with and be procured to be transferred of and dealt with pursuant to the vesting of the awarded Shares to be granted under the Share Award Scheme and subject to the Listing Rules;

(iv) to make application at the appropriate time or times to the Stock Exchange for the listing of, and permission to deal in, any Shares that may hereafter from time to time be allotted and issued in respect of the awarded Shares to be granted under the Share Award Scheme and subject to the Listing Rules; and

(v) to consent, if deem fit and expedient, to such conditions, modifications and/or variations as may be required or imposed by the relevant authorities in relation to the Share Award Scheme and subject to the Listing Rules."

7. "**THAT** the Scheme Mandate Limit as defined in the circular of the Company dated 4 August 2025 (the "**Circular**") (the total number of Shares which may be issued and Treasury Shares which may be transferred in respect of all awards to be granted under the Share Award Scheme and any options and awards to be granted under any other schemes of the Company, which shall not in aggregate exceed 10% of the total number of issued Shares, excluding Treasury Shares, as at the date of adoption of the Share Award Scheme) be and is hereby approved and adopted and that any director of the Company be and is 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 he/she may consider necessary, desirable or expedient to effect and implement the Scheme Mandate Limit."

By Order of the Board
Hong Kong Robotics Group Holding Limited
Mr. Li Mengzhe
Chairman

Hong Kong, 4 August 2025

As at the date of this notice, the board of directors of the Company comprises one non-executive director, namely Mr. Li Mengzhe (Chairman), three executive directors, namely Ms. Wang Yingqian (Deputy Chairman), Mr. Qin Jie (Chief Executive Officer) and Mr. Li Haitao, and three independent non-executive directors, namely Mr. Liu Tonghui, Ms. Yin Meiqun and Mr. Ye Jianmu.

Notes:

(1) For the purpose of determining the shareholders who are entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Tuesday, 2 September 2025 to Monday, 8 September 2025, both days inclusive. In order to qualify for attending and voting at the Annual General Meeting, all transfer documents accompanied by relevant share certificates should be lodged for registration with Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by 4:30 p.m. on Monday, 1 September 2025.

(2) In accordance with the relevant requirements under the Rules Governing the Listing of Securities on the Stock Exchange and for good corporate governance practice, the Chairman of the Board has indicated that he would direct that each of the resolutions set out in the notice of the Annual General Meeting be voted on by poll. The results of the poll will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hkrobotics.ai) respectively.

(3) A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as his proxy to attend and vote in his stead. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Annual General Meeting. A proxy need not be a member of the Company.

(4) In order to be valid, the form of proxy must be deposited at the Company's branch share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong together with the power of attorney or other authority (if any) under which it is signed or certified copy of such power of attorney or authority, not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjournment thereof.

(5) A form of proxy for use in connection with the Annual General Meeting is enclosed and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hkrobotics.ai) respectively.