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If you have sold or transferred all your shares in JST Group Corporation Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, exchange participant or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



JST Group Corporation Limited

聚水潭集團股份有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Stock Code: 6687)

PROPOSED ADOPTION OF SHARE AWARD SCHEME AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Unless the context otherwise requires, capitalised terms used on this cover page shall have the same meaning as those defined in the section headed “Definitions” of this circular.

A notice convening the EGM of JST Group Corporation Limited (the “**Company**”) to be held at 6/F, Building T4, Hongqiaohui, Lane 990, Shenchang Road, Minhang District, Shanghai, PRC on Wednesday, 16 September 2026 at 10:00 a.m. is set out on pages 61 to 63 of this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

27 August 2026

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DEFINITIONS

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

“Adoption Date”	means the date on which the Shareholders approved the adoption of the Scheme and the date on which the Company adopted the Scheme Rules for the establishment of the Scheme;
“Articles of Association”	means the memorandum and articles of association of the Company, as amended from time to time;
“associate”	has the meaning ascribed thereto under the Hong Kong Listing Rules;
“Award”	means an award of the Awarded Interests by the Board to a Selected Participant in accordance with the Scheme Rules;
“Awarded Cash”	in respect of a Selected Participant, means such amount of cash to be paid to him in satisfaction of an Award upon its vesting, the amount of which shall be (a) equivalent to the proceeds of the on-market sale of the Awarded Shares upon vesting; or (b) where no such sale is to be conducted, an amount to be determined by the Company in accordance with the formula set out below:

$$\text{Awarded Cash} = A \times B$$

where:

A = the number of Awarded Shares which the Selected Participant is entitled to receive upon the vesting of Award;

B = the Market Value of a Share on the Vesting Date or, if the Vesting Date is not a Business Day, the Market Value of a Share on the last Business Day preceding the Vesting Date, and the Company’s determination of the amount of the Awarded Cash shall, in the absence of fraud or manifest error, be binding on the Company and the relevant Selected Participant,

where “Market Value” shall mean the closing price of the Shares as stated in the daily quotations sheets issued by the Hong Kong Stock Exchange on the relevant date, or such other amount as the Board may determine at its sole discretion,

DEFINITIONS

whereby in both cases of items (a) and (b) above, after deducting withholding of any tax, fines, levies, stamp duty and other charges applicable to the entitlement of the Selected Participant and sale of any Shares to fund such payment and in relation thereto;

“Awarded Interests”	means the Awarded Shares and/or Awarded Cash and the Related Income (if any) under the Award;
“Awarded Shares”	in respect of a Selected Participant, means such number of Shares as awarded to him or her by the Board, which may include New Shares (including treasury Shares) as well as Existing Shares;
“Board”	means the board of Directors and if applicable, such committee or sub-committee of the board of directors as delegated with the power and authority from time to time to administer the Scheme and/or to deal with the Trust/Trustee under the supervision of the board of directors of the Company;
“Business Day”	means a day (other than Saturday, Sunday or public holiday or days on which a tropical cyclone warning No. 8 or above or a black rainstorm warning is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which the Hong Kong Stock Exchange is open for trading and on which banks are open for business in Hong Kong;
“close associate(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules;
“Company”	means JST Group Corporation Limited, an exempted company incorporated in the Cayman Islands with limited liability;
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules;
“Contributed Amount”	means cash paid or made available to the Trust by way of settlement or otherwise contributed to the Trust by the Company, any Subsidiary and/or any party designated by the Company for the purpose of the Scheme;
“Directors”	means the directors of the Company;

DEFINITIONS

“EGM”	means the extraordinary general meeting of the Company to be convened and held at 6/F, Building T4, Hongqiaohui, Lane 990, Shenchang Road, Minhang District, Shanghai, PRC on Wednesday, 16 September 2026 at 10:00 a.m., or where the context so admits, any adjournment thereof;
“Eligible Participant”	means the Employee Participant at any time during the Trust Period;
“Employee Participant”	means directors (including the executive Directors, non-executive Directors and independent non-executive Directors) and employees (including full-time employees and part-time employees) of any member of the Group (including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with any member of the Group);
“Excluded Participant”	means any Eligible Participant who is resident in a place where the grant of an Award and/or the vesting and transfer of the Awarded Interests pursuant to the Scheme Rules is not permitted or desirable 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 Shares”	means the issued Shares from time to time, excluding treasury Shares;
“Grant Date”	means the date on which a grant of Award is made to an Eligible Participant, being the date of the Board meeting approving the grant;
“Group”	means the Company and its Subsidiaries from time to time, and “member of the Group” means any or a specific one of them;
“HK\$”	means Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Hong Kong Listing Rules”	means the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange;

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“Hong Kong Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Latest Practicable Date”	20 August 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular;
“Model Code”	means the model code for securities transactions by the Directors adopted by the Company in terms no less exacting than those set out in Appendix C3 of the Hong Kong Listing Rules;
“New Shares”	subject to the Hong Kong Listing Rules and unless otherwise designated or assigned by the Company, means any newly-allotted Shares;
“Other Schemes”	means other share option/award scheme(s) of the Company (excluding the Scheme) under which Share Grants are made by the Company or any of its Subsidiaries in accordance with Chapter 17 of the Hong Kong Listing Rules;
“Related Income”	means any and all cash and non-cash income, dividends or distributions, and non-cash and non-scrip distributions in respect of any Shares less any tax, fees, levies, stamp duty and other charges applicable;
“Remuneration Committee”	means the remuneration committee of the Company;
“Residual Cash”	(a) any Contributed Amount, if received by the Trust for the subscription for or purchase of Shares, which is unutilised and, if applicable, un-refunded to the Company or such other person who contributed the Contributed Amount; (b) any Contributed Amount received by the Trust for any purpose other than the subscription for or purchase of Shares; and (c) other cash in the Trust Fund (including without limitation (i) any cash income or dividends derived from or in respect of Shares held under the Trust; (ii) other cash income or net proceeds of sale of non-cash and non-scrip distribution derived from or in respect of the Shares held under the Trust; and (iii) all interest or income derived from deposits maintained with licensed or regulated banks in Hong Kong or elsewhere);

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“Scheme” or “Share Award Scheme”	means the share award scheme of the Company to be approved and adopted by the Company on the Adoption Date, in its present form or as amended from time to time in accordance with the Scheme Rules;
“Scheme Mandate Limit”	means the total number of New Shares (including treasury Shares) that may be allotted and issued (or transferred in respect of treasury Shares) by the Company in respect of: (a) Awards granted under the Scheme; and (b) Share Grants under Other Schemes; being 10% of the Shares in issue (excluding treasury Shares) on the Adoption Date, or in such percentage as subsequently refreshed in compliance with the Hong Kong Listing Rules;
“Scheme Rules”	means the rules for the Scheme including all amendments and supplements hereto;
“Selected Participant(s)”	means Eligible Participant(s) selected by the Board pursuant to the Scheme Rules for participation in the Scheme (or his legal personal representative or lawful successor as the case may be);
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share Grants”	means the grant of share awards and/or options over New Shares (including treasury Shares) under Other Schemes and which is governed by Chapter 17 of the Hong Kong Listing Rules;
“Shareholder(s)”	means the holder(s) of Shares;
“Shares”	means the ordinary shares of US\$0.0001 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange (or of such other nominal amount as shall result from a sub-division, consolidation, reclassification, reduction or reconstruction of the share capital of the Company from time to time);
“Subsidiary”	has the meaning given to it by the Hong Kong Listing Rules;

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- “Trust”** means the trust constituted by the Trust Deed;
- “Trust Deed”** means a trust deed to be entered into between the Company as settlor and the Trustee as trustee of the Trust (as restated, supplemented and amended from time to time);
- “Trust Fund”** means the funds and properties held directly or indirectly under the Trust and managed by the Trustee for the benefit of the Selected Participants (other than the Excluded Participants), including without limitation:
- (a) HK\$100 as initial sum;
 - (b) all Shares acquired by the Trustee for the purpose of the Trust (including but not limited to any Awarded Shares whether or not vested in a Selected Participant) and such other scrip income (including but not limited to bonus Shares and scrip dividends declared by the Company) derived from the Shares held upon the Trust;
 - (c) any cash (including Residual Cash);
 - (d) any other property hereafter paid, transferred, or delivered to or otherwise placed under the control of and (in any such case) accepted by the Trustee as additions to the Trust Fund;
 - (e) all issued shares in the capital of the Trust SPV; and
 - (f) all other properties from time to time representing (a) to (e) above;
- “Trust Period”** has the same meaning defined in the Trust Deed;

DEFINITIONS

“Trust SPV”	means a company which is a wholly-owned subsidiary of the Trustee and designated as the entity solely for the purpose of holding the Awarded Shares;
“Trustee”	means the trustee as appointed under the Trust Deed to act as trustee of the Trust, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed; and
“Vesting Date”	in respect of a Selected Participant, means the date on which his entitlement to the relevant Award is vested in such Selected Participant in accordance with the Scheme Rules.

LETTER FROM THE BOARD



JST Group Corporation Limited

聚水潭集團股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6687)

Executive Directors:

Mr. Luo Haidong (*Chairman & Chief Executive Officer*)

Mr. He Xingjian

Mr. Li Cansheng

Mr. Wang Yu

Independent Non-Executive Directors:

Ms. Luo Mei

Mr. Li Jiajun

Mr. Sheng Kaiqiang

Registered Office:

Palm Grove Unit 4

265 Smith Road

George Town

P.O. Box 52A, Edgewater Way, #1653

Grand Cayman KY1-9006

Cayman Island

Head Office:

6/F, Building T4, Hongqiaohui

Lane 990, Shenchang Road

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PRC

Principal Place of Business in

Hong Kong:

Room 1917, 19/F

Lee Garden One

33 Hysan Avenue

Causeway Bay

Hong Kong

27 August 2026

To the Shareholders

Dear Sir or Madam,

**PROPOSED ADOPTION OF SHARE AWARD SCHEME
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

LETTER FROM THE BOARD

INTRODUCTION

The purpose of this circular is to provide you with information in respect of the proposed adoption of the Share Award Scheme and to give you notice of the EGM.

PROPOSED ADOPTION OF THE SHARE AWARD SCHEME

In order to provide the Eligible Participants with equity incentives in compliance with the Hong Kong Listing Rules, the Board proposes the adoption of the Share Award Scheme.

Objectives

The specific objectives of the Scheme are:

- (i) to recognise the contributions by certain Eligible Participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and
- (ii) to attract suitable personnel for further development of the Group.

Eligible Participants and the basis of determining the eligibility of Eligible Participants

The Eligible Participants include the Employee Participants, being the directors (including the executive Directors, non-executive Directors and independent non-executive Directors) and employees (including full-time employees and part-time employees) of any member of the Group (including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with any member of the Group) at any time during the Trust Period.

In determining the appropriate Awarded Interest to be granted to any Selected Participant who is an Employee Participant (excluding any Excluded Participant), the Board shall take into consideration matters including, but without limitation to,

- (a) the Selected Participant's individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard;
- (b) the length of employment or appointment of the Selected Participant with the Group;
- (c) the present contribution and expected contribution of the relevant Selected Participant to the profits of the Group;
- (d) the general financial condition of the Group; and
- (e) the Group's overall business objectives and future development plan.

LETTER FROM THE BOARD

Although independent non-executive Directors also fall within the categories of Eligible 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 Hong Kong Listing Rules, which provides that issuers generally should not grant equity-based remuneration with performance-related elements to independent non-executive Directors as this may lead to bias in their decision-making and compromise their objectivity and independence.

Notwithstanding the above, the Board, with the recommendation of the Remuneration Committee, considered that the inclusion of non-executive Directors and independent non-executive Directors aligns with the Scheme's purpose of attracting and retaining talents to the Board by enhancing the alignment of their interests with those of the Company and the Shareholders, which fosters the long-term success of the Company. The Board, with the recommendation of the Remuneration Committee, considered that:

- (a) including non-executive Directors and independent non-executive Directors as Participants would enable the Group to attract and/or retain high-quality talents to the Board;
- (b) similar to other Directors and senior management of the Company, the alignment of interest encourages non-executive Directors and 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 the decision-making process;
- (c) the individual limit of New Shares (including treasury Shares) issued and to be issued to any non-executive Directors or independent non-executive Directors in the 12-month period (up to and including the date of Grant) is limited to 0.1% of the Shares in issue (excluding treasury shares) on the date of Grant; and
- (d) performance targets are not applicable for granting Awards to the independent non-executive Directors, primarily because their role focuses on providing independent oversight and strategic guidance as regards to the Board's decision-making processes rather than direct management of operations. As such, including independent non-executive Directors as Eligible Participants would not impair their objectivity and independence.

In addition, the Eligible Participants also cover full time as well as part time employees, which the Board considers is in line with modern commercial practice such that both full time and part time employees be given incentives to work towards the goal of enhancing the enterprise value and attaining the long-term objectives of the Company for the benefit of the Group as a whole. Such coverage is also in line with the aforesaid purposes of the Scheme.

LETTER FROM THE BOARD

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

Adoption conditions

The Scheme shall take effect subject to and conditional upon:

- (i) approval of the Shareholders being obtained through the passing of resolutions by the Shareholders to adopt the Scheme and to authorise the Board to grant Awards under the Scheme and to allot, issue, transfer and deal with Shares pursuant to the grant of any Awards in accordance with the terms and conditions of the Scheme; and
- (ii) the Hong Kong Stock Exchange granting approval for the listing of, and permission to deal in, such number of Shares representing the Scheme Mandate Limit to be allotted and issued or transferred (in the case of treasury Shares) by the Company pursuant to any grant of any Awards in accordance with the terms and conditions of the Scheme.

Duration

Subject to any early termination as may be determined by the Board pursuant to the Scheme Rules, the Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date, after which no further Awards will be granted but in all other respects the provisions of the Scheme shall remain in full force and effect and the Awards granted during the term of the Scheme may continue to be valid in accordance with the provisions of the Scheme.

Depending on the circumstances including, among other matters, the then market conditions, the performance and development of the Group as well as performance of the Eligible Participants, the Company might consider granting Awards to the Eligible Participants within 12 months after the Adoption Date. As of the Latest Practicable Date, the Company had not finalised the details of any such plan. The Company will make relevant disclosure by way of announcement(s) in compliance with Chapter 17 of the Hong Kong Listing Rules upon the grant of any Awards to the Eligible Participants.

Administration

The Scheme shall be subject to the administration of the Board and the Trustee in accordance with the Scheme Rules and the Trust Deed. The decision of the Board with respect to any matter arising under the Scheme shall be final and binding. As at the Latest Practicable Date, the Trustee had yet been appointed. The Company will not appoint any Director to be the Trustee and will not appoint any Trustee in which any Director shall have direct or indirect interest. The Trustee shall be independent of the Company and its connected persons.

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Without prejudice to the foregoing and to the extent permissible under the Hong Kong Listing Rules and other applicable laws and regulations, the Board may resolve to delegate to another committee of the Board or to one or more officers of the Company any or all of the authority and responsibility of the Board under the Scheme Rules and the Trust Deed.

Subject to the terms and conditions of the Scheme, the Board shall have the sole and absolute right to (i) interpret and construe the provisions of the Scheme, (ii) determine the Selected Participants who will be granted Awards under the Scheme, the terms and conditions on which Awards are granted to the Selected Participants and when the Awards granted may vest, (iii) make such appropriate and equitable adjustments to the terms of the Awards granted to the Selected Participants as it deems necessary and (iv) make such other decisions or determinations as it shall deem appropriate or desirable in respect of the administration of the Scheme.

The Trustee shall hold the Trust Fund in accordance with the terms of the Trust Deed.

The Trustee, solely in its capacity as trustee of the Trust in relation to the Scheme, shall not hold more than 2% of the issued Shares (excluding treasury Shares) from time to time throughout the duration of the Scheme.

Operation of the Scheme

Grant of the Awarded Shares to Selected Participants

Subject to the provisions of the Scheme, including but not limited to the restrictions set forth in the Scheme Rules, the Board may, from time to time, at its sole and absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the Scheme as a Selected Participant, and grant an Award to any Selected Participant at such consideration and in such circumstances that the Company will not be required under applicable laws and regulations (including without limitation to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)) to issue a prospectus or other offer document in respect thereof and subject to such terms and conditions as the Board may in its sole and absolute discretion determine. The Board may determine that a Selected Participant will be granted Awarded Interests in the form of Awarded Shares or Awarded Cash or in the combination thereof. In determining whether settlement will be in Awarded Shares or Awarded Cash or in the combination thereof, the Board may take into account factors including (a) the Selected Participant's performance and seniority, (b) the financial position and cash position of the Company, (c) the prevailing market price of the Shares, and (d) the general economic circumstances at the time of vesting. For the avoidance of doubt, the Selected Participant shall not be entitled to any Related Income from any Shares prior to (a) vesting (in respect of Awarded Cash) or (b) the transfer of the Shares to the Selected Participant (in respect of settlement by way of Shares).

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The Board is entitled to impose any conditions, as it deems appropriate in its sole and absolute discretion with respect to the vesting of the Awarded Interests to the Selected Participant providing that, subject to the paragraph below, the vesting period for the Award Interests that are funded by New Shares or treasury Shares shall not be less than twelve (12) months and shall inform the Trustee and such Selected Participant the relevant conditions of the Award. Notwithstanding any other provisions of the Scheme, subject to applicable laws and regulations, the Board shall be at liberty to waive any vesting conditions referred to in this paragraph.

Notwithstanding any other provisions of the Scheme, subject to applicable laws and regulations, the Board may in its sole and absolute discretion determine that the Awards that are funded by New Shares or treasury Shares and granted to an Employee Participant may be subject to a vesting period of less than 12 months in the following circumstances:

- (i) Awards are grant of “make-whole” share awards to a Selected Participant who is a new joiner of the Group to replace the share awards he has been forfeited when leaving the previous employer;
- (ii) Awards are granted to a Selected Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event, in which circumstances the vesting of shares awards may accelerate;
- (iii) Awards are subject to performance-based vesting conditions provided in the Grant Letter, in lieu of time-based vesting criteria;
- (iv) Awards are granted in batches during a year for administrative and compliance reasons, in which case, the vesting period may be shorter to reflect the time from which the Awards would have been granted;
- (v) Awards are granted with a mixed or accelerated vesting schedule (such as where the Awards may vest evenly over a period of twelve (12) months); or
- (vi) Awards with a total vesting and holding period of more than twelve (12) months.

The Board and the Remuneration Committee are of the view that the shorter vesting period prescribed in the paragraph above is in line with the market practice and is appropriate and aligns with the purpose of the Scheme based on the following factors:

- (i) it is necessary and fair to provide a “make-whole” arrangement, for instance, for new joiners whose share awards with their former employers have been forfeited by reason of joining the Group, which can also enhance the Group’s competitiveness to attract and retain top-tier talent, particularly in senior management positions that play a pivotal role in driving the Company’s long-term success;

LETTER FROM THE BOARD

- (ii) it is fair and appropriate to have a shorter vesting period in the event of death, disability, or other circumstances beyond the control of the Selected Participant;
- (iii) where vesting is based on performance targets rather than time, strict adherence to a twelve (12)-month vesting period would be inconsistent with the performance-based purpose of such Awards which is to motivate exceptional performers based on performance metrics rather than time;
- (iv) it may be impracticable to adhere to a strict twelve (12)-month vesting period for Awards granted in batches during a year;
- (v) it may be impracticable to adhere to a strict twelve (12)-month vesting period for Awards granted with a mixed or accelerated vesting schedule; and
- (vi) where the Awards are subject to a total vesting and holding period exceeding twelve (12) months, it is fair to have a shorter vesting period.

The Company should be allowed discretions to formulate its own talent recruitment and retention strategies in response to evolving market conditions and industry competition to tailor vesting conditions based on individual circumstances rather than relying solely on time-based vesting criteria.

In the event that a Selected Participant is a director, chief executive, a substantial shareholder, their respective associates or otherwise regarded as a connected person (as such term is defined under the Hong Kong Listing Rules) of the Company, such Awards shall constitute connected transactions under Chapter 14A of the Hong Kong Listing Rules where the Awards are to be funded by Existing Shares, and the Company shall comply with the relevant requirements under the Hong Kong Listing Rules.

Where any grant of Awarded Interests is proposed to be made to any Selected Participant, the Company shall comply with such provisions of the Hong Kong Listing Rules as may be applicable, including any disclosure, reporting, announcement and/or shareholders' approval requirements, unless otherwise exempted under the Hong Kong Listing Rules.

After the Board has decided to make a grant of Awarded Interests to any Eligible Participant, the Board shall send to the Eligible Participant a written instrument (the "**Grant Letter**") which sets out details of the Awarded Interests so granted (including whether it be the form of Awarded Shares or Awarded Cash or a combination of both) and the conditions (if any) upon which such Awarded Interests were granted. The Scheme does not provide for any performance targets that must be achieved before the Awards can be vested but the Board may determine from time to time to set out any performance targets for each grant, provided that performance targets are not applicable to independent non-executive Directors. Performance targets may include financial targets and management targets of the Group which shall be determined based on (i) performance of the Group, which may include indicators such as the Group's revenue, profit and sales; (ii) individual

LETTER FROM THE BOARD

performance, which may include the Selected Participant's key performance indicators such as individual sales contribution, ranking in annual performance review and evaluation feedback from managers and/or peers; and/or (iii) performance of the departments or business line to which the Selected Participant belongs, which may include the relevant department's or business line's sales contribution, achievement of milestones (such as completion of product development, attainment of user growth targets or successful market expansion) and other key performance indicators (such as customer satisfaction ratings, operational efficiency metrics and project delivery timelines). The satisfaction of the performance targets shall be assessed and determined by the Board at its sole discretion based on periodic performance assessments and review of the quantitative data of the Group and/or the Selected Participants. Upon the due execution of the Grant Letter by the Company and the relevant Eligible Participant, the Awarded Interests are considered as having been accepted by the Eligible Participant, who shall become the Selected Participant. No consideration is payable by the Selected Participant on acceptance of the Awarded Interests. Subject to compliance of all applicable laws and the Articles of Association, the Board shall be entitled to determine upon each grant whether any purchase price shall be payable by the Selected Participant upon vesting, and the Board may determine that no purchase price shall be payable (i.e., the purchase price shall be nil). The Board shall determine the amount of the purchase price based on considerations such as (a) the Selected Participant's performance and seniority, (b) the financial position and cash position of the Company, (c) the prevailing market price of the Shares, and (d) the general economic circumstances at the material times. The Board shall, within five (5) Business Days after the Grant Letter is duly executed by the Company and the Selected Participant, notify in writing the Trustee of the terms and conditions of such grant (including without limitation the name of the Selected Participant, details of the granted Awarded Interests, vesting schedule and conditions (if any) thereof, if applicable). Subject to any adjustment that may be made pursuant to the Scheme Rules, the number of Awarded Shares specified in the Grant Letter shall constitute the definitive number of Awarded Shares being granted to such Selected Participant.

The Board considers that the absence of performance targets aligns with the purpose of the Scheme for the following reasons:

- (i) it may not always be appropriate to impose performance targets or conditions particularly when the purpose of granting Awards is to remunerate or compensate the Eligible Participants for past contributions to the Group and to incentivise them to continue serving the Group;
- (ii) it is more beneficial for the Company to retain the flexibility to determine, on a case-by-case basis, whether such conditions are appropriate, taking into consideration the prevailing market conditions, the financial performance of the Group, and the individual circumstances of the Selected Participants;
- (iii) each Selected Participant plays a different role and contributes in diverse ways to the Group and will be assessed against different parameters, thus not setting out a generic set of performance targets in the rules of the Scheme will place the Company in a better position to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group; and

LETTER FROM THE BOARD

- (iv) there may also be circumstances where the Eligible Participant contributes through qualitative or strategic functions that are not readily measurable by quantitative performance indicators.

If an Eligible Participant fails to execute the Grant Letter within twenty (20) Business Days after the Grant Date, the Board may, at its sole and absolute discretion, extend the above deadline. If the executed Grant Letter is still not received by the extended deadline, the Board may determine whether the relevant Awarded Interests shall be considered as having never been granted to such Eligible Participant in which the Awarded Interests shall remain as part of the Trust Fund, or whether to grant a further extension. Such Eligible Participant 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.

The grant of Awarded Shares shall be satisfied by: (a) New Shares to be subscribed by the Trustee as duly instructed by the Board pursuant to the terms of the Scheme Rules and allotted and issued to the Trustee by the Company; (b) transfer of treasury Shares from the Company to the Trustee; (c) purchase of Existing Shares by the Trustee as duly instructed by the Board pursuant to the terms of the Scheme Rules.

The Board may, having regards to, among other things, the financial position of the Company, the cash position of the Company and the market price of the Shares:

- (a) exercise the mandate within the Scheme Mandate Limit and direct the Company to allot and issue New Shares to the Trustee to be held by the Trustee to satisfy the Awarded Shares upon vesting in compliance with the relevant Hong Kong Listing Rules, including the applicable requirements under Chapter 17 of the Hong Kong Listing Rules;
- (b) direct and procure the Trustee to apply any treasury Shares to satisfy the Awarded Shares upon vesting;
- (c) direct and procure the Trustee to apply any Returned Shares (as defined below) to satisfy the Awarded Shares upon vesting;
- (d) direct and procure the Trustee to purchase Existing Shares on-market to satisfy the Awarded Shares upon vesting; and/or
- (e) direct and procure the Trustee to make out the Awarded Cash to satisfy the Awarded Shares upon vesting.

LETTER FROM THE BOARD

The Board shall from time to time procure that sufficient funds are provided to the Trustee in the following manners to enable the Trustee to satisfy its obligations in connection with the administration of the Scheme:

- (a) in the event of subscription of New Shares for issuance pursuant to the Scheme Mandate Limit, cause the subscription price for New Shares (inclusive of all associated fees, charges and taxes) to be transferred from the Group's resources internally or otherwise settle in such manner as may be agreed between the Company and the Trustee; or
- (b) in the event of acquisition of Existing Shares, cause to be paid the purchase price for such Shares, being the prevailing market price of the Shares as multiplied by the number of Shares, and the related purchase expenses (including any brokerage fee, stamp duty and transaction fee) (the "**Reference Amount**") from the Group's resources to the Trust Funds, provided that:
 - (i) the Trustee shall apply the Reference Amount towards the purchase of the Shares on the Hong Kong Stock Exchange within such period as the Board may direct;
 - (ii) if the Reference Amount is not sufficient to purchase all the necessary Shares, the Trustee, if so instructed by the Board, will acquire the maximum number of board lots of Shares that can be acquired with that amount;
 - (iii) in the event the Awards to which such Shares are attributable have lapsed before the completion of the purchase of such Shares or before the purchase of such Shares having become effective, the relevant Reference Amount paid by the Company shall be taken out from the Trust Funds and returned to the Company as soon as practicable; and
 - (iv) in the event that the Board notifies the Trustee that the Awards to which such Shares are attributable have lapsed after the completion of the purchase of such Shares or after the purchase of such Shares having become effective, the relevant Shares shall be held by the Trustee as returned Shares ("**Returned Shares**").

Grant of Award to a director, chief executive or substantial shareholder of the Company, or any of their respective associates

Where an Award being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares is to be granted to any Director, the chief executive or any substantial shareholder of the Company (or any of their respective associates), the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is the proposed Selected Participant of the Award.

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Where an Award being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares is to be granted to a Director (other than an independent non-executive Director) or the chief executive of the Company (or any of their respective associates), and the grant of Award will result in the number of the New Shares (including treasury Shares) issued and to be issued (or transferred in the case of treasury Shares) in respect of all Awards granted under the Scheme and Share Grants (excluding share options) under Other Schemes to such proposed Selected Participant (excluding any awards lapsed in accordance with the terms of the Scheme and any Other Schemes) in the twelve (12) month period up to and including the Grant Date of the relevant Award would exceed 0.1% of the total number of Shares in issue (excluding treasury Shares) as at the Grant Date, such grant of Award shall not be valid unless:

- (a) the grant of Award has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, by the Shareholders in general meeting, at which the proposed Selected Participant, his associates and all core connected persons (as such term is defined under the Hong Kong Listing Rules) of the Company abstained from voting in favour of the relevant resolution granting the approval;
- (b) a circular containing the details of the grant of the Award has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules (including but not limited to, the views of the independent non-executive Directors as to whether the terms of the grant of the Award are fair and reasonable and whether such grant of Award is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting); and
- (c) the number and terms of such Award are fixed before the general meeting of the Company at which the same are approved.

Where an Award being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares is to be granted to an independent non-executive Director or a substantial Shareholder (or any of their respective associates), and the grant of Award will result in the number of New Shares (including treasury Shares) issued and to be issued (or transferred in the case of treasury Shares) in respect of all Awards granted under the Scheme and Share Grants (including share options) under Other Schemes to such proposed Selected Participant (excluding any options and awards lapsed in accordance with the terms of the Scheme or any Other Schemes) in the twelve (12) month period up to and including the Grant Date, would exceed 0.1% of the total number of Shares in issue (excluding treasury Shares) as at the Grant Date, such grant of Award shall not be valid unless:

- (a) the grant of Awards has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, by the Shareholders in general

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meeting, at which the proposed Selected Participant, his associates and all core connected persons (as such term is defined under the Hong Kong Listing Rules) of the Company abstained from voting in favour of the relevant resolution granting the approval;

- (b) a circular containing the details of the grant of the Award has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules (including but not limited to, the views of the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Selected Participant of the Award) as to whether the terms of the grant of the Award is fair and reasonable and whether such grant of the Award is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting); and
- (c) the number and terms of such Award are fixed before the general meeting of the Company at which the same are approved.

Where any change (except where the change takes effect automatically under the existing terms of the Scheme) is to be made to the terms of any Award granted to a Director, the chief executive or a substantial shareholder of the Company (or any of their respective associates) and:

- (a) such grant of Award has been approved in accordance with the provisions in relation to grant of Awards to a Director, the chief executive or a substantial shareholder of the Company (or any of their respective associates) in the Scheme Rules; or
- (b) (where the grant of the Award was not subject to the provisions in relation to grant of Awards to a Director, the chief executive or a substantial shareholder of the Company (or any of their respective associates) in the Scheme Rules) as a result of such proposed change, such proposed change in the terms will result in the grant of the Award to be subject to the provisions in relation to grant of Awards to a Director, the chief executive or a substantial shareholder of the Company (or any of their respective associates) in the Scheme Rules,

such change shall not be valid unless:

- (c) the change has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, by the Shareholders in general meeting, at which such Selected Participant, his associates and all core connected persons (as such term is defined under the Hong Kong Listing Rules) of the Company abstained from voting in favour of the relevant resolution granting the approval; and

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- (d) a circular regarding the change has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules (including but not limited to, the views of the independent non-executive Directors (excluding the independent non-executive Director who is the Selected Participant of the Award) as to whether the change is fair and reasonable and whether such change is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting).

Vesting of Awarded Shares

Subject to the terms and condition of the Scheme and the fulfilment or waiver of all vesting conditions applicable to the vesting of the Awarded Interests on such Selected Participant, the respective Awarded Interests held by the Trustee on behalf of the Selected Participant pursuant to the provision hereof shall vest in such Selected Participant in accordance with the applicable vesting schedule, and the Trustee shall cause the Awarded Interests to be transferred to such Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such Selected Participant in accordance with the Scheme Rules.

Upon the vesting of the Awarded Interests,

- (a) barring any unforeseen circumstances, unless otherwise agreed between the Board and the Trustee, at least thirty (30) Business Days prior to the Vesting Date of the Awards granted to a Selected Participant, the Company shall issue a written instrument to confirm the vesting of the Awards (the “**Vesting Letter**”). Before issuing the Vesting Letter to the Selected Participant, the Board shall confirm in advance with the Trustee whether certain transfer documents are required to be signed by the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) if such Awarded Shares will be transferred to such vehicle in order to effect the vesting and transfer of the Awarded Shares, and if so confirmed by the Trustee, the Board shall, in the Vesting Letter or in a separate notice, require the Selected Participant and/or to procure the said vehicle to execute the transfer documents;
- (b) in the event the Selected Participant (or his legal personal representative or lawful successor as the case may be) fails to return an executed Vesting Letter or any transfer documents required to be executed at least ten (10) Business Days prior to the Vesting Date, the Board may, at its sole and absolute discretion, extend the above deadline. If the executed Vesting Letter is still not received by the extended deadline, the Board may determine whether the Awarded Interests which would have otherwise vested in such Selected Participant shall lapse and remain as part of the Trust Fund; and

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- (c) for the purpose of the vesting of Awarded Interests in a Selected Participant, subject to the receipt by the Trustee of (a) a copy of the relevant Vesting Letter and a written notice from the Board instructing the Trustee to transfer the Awarded Interests to the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company), (b) the original transfer documents (if any) prescribed by the Trustee and duly signed by the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company); and (c) client due diligence documents of the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) required in accordance with the Trustee's client due diligence policy at least ten (10) Business Days prior to the Vesting Date, the Trustee shall transfer the relevant Awarded Interests to the relevant Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) as instructed by the Board as soon as practicable on or after the Vesting Date and in any event not later than ten (10) Business Days after the Vesting Date. In the event that the Trustee does not receive the requisite documents in accordance with items (a), (b) and (c) herein prior to or on the relevant Vesting Date, the Trustee shall promptly notify the Board and seek the Board's instructions. The Board may, at its sole and absolute discretion, extend the deadline for receipt of the missing document(s) to a date approved by the Board. If the requisite documents are still not received by the extended deadline, the Board may determine whether the relevant Awarded Interests shall lapse and the Selected Participant shall have no claims against the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way.

Prior to the Vesting Date, any Award made hereunder shall be personal to the Selected Participant to whom it is made and shall not be assignable nor transferrable and no Selected Participant 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 unvested Awarded Interests referable to him pursuant to such Award or enter or purport to enter into any agreement to do so, unless and until such Awarded Interests are actually vested and transferred to the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company).

Any Awarded Shares to be transferred to a Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) upon vesting of Awarded Shares granted pursuant to the Scheme shall be subject to all provisions of the Articles of Association and rank *pari passu* in all respects with the fully-paid Shares in issue then exist on the date of transfer, and accordingly shall entitle the holder of such Shares to participate in all dividends or other distributions paid or made on or after the date of transfer and to exercise all voting rights in respect of such Shares.

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Disqualification of Selected Participant

In the event that prior to or on the Vesting Date, a Selected Participant is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to the Scheme Rules, the relevant Award made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall remain part of the Trust Fund. Such Eligible Participant 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.

Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Eligible Participant shall include, without limitation, the following:

- (a) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement by any member of the Group and whether or not it has resulted in his employment or engagement being terminated by the relevant member of the Group;
- (b) where such person has been summarily dismissed by any member of the Group;
- (c) where such person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;
- (d) where such person has been convicted of any criminal offence;
- (e) where such person has engaged in any act that has had or will have a material adverse effect on the reputation or interests of any member of the Group; or
- (f) where such person has been charged, convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time.

Subject to the provisions in the Scheme Rules, in respect of a Selected Participant who died or retired by agreement with a member of the Group at any time prior to or on the Vesting Date, all unvested Awarded Interests of the relevant Selected Participant shall lapse with effect from the date of his death or his retirement with the relevant member of the Group.

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In the event of the death of a Selected Participant, the Trustee shall directly or indirectly hold the vested Awarded Interests (the “**Benefits**”) upon trust to transfer the same to the legal personal representatives or lawful successors of the Selected Participant within (i) two (2) years of the death of the Selected Participant (or such longer period as the Trustee and the Board shall agree from time to time) or (ii) the Trust Period (whichever is shorter), subject to the Trustee receiving (a) the original transfer documents (if any) prescribed by the Trustee and duly signed by such legal personal representatives or lawful successors of the Selected Participant; and (b) client due diligence documents of such legal personal representatives or lawful successors of the Selected Participant required in accordance with the Trustee’s client due diligence policy. If the Benefits fail to be transferred or would otherwise become bona vacantia for any reason, such Benefits shall automatically lapse and cease to be transferable and the Awarded Interests shall remain part of the Trust Fund.

Other terms and conditions

For the avoidance of doubt,

- (a) a Selected Participant shall not have any interest or rights (including the right to receive dividends) in the Awarded Interests by virtue of the grant of an Award pursuant to the Scheme, unless and until the Awarded Interests are actually transferred to the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) upon vesting of the Awards on the Vesting Date;
- (b) a Selected Participant shall have no rights in the Residual Cash or Shares or such other Trust Fund or property held by the Trust;
- (c) no instructions shall be given by a Selected Participant (including, without limitation, voting rights) to the Trustee in respect of the Awarded Shares that have not been vested, and such other properties of the Trust Fund managed by the Trustee;
- (d) the Trustee shall abstain and, where applicable, shall procure the Trust SPV to abstain from exercising the voting rights in respect of any Shares held directly or indirectly by it under the Trust (if any) (including but not limited to the Awarded Shares, any bonus Shares and scrip Shares derived therefrom). In particular, the Trustee or the Trust SPV (as the case may be) holding the unvested Shares, whether directly or indirectly, shall abstain from voting on matters that require shareholders’ approval under the Hong Kong Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner’s direction and such a direction is given;

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- (e) the Board may at its sole and absolute discretion, determine that all cash income and distribution and the sale proceeds of non-scrip distribution declared by the Company or derived from any Awarded Shares during the period from the date of Award to the Vesting Date held upon the Trust be applied towards the payment of the fees, costs and expenses of the Trust and that the remainder (if any) shall also remain as part of the Trust Fund. The Selected Participant does not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Awarded Shares (including those arising on any liquidation of the Company) prior to (a) vesting (in respect of Awarded Cash) or (b) the transfer of the Shares (in respect of settlement by way of Shares);
- (f) unless otherwise determined by the Board, in the event that the vesting conditions specified in the Grant Letter are not fully satisfied prior to or on the relevant Vesting Date, the award of the Awarded Shares in respect of the relevant Vesting Date shall lapse, such Awarded Shares shall not vest on the relevant Vesting Date and the Selected Participant shall have no claims against the Company, the Board, the Trust or the Trustee; and
- (g) in the case of the death of a Selected Participant, the Benefits shall be forfeited if no transfer of the Benefits to the legal personal representatives or lawful successors of the Selected Participant is made within the period prescribed in the Scheme Rules, and the legal personal representatives or lawful successors of the Selected Participant shall have no claims against the Company or the Trustee.

No Award shall be made by the Board pursuant to the Scheme Rules and no instructions to acquire any Shares shall be given to the Trustee under the Scheme where dealings in the Shares are prohibited under any code or requirement of the Hong Kong Listing Rules and all applicable laws from time to time. Without limiting the generality of the foregoing, no such instruction is to be given and no such grant is to be made:

- (a) after information that are required to be disclosed under Rule 13.09 of the Hong Kong Listing Rules or inside information that are required to be disclosed under Part XIVA of the SFO has come to the knowledge of the Company until (and including) the trading day after such information has been publicly announced in accordance with the Hong Kong Listing Rules, the SFO and/or the application laws;

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- (b) during the period commencing from 30 days immediately before the earlier of (i) the date of the Board meeting (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Hong Kong Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Hong Kong Listing Rules) and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Hong Kong Listing Rules, or quarterly or any other interim period (whether or not required under the Hong Kong Listing Rules) and ending on the date of the results announcements. Such period will cover any period of delay in the publication of a results announcement;
- (c) (where a Selected Participant is subject to the requirements of the Model Code) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
- (d) (where a Selected Participant is subject to the requirements of the Model Code) during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company or, if shorter, the period from the end of the relevant half-year period of the financial period up to the publication date of the results;
- (e) in any circumstances under which dealing in Shares by a Selected Participant (including directors of the Company) are prohibited under the Hong Kong Listing Rules, the SFO or any other applicable law or regulation;
- (f) in any circumstance where any requisite approval from any governmental or regulatory authority has not been granted;
- (g) in any circumstance where the granting the Award is prohibited by or would result in a breach of the Hong Kong Listing Rules, the SFO or any other applicable law or regulation; or
- (h) where the Grant would result in breach of the Scheme Mandate Limit or other rules of the Scheme.

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Clawback

In any of the following circumstances, the Board may, at its sole and absolute discretion, require the Selected Participant to return the gains from the vested Awarded Interests:

- (a) when the Selected Participant is an Eligible Participant, the Selected Participant has committed any act of fraud or dishonesty or serious misconduct in connection with his employment or engagement by any member of the Group;
- (b) when the Selected Participant is an Eligible Participant, the Selected Participant has engaged in any act or omission to perform any of his duties that has had or will have a material adverse effect on the reputation or interests of any member of the Group;
- (c) when the Selected Participant is an Eligible Participant, the Selected Participant has been summarily dismissed by any member of the Group;
- (d) when the Selected Participant is an Eligible Participant, the Selected Participant has been charged, convicted or held liable for any offence under the relevant securities laws in Hong Kong or any other applicable laws or regulations in force from time to time; or
- (e) when the Selected Participant has engaged in any act that has had or will have a material adverse effect on the reputation or interests of any member of the Group within the period of three (3) years after the Selected Participant ceases to be an Eligible Participant.

In respect of the administration of the Scheme, the Company shall comply with all applicable disclosure regulations including without limitation those imposed by the Hong Kong Listing Rules from time to time.

Takeover, rights issue, open offer, capitalisation issue

In the event a general offer for Shares (whether by way of voluntary offer, takeover, scheme of arrangement or otherwise) is made to all Shareholders (or all such holders other than the offeror, any person controlled by the offeror and any person acting in association or concert with the offeror), the Board may, prior to or immediately upon the offer becoming or being declared unconditional, determine at its absolute discretion whether any Award shall vest and the period within which such Award shall vest, provided that such vesting period in respect of Awards that are funded by issue of New Shares (or transfer of treasury Shares) shall not be less than the minimum vesting period set out in the Grant Letter (i.e., not less than 12 months unless as permitted under the Scheme Rules). In the event of acceleration of vesting which constitutes an alteration of terms of the Scheme to the advantage of the Selected Participants, such acceleration of vesting will be subject to the approval by Shareholders in a general meeting, and in such case, the Board shall provide evidence of such approval to the Trustee before instructing the Trustee to distribute such vested Awarded Interests. If the Board determines that such Award shall vest, it shall notify the Selected Participant that the Award shall vest and the period within which such Awards shall vest and the Trustee shall distribute

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the Awarded Interests to such Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company). In the absence of such determination by the Board, the Awards shall continue to vest in accordance with their respective vesting timetable.

If there occurs an event of alteration in the capital structure of the Company (including but not limited to capitalisation issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company) whilst any Award remains outstanding, the Board may make equitable adjustments that it considers appropriate, at its sole and absolute discretion, including:

- (a) the maximum number of Shares subject to the Scheme; and/or
- (b) the number of Shares that may be offered by the Company to the Selected Participant pursuant to the Awards that have already been granted but not vested,

provided that:

- (i). no such adjustments shall be made in respect of an issue of securities by the Company as consideration in a transaction;
- (ii). any such adjustments made must give each Selected Participant the same proportion of the share capital of the Company, rounded to the nearest whole Share, as that to which he was previously entitled;
- (iii). no such adjustments shall be made which to the extent that a Share would be issued at less than its nominal value;
- (iv). no adjustment shall be made to the advantage of the Selected Participant without specific prior approval from the shareholders of the Company;
- (v). any adjustment made should have a neutral impact (but shall not be more favourable) from the perspective of the Selected Participant;
- (vi). any such adjustments involving Awards being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares, other than those made on a capitalisation issue, shall be confirmed by an independent financial adviser or the auditors in writing to the Directors as satisfying the requirements of this paragraph, the requirements of the relevant provisions of the Hong Kong Listing Rules and Appendix 1 to the Frequently Asked Questions FAQ13 (or any successor guidance or interpretation of the Hong Kong Listing Rules in respect of the same subject matter issued by the Hong Kong Stock Exchange from time to time) and any further guidance/interpretation (the “**Supplementary Guidance**”) issued by the Hong Kong Stock Exchange from time to time, and that in the opinion of the auditors or an independent financial adviser that the adjustments made by the Board under this paragraph are fair and reasonable. The

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independent financial adviser or the auditors (as the case may be) shall act as experts and not as arbitrators and their certification shall be final and binding on the Company and the Selected Participant. The costs of the independent financial adviser or the auditors (as the case may be) shall be borne by the Company; and

- (vii). any adjustments to be made will comply with the Hong Kong Listing Rules, the Supplementary Guidance and any further guidance/interpretation of the Hong Kong Listing Rules issued by the Hong Kong Stock Exchange from time to time.

If there has been any alteration in the capital structure of the Company as referred to in the above paragraph, the Company shall notify each such Selected Participant (with a copy of the notification to the Trustee) of the adjustment to be made after such alteration in the capital structure of the Company.

Unless otherwise determined by the Board, in the event the Company undertakes an open offer of new securities in respect of any Shares which are held directly or indirectly by the Trustee under the Scheme, the Trustee shall not subscribe for, and, where applicable, shall procure the Trust SPV not to subscribe for, any New Shares. In the event of a rights issue, the Trustee shall sell or cause to be sold such amount of the nil-paid rights allotted to it or the Trust SPV on the market as is appropriate and the net proceeds of sale of such rights shall be held as part of the Trust Fund.

Unless otherwise determined by the Board, in the event the Company issues bonus warrants in respect of any Shares which are held directly or indirectly by the Trustee, the Trustee shall not subscribe for, and, where applicable, shall procure the Trust SPV not to subscribe for, any New Shares by exercising any of the subscription rights attached to the bonus warrants and shall sell or cause to be sold the bonus warrants created and granted to it on the market, the net proceeds of sale of such bonus warrants shall be held as part of the Trust Fund.

Unless otherwise determined by the Board, in the event that the Company undertakes an issue of bonus Shares, the bonus Shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be held as part of the Trust Fund.

Unless otherwise determined by the Board, in the event the Company undertakes a scrip dividend scheme, the Trustee shall elect or, where applicable, procure the Trust SPV to elect to receive scrip Shares and scrip Shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be held as part of the Trust Fund.

Unless otherwise determined by the Board, in the event of other non-cash and non-scrip distribution made by the Company in respect of Shares held upon the Trust, the Trustee shall dispose of or, where applicable, procure the Trust SPV to dispose of such distribution and the net sale proceeds thereof shall be deemed as cash income of a Share held as part of the Trust Fund.

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Scheme Mandate Limit

Set out below are details relating to the maximum aggregate number of New Shares (including treasury Shares) available for grant under the Scheme:

- (a) the maximum aggregate number of New Shares (including treasury Shares) available for grant under the Scheme from time to time shall be calculated in accordance with the following formula:

$$X = A - B - C$$

where:

X = the aggregate number of New Shares (including treasury Shares) available for grant under the Scheme from time to time;

A = the Scheme Mandate Limit;

B = the maximum aggregate number of New Shares (including treasury Shares) that have been or may be allotted and issued (or transferred in the case of treasury Shares) by the Company to satisfy the Awards already granted under the Scheme (which in the event that there has been a refreshment of the Scheme Mandate Limit, shall only include those New Shares (or treasury Shares) which have been or may be allotted and issued (or transferred in respect of treasury Shares) to satisfy the Awards that have been granted since that most recent refreshment of the Scheme Mandate Limit); and

C = the maximum aggregate number of New Shares (or treasury Shares) which have been or may be allotted and issued (or transferred in respect of treasury Shares) by the Company to satisfy the Share Grants already made under the Other Schemes.

- (b) Shares in respect of Awards which have lapsed or have been encashed in accordance with the terms of the Scheme (and Share Grants that have lapsed or have been encashed under Other Schemes) will not be counted for the purpose of calculating the Scheme Mandate Limit.

Subject to the provisions regarding lapse and cancellation of Awarded Shares in the Scheme Rules, any Award (or any portion of an Award) which lapses or is forfeited in accordance with the terms of the Scheme Rules shall be deemed not to have been issued for the purposes of calculating the Scheme Mandate Limit. However, any Awards cancelled (whether voluntarily or involuntarily) will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

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If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved by the Shareholders in general meeting, the maximum number of Shares that may be issued (or transfer in respect of treasury Shares) under the Scheme Mandate Limit as a percentage of the total number of issued Shares (excluding treasury Shares) at the date immediately before and after such consolidation or subdivision shall be the same, rounded down to the nearest whole Share.

The Scheme Mandate Limit may be refreshed by the Shareholders in general meeting after three years from the later date of (i) the date of Shareholders' approval for the last refreshment and (ii) the date of adoption of the Scheme, provided that:

- (a) the total number of New Shares (including treasury Shares) which may be issued (or transferred in the case of treasury Shares) in respect of all Awards to be granted under the Scheme and Share Grants under any Other Schemes under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares in issue (excluding treasury Shares) as at the date of approval of the refreshing of the Scheme Mandate Limit by the Shareholders; and
- (b) a circular regarding the proposed refreshing of the Scheme Mandate Limit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, including but not limited to the number of Awards that were already granted under the existing Scheme Mandate Limit and the reason for the refreshment.

The Scheme Mandate Limit may be refreshed by the Shareholder in general meeting within three years from the later date of (i) the date of Shareholders' approval for the last refreshment and (ii) the date of adoption of the Scheme, provided that:

- (a) any controlling shareholders (as such term is defined under the Hong Kong Listing Rules) and their associates (or if there is no controlling shareholder (as such term is defined under the Hong Kong Listing Rules), 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;
- (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Hong Kong Listing Rules;

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- (c) the Company must comply with the requirements set forth in the Scheme Rules.

The requirements under subparagraph (a) and (b) of the above paragraph do not apply if the refreshment is made immediately after an issue of securities by the Company to Shareholders on a pro rata basis as set forth in Rule 13.36(2)(a) of the Hong Kong Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the total number of issued Shares, excluding treasury Shares) 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.

The Company may seek separate approval from the Shareholders in general meeting for granting Awards beyond the Scheme Mandate Limit, provided that:

- (a) the Award will only be granted to Eligible Participants specifically identified by the Company before the relevant Shareholders' approval is sought;
- (b) a circular containing the details of the grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, including but not limited to the name of each Eligible Participant who may be granted such Awards, the number and terms of the Awards to be granted to each Eligible Participant, and the purpose of granting Awards to the Eligible Participants with an explanation as to how the terms of the Awards serve such purpose; and
- (c) the number and terms of the Awards to be granted to such Eligible Participants are fixed before the general meeting of the Company at which the same are approved.

Where an Award being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares is to be granted to any Eligible Participant (the “**Relevant Eligible Participant**”), and the grant of Award will result in the number of New Shares (including treasury Shares) issued and to be issued (or transferred in the case of treasury Shares) in respect of Awards granted under the Scheme and Share Grants (including share options) under Other Schemes to the Relevant Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the Scheme or any Other Schemes) in the twelve (12) month period up to and including the Grant Date would exceed 1% of the total number of Shares in issue (excluding treasury Shares) as at the Grant Date, such grant of Award shall not be valid unless:

- (a) such grant of Award has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, by the Shareholders in general meeting, at which the Relevant Eligible Participant and his close associates (as such term is defined under the Hong Kong Listing Rules) (or his associates if the Relevant Eligible Participant is a connected person (as such term is defined under the Hong Kong Listing Rules)) has abstained from voting;

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- (b) a circular containing the details of the Grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, including but not limited to the identity of the Relevant Eligible Participant, the number and terms of the Awards to be granted (and those previously granted to such Relevant Eligible Participant in the said twelve (12) month period), the purpose of granting the Awards to the Relevant Eligible Participant and an explanation as to how the terms of the Awards serve such purpose; and
- (c) the number and terms of such Award are fixed before the general meeting of the Company at which the same are approved.

For the avoidance of doubt, the foregoing shall not apply to any Awards funded by Existing Shares.

The Company adopted the pre-IPO share option scheme (the “**Pre-IPO Share Option Scheme**”) in 2024. The terms of the Pre-IPO Share Option Scheme are not subject to the provisions of Chapter 17 of the Hong Kong Listing Rules. The Pre-IPO Share Option Scheme has been terminated upon the listing of the Shares on the Hong Kong Stock Exchange. Accordingly, no further options can be granted but the provisions of the Pre-IPO Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any share options which were granted during the life of the Pre-IPO Share Option Scheme. As at the Latest Practicable Date, the Pre-IPO Share Option Scheme did not permit the allotment and issue of New Shares and therefore they were not covered by the Scheme Mandate Limit.

As at the Latest Practicable Date, the number of Shares in issue (excluding treasury Shares) was 422,801,100. At the EGM, a resolution shall be proposed to approve the Scheme Mandate Limit, being the total number of New Shares (including treasury Shares) that may be allotted and issued (or transferred in the case of treasury Shares) by the Company under the Scheme and Share Grants under Other Schemes. Assuming there would be no issue or repurchase of Shares from the Latest Practicable Date up to the date of the EGM, the Scheme Mandate Limit would be 42,280,110 Shares, being 10% of the Shares in issue (excluding treasury Shares).

Upon passing of the resolution approving the Scheme Mandate Limit, the maximum aggregate number of New Shares (including treasury Shares) available for Grants under the Scheme (i.e., X in the aforesaid formula) would be 42,280,110 Shares.

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Lapse and cancellation of Award

An Award shall lapse automatically on the earliest of:

- (a) the date on which the Selected Participant commits a breach of the provisions regarding assignability or transferability in the Scheme Rules;
- (b) the date on which the Selected Participant is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to the Scheme Rules;
- (c) the date on which it is no longer possible to satisfy any outstanding conditions to vesting as set out in the Scheme Rules;
- (d) the date on which the Board decides the Awarded Interests have lapsed in accordance with the Scheme Rules; or
- (e) the date of his death or his retirement in accordance with the Scheme Rules.

The Board may at its discretion cancel any Award that has not vested or lapsed at any time at its absolute discretion.

Where the Company cancels Awards granted to an Eligible Participant, and makes a new grant to the same Eligible Participant, such new grant may only be made under available Scheme Mandate Limit from time to time. Any Award cancelled will be regarded as utilised in calculating the Scheme Mandate Limit.

Disputes

Any dispute arising in connection with the Scheme shall be referred to the decision of the Board whose decision shall be final and binding.

Alteration

The Scheme may be amended in any respect by a resolution of the Board provided that (i) unless with the prior written consent of the Trustee, any such amendment or modification shall not impose any additional or more onerous duties, responsibilities or liabilities on the Trustee; and (ii) any alteration to the terms and conditions of the Scheme that are of a material nature or any alteration to the authority of the Board or the Trustee to alter the terms of the Scheme or any alteration to the specific terms of the Scheme which relate to the matters set forth in Rule 17.03 of the Hong Kong Listing Rules to the advantage of Selected Participant or proposed Selected Participant must be approved by the Shareholders in general meeting (with the Selected Participant or proposed Selected Participant and their associates abstaining from voting). The Board's determination as to whether any proposed alteration to the terms and conditions of the Scheme is material shall be conclusive.

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Any change to the terms of Awards granted to a Selected Participant must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors of the Company and/or the Shareholders (as the case may be) if the initial grant of such Awards under the Scheme was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors of the Company and/or the Shareholders (as the case may be) except where the alterations take effect automatically under the existing terms of the Scheme.

The provisions in the Scheme shall be amended by the Board to reflect any amendments to the Hong Kong Listing Rules made by the Hong Kong Stock Exchange after the Adoption Date to comply with the relevant provisions of the Hong Kong Listing Rules which the Scheme has been drafted to reflect the position as at the Adoption Date.

Written notice of all details relating to change in the terms of the Scheme during the lifetime of the Scheme shall be given to all Selected Participants and the Trustee immediately upon the changes take effect.

Termination

The Scheme shall terminate on the earlier of: (a) the tenth (10) anniversary date of the Adoption Date; and (b) such date of early termination as determined by the Board by a resolution of the Board, provided that such termination shall not affect any subsisting rights of any Selected Participant hereunder.

Upon termination of the Scheme,

- (i) no further grant of Awards may be made under the Scheme but in all other respects the provisions of the Scheme shall remain in full force and effect;
- (ii) all the Awards of the Selected Participants granted under the Scheme shall continue to be held by the Trustee and become vested in the Selected Participants according to the conditions of the Award, subject to the receipt by the Trustee of the required documents prescribed by the Trustee;
- (iii) unless otherwise determined by the Board, all Shares (except for any Awarded Shares subject to vesting on the Selected Participants) remaining in the Trust Fund shall be sold or otherwise dealt with by the Trustee in the manner as determined by the Board within twenty-eight (28) Business Days (on which the trading of the Shares has not been suspended) (or such longer period as the Trustee and the Board may otherwise determine); and

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- (iv) all net proceeds of sale referred to in the above paragraph and such other funds and properties remaining in the Trust Fund managed by the Trustee (after making appropriate deductions in respect of all disposal costs, liabilities and expenses) shall be remitted to the Company forthwith. For the avoidance of doubt, the Trustee may not transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than its interest in the proceeds of sale of such Shares pursuant to the above paragraph).

For the avoidance of doubt, the temporary suspension of the granting of any Award shall not be construed as a decision to terminate the operation of the Scheme.

EGM

Set out on pages 61 to 63 of this circular is a notice convening the EGM to consider and, if appropriate, to approve the ordinary resolutions relating to the proposed adoption of the Share Award Scheme.

A form of proxy for use at the EGM is enclosed. If you are not able to attend at the EGM in person, you are requested to complete the form of proxy and return it to the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

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

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong 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.

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DOCUMENT ON DISPLAY

A copy of the Share Award Scheme is published at the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.jushuitan.com) for a period of not less than 14 days before the date of the EGM and will be made available for inspection at the EGM.

RECOMMENDATIONS

The Board considers that the proposed adoption of the Share Award Scheme to be in the best interests of the Company and the Shareholders. Accordingly, the Board recommends the Shareholders to vote in favour of the resolutions to be proposed at the EGM.

By order of the Board
JST Group Corporation Limited
Mr. Luo Haidong
Chairman of the Board, Executive Director
and Chief Executive Officer

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

Objectives

The specific objectives of the Scheme are:

- (i) to recognise the contributions by certain Eligible Participants and to provide them with incentives in order to retain them for the continual operation and development of the Group; and
- (ii) to attract suitable personnel for further development of the Group.

Eligible Participants and the basis of determining the eligibility of Eligible Participants

The Eligible Participants include the Employee Participants, being the directors (including the executive Directors, non-executive Directors and independent non-executive Directors) and employees (including full-time employees and part-time employees) of any member of the Group (including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with any member of the Group) at any time during the Trust Period.

In determining the appropriate Awarded Interest to be granted to any Selected Participant who is an Employee Participant (excluding any Excluded Participant), the Board shall take into consideration matters including, but without limitation to,

- (a) the Selected Participant's individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard;
- (b) the length of employment or appointment of the Selected Participant with the Group;
- (c) the present contribution and expected contribution of the relevant Selected Participant to the profits of the Group;
- (d) the general financial condition of the Group; and
- (e) the Group's overall business objectives and future development plan.

Adoption conditions

The Scheme shall take effect subject to and conditional upon:

- (i) approval of the Shareholders being obtained through the passing of resolutions by the Shareholders to adopt the Scheme and to authorise the Board to grant Awards under the Scheme and to allot, issue, transfer and deal with Shares pursuant to the grant of any Awards in accordance with the terms and conditions of the Scheme; and
- (ii) the Hong Kong Stock Exchange granting approval for the listing of, and permission to deal in, such number of Shares representing the Scheme Mandate Limit to be allotted and issued or transferred (in the case of treasury Shares) by the Company pursuant to any grant of any Awards in accordance with the terms and conditions of the Scheme.

Duration

Subject to any early termination as may be determined by the Board pursuant to the Scheme Rules, the Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date, after which no further Awards will be granted but in all other respects the provisions of the Scheme shall remain in full force and effect and the Awards granted during the term of the Scheme may continue to be valid in accordance with the provisions of the Scheme.

Administration

The Scheme shall be subject to the administration of the Board and the Trustee in accordance with the Scheme Rules and the Trust Deed. The decision of the Board with respect to any matter arising under the Scheme shall be final and binding. As at the Latest Practicable Date, the Trustee had yet been appointed. The Company will not appoint any Director to be the Trustee and will not appoint any Trustee in which any Director shall have direct or indirect interest. The Trustee shall be independent of the Company and its connected persons.

Without prejudice to the foregoing and to the extent permissible under the Hong Kong Listing Rules and other applicable laws and regulations, the Board may resolve to delegate to another committee of the Board or to one or more officers of the Company any or all of the authority and responsibility of the Board under the Scheme Rules and the Trust Deed.

Subject to the terms and conditions of the Scheme, the Board shall have the sole and absolute right to (i) interpret and construe the provisions of the Scheme, (ii) determine the Selected Participants who will be granted Awards under the Scheme, the terms and conditions on which Awards are granted to the Selected Participants and when the Awards granted may vest, (iii) make such appropriate and equitable adjustments to the terms of the Awards granted to the Selected Participants as it deems necessary and (iv) make such other decisions or determinations as it shall deem appropriate or desirable in respect of the administration of the Scheme.

The Trustee shall hold the Trust Fund in accordance with the terms of the Trust Deed.

Operation of the Scheme

Grant of the Awarded Shares to Selected Participants

Subject to the provisions of the Scheme, including but not limited to the restrictions set forth in the Scheme Rules, the Board may, from time to time, at its sole and absolute discretion select any Eligible Participant (other than any Excluded Participant) for participation in the Scheme as a Selected Participant, and grant an Award to any Selected Participant at such consideration and in such circumstances that the Company will not be required under applicable laws and regulations (including without limitation to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)) to issue a prospectus or other offer document in respect thereof and subject to such terms and conditions as the Board may in its sole and absolute discretion determine. The Board may determine that a Selected Participant will be granted Awarded Interests in the form of Awarded Shares or Awarded Cash or in the combination thereof. In determining whether settlement will be in Awarded Shares or Awarded Cash or in the combination thereof, the Board may take into account factors including (a) the Selected Participant's performance and seniority, (b) the financial position and cash position of the Company, (c) the prevailing market price of the Shares, and (d) the general economic circumstances at the time of vesting. For the avoidance of doubt, the Selected Participant shall not be entitled to any Related Income from any Shares prior to (a) vesting (in respect of Awarded Cash) or (b) the transfer of the Shares to the Selected Participant (in respect of settlement by way of Shares).

The Board is entitled to impose any conditions, as it deems appropriate in its sole and absolute discretion with respect to the vesting of the Awarded Interests to the Selected Participant providing that, subject to the paragraph below, the vesting period for the Award Interests that are funded by New Shares or treasury Shares shall not be less than twelve (12) months and shall inform the Trustee and such Selected Participant the relevant conditions of the Award. Notwithstanding any other provisions of the Scheme, subject to applicable laws and regulations, the Board shall be at liberty to waive any vesting conditions referred to in this paragraph.

Notwithstanding any other provisions of the Scheme, subject to applicable laws and regulations, the Board may in its sole and absolute discretion determine that the Awards that are funded by New Shares or treasury Shares and granted to an Employee Participant may be subject to a vesting period of less than 12 months in the following circumstances:

- (i) Awards are grant of “make-whole” share awards to a Selected Participant who is a new joiner of the Group to replace the share awards he has been forfeited when leaving the previous employer;
- (ii) Awards are granted to a Selected Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event, in which circumstances the vesting of share awards may accelerate;
- (iii) Awards are subject to performance-based vesting conditions provided in the Grant Letter, in lieu of time-based vesting criteria;
- (iv) Awards are granted in batches during a year for administrative and compliance reasons, in which case, the vesting period may be shorter to reflect the time from which the Awards would have been granted;
- (v) Awards are granted with a mixed or accelerated vesting schedule (such as where the Awards may vest evenly over a period of twelve (12) months); or
- (vi) Awards with a total vesting and holding period of more than twelve (12) months.

In the event that a Selected Participant is a director, chief executive, a substantial shareholder, their respective associates or otherwise regarded as a connected person (as such term is defined under the Hong Kong Listing Rules) of the Company, such Awards shall constitute connected transactions under Chapter 14A of the Hong Kong Listing Rules where the Awards are to be funded by Existing Shares, and the Company shall comply with the relevant requirements under the Hong Kong Listing Rules.

Where any grant of Awarded Interests is proposed to be made to any Selected Participant, the Company shall comply with such provisions of the Hong Kong Listing Rules as may be applicable, including any disclosure, reporting, announcement and/or shareholders’ approval requirements, unless otherwise exempted under the Hong Kong Listing Rules.

After the Board has decided to make a grant of Awarded Interests to any Eligible Participant, the Board shall send to the Eligible Participant a written instrument (the “**Grant Letter**”) which sets out details of the Awarded Interests so granted (including whether it be the form of Awarded Shares or Awarded Cash or a combination of both) and the conditions (if any) upon which such Awarded Interests were granted. The Scheme does not provide for any performance targets that must be achieved before the Awards can be vested but the Board may determine from time to time to set out any performance targets for each grant, provided that performance targets are not applicable to independent non-executive Directors. Performance targets may include financial targets and management targets of the Group which shall be determined based on (i) performance of the Group, which may include indicators such as the Group’s revenue, profit and sales; (ii) individual performance, which may include the Selected Participant’s key performance indicators such as individual sales contribution, ranking in annual performance review and evaluation feedback from managers and/or peers; and/or (iii) performance of the departments or business line to which the Selected Participant belongs, which may include the relevant department’s or business line’s sales contribution, achievement of milestones (such as completion of product development, attainment of user growth targets or successful market expansion) and other key performance indicators (such as customer satisfaction ratings, operational efficiency metrics and project delivery timelines). The satisfaction of the performance targets shall be assessed and determined by the Board at its sole discretion based on periodic performance assessments and review of the quantitative data of the Group and/or the Selected Participants. Upon the due execution of the Grant Letter by the Company and the relevant Eligible Participant, the Awarded Interests are considered as having been accepted by the Eligible Participant, who shall become the Selected Participant. No consideration is payable by the Selected Participant on acceptance of the Awarded Interests. Subject to compliance of all applicable laws and the Articles of Association, the Board shall be entitled to determine upon each grant whether any purchase price shall be payable by the Selected Participant upon vesting, and the Board may determine that no purchase price shall be payable (i.e., the purchase price shall be nil). The Board shall determine the amount of the purchase price based on considerations such as (a) the Selected Participant’s performance and seniority, (b) the financial position and cash position of the Company, (c) the prevailing market price of the Shares, and (d) the general economic circumstances at the material times. The Board shall, within five (5) Business Days after the Grant Letter is duly executed by the Company and the Selected Participant, notify in writing the Trustee of the terms and conditions of such grant (including without limitation the name of the Selected Participant, details of the granted Awarded Interests, vesting schedule and conditions (if any) thereof, if applicable). Subject to any adjustment that may be made pursuant to the Scheme Rules, the number of Awarded Shares specified in the Grant Letter shall constitute the definitive number of Awarded Shares being granted to such Selected Participant.

If an Eligible Participant fails to execute the Grant Letter within twenty (20) Business Days after the Grant Date, the Board may, at its sole and absolute discretion, extend the above deadline. If the executed Grant Letter is still not received by the extended deadline, the Board may determine whether the relevant Awarded Interests shall be considered as having never been granted to such Eligible Participant in which the Awarded Interests shall remain as part of the Trust Fund, or

whether to grant a further extension. Such Eligible Participant 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.

The grant of Awarded Shares shall be satisfied by: (a) New Shares to be subscribed by the Trustee as duly instructed by the Board pursuant to the terms of the Scheme Rules and allotted and issued to the Trustee by the Company; (b) transfer of treasury Shares from the Company to the Trustee; (c) purchase of Existing Shares by the Trustee as duly instructed by the Board pursuant to the terms of the Scheme Rules.

The Board may, having regards to, among other things, the financial position of the Company, the cash position of the Company and the market price of the Shares:

- (a) exercise the mandate within the Scheme Mandate Limit and direct the Company to allot and issue New Shares to the Trustee to be held by the Trustee to satisfy the Awarded Shares upon vesting in compliance with the relevant Hong Kong Listing Rules, including the applicable requirements under Chapter 17 of the Hong Kong Listing Rules;
- (b) direct and procure the Trustee to apply any treasury Shares to satisfy the Awarded Shares upon vesting;
- (c) direct and procure the Trustee to apply any Returned Shares (as defined below) to satisfy the Awarded Shares upon vesting;
- (d) direct and procure the Trustee to purchase Existing Shares on-market to satisfy the Awarded Shares upon vesting; and/or
- (e) direct and procure the Trustee to make out the Awarded Cash to satisfy the Awarded Shares upon vesting.

The Board shall from time to time procure that sufficient funds are provided to the Trustee in the following manners to enable the Trustee to satisfy its obligations in connection with the administration of the Scheme:

- (a) in the event of subscription of New Shares for issuance pursuant to the Scheme Mandate Limit, cause the subscription price for New Shares (inclusive of all associated fees, charges and taxes) to be transferred from the Group's resources internally or otherwise settle in such manner as may be agreed between the Company and the Trustee; or

- (b) in the event of acquisition of Existing Shares, cause to be paid the purchase price for such Shares, being the prevailing market price of the Shares as multiplied by the number of Shares, and the related purchase expenses (including any brokerage fee, stamp duty and transaction fee) (the “**Reference Amount**”) from the Group’s resources to the Trust Funds, provided that:
- (i) the Trustee shall apply the Reference Amount towards the purchase of the Shares on the Hong Kong Stock Exchange within such period as the Board may direct;
 - (ii) if the Reference Amount is not sufficient to purchase all the necessary Shares, the Trustee, if so instructed by the Board, will acquire the maximum number of board lots of Shares that can be acquired with that amount;
 - (iii) in the event the Awards to which such Shares are attributable have lapsed before the completion of the purchase of such Shares or before the purchase of such Shares having become effective, the relevant Reference Amount paid by the Company shall be taken out from the Trust Funds and returned to the Company as soon as practicable; and
 - (iv) in the event that the Board notifies the Trustee that the Awards to which such Shares are attributable have lapsed after the completion of the purchase of such Shares or after the purchase of such Shares having become effective, the relevant Shares shall be held by the Trustee as returned Shares (“**Returned Shares**”).

Grant of Award to a director, chief executive or substantial shareholder of the Company, or any of their respective associates

Where an Award being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares is to be granted to any Director, the chief executive or any substantial shareholder of the Company (or any of their respective associates), the grant shall not be valid unless it has been approved by the independent non-executive Directors, excluding any independent non-executive Director who is the proposed Selected Participant of the Award.

Where an Award being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares is to be granted to a Director (other than an independent non-executive Director) or the chief executive of the Company (or any of their respective associates), and the grant of Award will result in the number of the New Shares (including treasury Shares) issued and to be issued (or transferred in the case of treasury Shares) in respect of all Awards granted under the Scheme and Share Grants (excluding share options) under Other Schemes to such proposed Selected Participant (excluding any awards lapsed in accordance with the terms of the Scheme and any Other Schemes) in the twelve (12) month period up to and including the Grant Date of the relevant Award would exceed 0.1% of the total number of Shares in issue (excluding treasury Shares) as at the Grant Date, such grant of Award shall not be valid unless:

- (a) the grant of Award has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, by the Shareholders in general meeting, at which the proposed Selected Participant, his associates and all core connected persons (as such term is defined under the Hong Kong Listing Rules) of the Company abstained from voting in favour of the relevant resolution granting the approval;
- (b) a circular containing the details of the grant of the Award has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules (including but not limited to, the views of the independent non-executive Directors as to whether the terms of the grant of the Award are fair and reasonable and whether such grant of Award is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting); and
- (c) the number and terms of such Award are fixed before the general meeting of the Company at which the same are approved.

Where an Award being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares is to be granted to an independent non-executive Director or a substantial Shareholder (or any of their respective associates), and the grant of Award will result in the number of New Shares (including treasury Shares) issued and to be issued (or transferred in the case of treasury Shares) in respect of all Awards granted under the Scheme and Share Grants (including share options) under Other Schemes to such proposed Selected Participant (excluding any options and awards lapsed in accordance with the terms of the Scheme or any Other Schemes) in the twelve (12) month period up to and including the Grant Date, would exceed 0.1% of the total number of Shares in issue (excluding treasury Shares) as at the Grant Date, such grant of Award shall not be valid unless:

- (a) the grant of Awards has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, by the Shareholders in general meeting, at which the proposed Selected Participant, his associates and all core connected persons (as such term is defined under the Hong Kong Listing Rules) of the Company abstained from voting in favour of the relevant resolution granting the approval;
- (b) a circular containing the details of the grant of the Award has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules (including but not limited to, the views of the independent non-executive Directors (excluding any independent non-executive Director who is the proposed Selected Participant of the Award) as to whether the terms of the grant of the Award is fair and reasonable and whether such grant of the Award is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting); and
- (c) the number and terms of such Award are fixed before the general meeting of the Company at which the same are approved.

Where any change (except where the change takes effect automatically under the existing terms of the Scheme) is to be made to the terms of any Award granted to a Director, the chief executive or a substantial shareholder of the Company (or any of their respective associates) and:

- (a) such grant of Award has been approved in accordance with the provisions in relation to grant of Awards to a Director, the chief executive or a substantial shareholder of the Company (or any of their respective associates) in the Scheme Rules; or
- (b) (where the grant of the Award was not subject to the provisions in relation to grant of Awards to a Director, the chief executive or a substantial shareholder of the Company (or any of their respective associates) in the Scheme Rules) as a result of such proposed change, such proposed change in the terms will result in the grant of the Award to be subject to the provisions in relation to grant of Awards to a Director, the chief executive or a substantial shareholder of the Company (or any of their respective associates) in the Scheme Rules,

such change shall not be valid unless:

- (c) the change has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, by the Shareholders in general meeting, at which such Selected Participant, his associates and all core connected persons (as such term is defined under the Hong Kong Listing Rules) of the Company abstained from voting in favour of the relevant resolution granting the approval; and
- (d) a circular regarding the change has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules (including but not limited to, the views of the independent non-executive Directors (excluding the independent non-executive Director who is the Selected Participant of the Award) as to whether the change is fair and reasonable and whether such change is in the interests of the Company and Shareholders as a whole, and their recommendation to the independent Shareholders as to voting).

Vesting of Awarded Shares

Subject to the terms and condition of the Scheme and the fulfilment or waiver of all vesting conditions applicable to the vesting of the Awarded Interests on such Selected Participant, the respective Awarded Interests held by the Trustee on behalf of the Selected Participant pursuant to the provision hereof shall vest in such Selected Participant in accordance with the applicable vesting schedule, and the Trustee shall cause the Awarded Interests to be transferred to such Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) for the benefit of the Selected Participant and any family members of such Selected Participant in accordance with the Scheme Rules.

Upon the vesting of the Awarded Interests,

- (a) barring any unforeseen circumstances, unless otherwise agreed between the Board and the Trustee, at least thirty (30) Business Days prior to the Vesting Date of the Awards granted to a Selected Participant, the Company shall issue a written instrument to confirm the vesting of the Awards (the “**Vesting Letter**”). Before issuing the Vesting Letter to the Selected Participant, the Board shall confirm in advance with the Trustee whether certain transfer documents are required to be signed by the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) if such Awarded Shares will be transferred to such vehicle in order to effect the vesting and transfer of the Awarded Shares, and if so confirmed by the Trustee, the Board shall, in the Vesting Letter or in a separate notice, require the Selected Participant and/or to procure the said vehicle to execute the transfer documents;

- (b) in the event the Selected Participant (or his legal personal representative or lawful successor as the case may be) fails to return an executed Vesting Letter or any transfer documents required to be executed at least ten (10) Business Days prior to the Vesting Date, the Board may, at its sole and absolute discretion, extend the above deadline. If the executed Vesting Letter is still not received by the extended deadline, the Board may determine whether the Awarded Interests which would have otherwise vested in such Selected Participant shall lapse and remain as part of the Trust Fund; and
- (c) for the purpose of the vesting of Awarded Interests in a Selected Participant, subject to the receipt by the Trustee of (a) a copy of the relevant Vesting Letter and a written notice from the Board instructing the Trustee to transfer the Awarded Interests to the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company), (b) the original transfer documents (if any) prescribed by the Trustee and duly signed by the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company); and (c) client due diligence documents of the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) required in accordance with the Trustee's client due diligence policy at least ten (10) Business Days prior to the Vesting Date, the Trustee shall transfer the relevant Awarded Interests to the relevant Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) as instructed by the Board as soon as practicable on or after the Vesting Date and in any event not later than ten (10) Business Days after the Vesting Date. In the event that the Trustee does not receive the requisite documents in accordance with items (a), (b) and (c) herein prior to or on the relevant Vesting Date, the Trustee shall promptly notify the Board and seek the Board's instructions. The Board may, at its sole and absolute discretion, extend the deadline for receipt of the missing document(s) to a date approved by the Board. If the requisite documents are still not received by the extended deadline, the Board may determine whether the relevant Awarded Interests shall lapse and the Selected Participant shall have no claims against the Trust or the Trustee or with respect to those or any other Shares or any right thereto or interest therein in any way.

Prior to the Vesting Date, any Award made hereunder shall be personal to the Selected Participant to whom it is made and shall not be assignable nor transferrable and no Selected Participant 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 unvested Awarded Interests referable to him pursuant to such Award or enter or purport to enter into any agreement to do so, unless and until such Awarded Interests are actually vested and transferred to the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company).

Any Awarded Shares to be transferred to a Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) upon vesting of Awarded Shares granted pursuant to the Scheme shall be subject to all provisions of the Articles of Association and rank *pari passu* in all respects with the fully-paid Shares in issue then exist on the date of transfer, and accordingly shall entitle the holder of such Shares to participate in all dividends or other distributions paid or made on or after the date of transfer and to exercise all voting rights in respect of such Shares.

Disqualification of Selected Participant

In the event that prior to or on the Vesting Date, a Selected Participant is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to the Scheme Rules, the relevant Award made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares shall not vest on the relevant Vesting Date but shall remain part of the Trust Fund. Such Eligible Participant 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.

Unless the Board determines otherwise, the circumstances under which a person shall be treated as having ceased to be an Eligible Participant shall include, without limitation, the following:

- (a) where such person has committed any act of fraud or dishonesty or serious misconduct, whether or not in connection with his employment or engagement by any member of the Group and whether or not it has resulted in his employment or engagement being terminated by the relevant member of the Group;
- (b) where such person has been summarily dismissed by any member of the Group;
- (c) where such person has been declared or adjudged to be bankrupt by a competent court or governmental body or has failed to pay his debts as they fall due (after the expiry of any applicable grace period) or has entered into any arrangement or composition with his creditors generally or an administrator has taken possession of any of his assets;
- (d) where such person has been convicted of any criminal offence;
- (e) where such person has engaged in any act that has had or will have a material adverse effect on the reputation or interests of any member of the Group; or
- (f) where such person has been charged, convicted of or is being held liable for any offence under or any breach of the SFO or other securities laws or regulations in Hong Kong or any other applicable laws or regulations in force from time to time.

Subject to the provisions in the Scheme Rules, in respect of a Selected Participant who died or retired by agreement with a member of the Group at any time prior to or on the Vesting Date, all unvested Awarded Interests of the relevant Selected Participant shall lapse with effect from the date of his death or his retirement with the relevant member of the Group.

In the event of the death of a Selected Participant, the Trustee shall directly or indirectly hold the vested Awarded Interests (the “**Benefits**”) upon trust to transfer the same to the legal personal representatives or lawful successors of the Selected Participant within (i) two (2) years of the death of the Selected Participant (or such longer period as the Trustee and the Board shall agree from time to time) or (ii) the Trust Period (whichever is shorter), subject to the Trustee receiving (a) the original transfer documents (if any) prescribed by the Trustee and duly signed by such legal personal representatives or lawful successors of the Selected Participant; and (b) client due diligence documents of such legal personal representatives or lawful successors of the Selected Participant required in accordance with the Trustee’s client due diligence policy. If the Benefits fail to be transferred or would otherwise become bona vacantia for any reason, such Benefits shall automatically lapse and cease to be transferable and the Awarded Interests shall remain part of the Trust Fund.

Other terms and conditions

For the avoidance of doubt,

- (a) a Selected Participant shall not have any interest or rights (including the right to receive dividends) in the Awarded Interests by virtue of the grant of an Award pursuant to the Scheme, unless and until the Awarded Interests are actually transferred to the Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company) upon vesting of the Awards on the Vesting Date;
- (b) a Selected Participant shall have no rights in the Residual Cash or Shares or such other Trust Fund or property held by the Trust;
- (c) no instructions shall be given by a Selected Participant (including, without limitation, voting rights) to the Trustee in respect of the Awarded Shares that have not been vested, and such other properties of the Trust Fund managed by the Trustee;

- (d) the Trustee shall abstain and, where applicable, shall procure the Trust SPV to abstain from exercising the voting rights in respect of any Shares held directly or indirectly by it under the Trust (if any) (including but not limited to the Awarded Shares, any bonus Shares and scrip Shares derived therefrom). In particular, the Trustee or the Trust SPV (as the case may be) holding the unvested Shares, whether directly or indirectly, shall abstain from voting on matters that require shareholders' approval under the Hong Kong Listing Rules, unless otherwise required by law to vote in accordance with the beneficial owner's direction and such a direction is given;
- (e) the Board may at its sole and absolute discretion, determine that all cash income and distribution and the sale proceeds of non-scrip distribution declared by the Company or derived from any Awarded Shares during the period from the date of Award to the Vesting Date held upon the Trust be applied towards the payment of the fees, costs and expenses of the Trust and that the remainder (if any) shall also remain as part of the Trust Fund. The Selected Participant does not have any rights to any cash or non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions from any Awarded Shares (including those arising on any liquidation of the Company) prior to (a) vesting (in respect of Awarded Cash) or (b) the transfer of the Shares (in respect of settlement by way of Shares);
- (f) unless otherwise determined by the Board, in the event that the vesting conditions specified in the Grant Letter are not fully satisfied prior to or on the relevant Vesting Date, the award of the Awarded Shares in respect of the relevant Vesting Date shall lapse, such Awarded Shares shall not vest on the relevant Vesting Date and the Selected Participant shall have no claims against the Company, the Board, the Trust or the Trustee; and
- (g) in the case of the death of a Selected Participant, the Benefits shall be forfeited if no transfer of the Benefits to the legal personal representatives or lawful successors of the Selected Participant is made within the period prescribed in the Scheme Rules, and the legal personal representatives or lawful successors of the Selected Participant shall have no claims against the Company or the Trustee.

No Award shall be made by the Board pursuant to the Scheme Rules and no instructions to acquire any Shares shall be given to the Trustee under the Scheme where dealings in the Shares are prohibited under any code or requirement of the Hong Kong Listing Rules and all applicable laws

from time to time. Without limiting the generality of the foregoing, no such instruction is to be given and no such grant is to be made:

- (a) after information that are required to be disclosed under Rule 13.09 of the Hong Kong Listing Rules or inside information that are required to be disclosed under Part XIVA of the SFO has come to the knowledge of the Company until (and including) the trading day after such information has been publicly announced in accordance with the Hong Kong Listing Rules, the SFO and/or the application laws;
- (b) during the period commencing from 30 days immediately before the earlier of (i) the date of the Board meeting (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Hong Kong Listing Rules) for approving the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Hong Kong Listing Rules) and (ii) the deadline for the Company to publish an announcement of its results for any year or half-year under the Hong Kong Listing Rules, or quarterly or any other interim period (whether or not required under the Hong Kong Listing Rules) and ending on the date of the results announcements. Such period will cover any period of delay in the publication of a results announcement;
- (c) (where a Selected Participant is subject to the requirements of the Model Code) during the period of 60 days immediately preceding the publication date of the annual results for any financial period of the Company or, if shorter, the period from the end of the relevant financial period up to the publication date of the results;
- (d) (where a Selected Participant is subject to the requirements of the Model Code) during the period of 30 days immediately preceding the publication date of the interim results for any financial period of the Company or, if shorter, the period from the end of the relevant half-year period of the financial period up to the publication date of the results;
- (e) in any circumstances under which dealing in Shares by a Selected Participant (including directors of the Company) are prohibited under the Hong Kong Listing Rules, the SFO or any other applicable law or regulation;
- (f) in any circumstance where any requisite approval from any governmental or regulatory authority has not been granted;
- (g) in any circumstance where the granting the Award is prohibited by or would result in a breach of the Hong Kong Listing Rules, the SFO or any other applicable law or regulation; or
- (h) where the Grant would result in breach of the Scheme Mandate Limit or other rules of the Scheme.

Clawback

In any of the following circumstances, the Board may, at its sole and absolute discretion, require the Selected Participant to return the gains from the vested Awarded Interests:

- (a) when the Selected Participant is an Eligible Participant, the Selected Participant has committed any act of fraud or dishonesty or serious misconduct in connection with his employment or engagement by any member of the Group;
- (b) when the Selected Participant is an Eligible Participant, the Selected Participant has engaged in any act or omission to perform any of his duties that has had or will have a material adverse effect on the reputation or interests of any member of the Group;
- (c) when the Selected Participant is an Eligible Participant, the Selected Participant has been summarily dismissed by any member of the Group;
- (d) when the Selected Participant is an Eligible Participant, the Selected Participant has been charged, convicted or held liable for any offence under the relevant securities laws in Hong Kong or any other applicable laws or regulations in force from time to time; or
- (e) when the Selected Participant has engaged in any act that has had or will have a material adverse effect on the reputation or interests of any member of the Group within the period of three (3) years after the Selected Participant ceases to be an Eligible Participant.

In respect of the administration of the Scheme, the Company shall comply with all applicable disclosure regulations including without limitation those imposed by the Hong Kong Listing Rules from time to time.

Takeover, rights issue, open offer, capitalisation issue

In the event a general offer for Shares (whether by way of voluntary offer, takeover, scheme of arrangement or otherwise) is made to all Shareholders (or all such holders other than the offeror, any person controlled by the offeror and any person acting in association or concert with the offeror), the Board may, prior to or immediately upon the offer becoming or being declared unconditional, determine at its absolute discretion whether any Award shall vest and the period within which such Award shall vest, provided that such vesting period in respect of Awards that are funded by issue of New Shares (or transfer of treasury Shares) shall not be less than the minimum vesting period set out in the Grant Letter (i.e., not less than 12 months unless as permitted under the Scheme Rules). In the event of acceleration of vesting which constitutes an alteration of terms of the Scheme to the advantage of the Selected Participants, such acceleration of vesting will be subject to the approval by Shareholders in a general meeting, and in such case, the Board shall provide evidence of such approval to the Trustee before instructing the Trustee to distribute such vested Awarded Interests. If the Board determines that such Award shall vest, it shall notify the Selected Participant that the

Award shall vest and the period within which such Awards shall vest and the Trustee shall distribute the Awarded Interests to such Selected Participant and/or, to the extent permitted under the Hong Kong Listing Rules, a vehicle controlled by him/her (such as a trust or a private company). In the absence of such determination by the Board, the Awards shall continue to vest in accordance with their respective vesting timetable.

If there occurs an event of alteration in the capital structure of the Company (including but not limited to capitalisation issue, rights issue, consolidation, subdivision or reduction of the share capital of the Company) whilst any Award remains outstanding, the Board may make equitable adjustments that it considers appropriate, at its sole and absolute discretion, including:

- (a) the maximum number of Shares subject to the Scheme; and/or
- (b) the number of Shares that may be offered by the Company to the Selected Participant pursuant to the Awards that have already been granted but not vested,

provided that:

- (i). no such adjustments shall be made in respect of an issue of securities by the Company as consideration in a transaction;
- (ii). any such adjustments made must give each Selected Participant the same proportion of the share capital of the Company, rounded to the nearest whole Share, as that to which he was previously entitled;
- (iii). no such adjustments shall be made which to the extent that a Share would be issued at less than its nominal value;
- (iv). no adjustment shall be made to the advantage of the Selected Participant without specific prior approval from the shareholders of the Company;
- (v). any adjustment made should have a neutral impact (but shall not be more favourable) from the perspective of the Selected Participant;
- (vi). any such adjustments involving Awards being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares, other than those made on a capitalisation issue, shall be confirmed by an independent financial adviser or the auditors in writing to the Directors as satisfying the requirements of this paragraph, the requirements of the relevant provisions of the Hong Kong Listing Rules and Appendix 1 to the Frequently Asked Questions FAQ13 (or any successor guidance or interpretation of the Hong Kong Listing Rules in respect of the same subject matter issued by the Hong Kong Stock Exchange from time to time) and any further guidance/interpretation (the

“**Supplementary Guidance**”) issued by the Hong Kong Stock Exchange from time to time, and that in the opinion of the auditors or an independent financial adviser that the adjustments made by the Board under this paragraph are fair and reasonable. The independent financial adviser or the auditors (as the case may be) shall act as experts and not as arbitrators and their certification shall be final and binding on the Company and the Selected Participant. The costs of the independent financial adviser or the auditors (as the case may be) shall be borne by the Company; and

- (vii). any adjustments to be made will comply with the Hong Kong Listing Rules, the Supplementary Guidance and any further guidance/interpretation of the Hong Kong Listing Rules issued by the Hong Kong Stock Exchange from time to time.

If there has been any alteration in the capital structure of the Company as referred to in the above paragraph, the Company shall notify each such Selected Participant (with a copy of the notification to the Trustee) of the adjustment to be made after such alteration in the capital structure of the Company.

Unless otherwise determined by the Board, in the event the Company undertakes an open offer of new securities in respect of any Shares which are held directly or indirectly by the Trustee under the Scheme, the Trustee shall not subscribe for, and, where applicable, shall procure the Trust SPV not to subscribe for, any New Shares. In the event of a rights issue, the Trustee shall sell or cause to be sold such amount of the nil-paid rights allotted to it or the Trust SPV on the market as is appropriate and the net proceeds of sale of such rights shall be held as part of the Trust Fund.

Unless otherwise determined by the Board, in the event the Company issues bonus warrants in respect of any Shares which are held directly or indirectly by the Trustee, the Trustee shall not subscribe for, and, where applicable, shall procure the Trust SPV not to subscribe for, any New Shares by exercising any of the subscription rights attached to the bonus warrants and shall sell or cause to be sold the bonus warrants created and granted to it on the market, the net proceeds of sale of such bonus warrants shall be held as part of the Trust Fund.

Unless otherwise determined by the Board, in the event that the Company undertakes an issue of bonus Shares, the bonus Shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be held as part of the Trust Fund.

Unless otherwise determined by the Board, in the event the Company undertakes a scrip dividend scheme, the Trustee shall elect or, where applicable, procure the Trust SPV to elect to receive scrip Shares and scrip Shares allotted with respect to any Shares which are held directly or indirectly by the Trustee shall be held as part of the Trust Fund.

Unless otherwise determined by the Board, in the event of other non-cash and non-scrip distribution made by the Company in respect of Shares held upon the Trust, the Trustee shall dispose of or, where applicable, procure the Trust SPV to dispose of such distribution and the net sale proceeds thereof shall be deemed as cash income of a Share held as part of the Trust Fund.

Scheme Mandate Limit

Set out below are details relating to the maximum aggregate number of New Shares (including treasury Shares) available for grant under the Scheme:

- (a) the maximum aggregate number of New Shares (including treasury Shares) available for grant under the Scheme from time to time shall be calculated in accordance with the following formula:

$$X = A - B - C$$

where:

- X = the aggregate number of New Shares (including treasury Shares) available for grant under the Scheme from time to time;
- A = the Scheme Mandate Limit;
- B = the maximum aggregate number of New Shares (including treasury Shares) that have been or may be allotted and issued (or transferred in the case of treasury Shares) by the Company to satisfy the Awards already granted under the Scheme (which in the event that there has been a refreshment of the Scheme Mandate Limit, shall only include those New Shares (or treasury Shares) which have been or may be allotted and issued (or transferred in respect of treasury Shares) to satisfy the Awards that have been granted since that most recent refreshment of the Scheme Mandate Limit); and
- C = the maximum aggregate number of New Shares (or treasury Shares) which have been or may be allotted and issued (or transferred in respect of treasury Shares) by the Company to satisfy the Share Grants already made under the Other Schemes.
- (b) Shares in respect of Awards which have lapsed or have been encashed in accordance with the terms of the Scheme (and Share Grants that have lapsed or have been encashed under Other Schemes) will not be counted for the purpose of calculating the Scheme Mandate Limit.

Subject to the provisions regarding lapse and cancellation of Awarded Shares in the Scheme Rules, any Award (or any portion of an Award) which lapses or is forfeited in accordance with the terms of the Scheme Rules shall be deemed not to have been issued for the purposes of calculating the Scheme Mandate Limit. However, any Awards cancelled (whether voluntarily or involuntarily) will be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

If the Company conducts a share consolidation or subdivision after the Scheme Mandate Limit has been approved by the Shareholders in general meeting, the maximum number of Shares that may be issued (or transfer in respect of treasury Shares) under the Scheme Mandate Limit as a percentage of the total number of issued Shares (excluding treasury Shares) at the date immediately before and after such consolidation or subdivision shall be the same, rounded down to the nearest whole Share.

The Scheme Mandate Limit may be refreshed by the Shareholders in general meeting after three years from the later date of (i) the date of Shareholders' approval for the last refreshment and (ii) the date of adoption of the Scheme, provided that:

- (a) the total number of New Shares (including treasury Shares) which may be issued (or transferred in the case of treasury Shares) in respect of all Awards to be granted under the Scheme and Share Grants under any Other Schemes under the Scheme Mandate Limit as refreshed shall not exceed 10% of the total number of Shares in issue (excluding treasury Shares) as at the date of approval of the refreshing of the Scheme Mandate Limit by the Shareholders; and
- (b) a circular regarding the proposed refreshing of the Scheme Mandate Limit has been despatched to the Shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, including but not limited to the number of Awards that were already granted under the existing Scheme Mandate Limit and the reason for the refreshment.

The Scheme Mandate Limit may be refreshed by the Shareholder in general meeting within three years from the later date of (i) the date of Shareholders' approval for the last refreshment and (ii) the date of adoption of the Scheme, provided that:

- (a) any controlling shareholders (as such term is defined under the Hong Kong Listing Rules) and their associates (or if there is no controlling shareholder (as such term is defined under the Hong Kong Listing Rules), 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;
- (b) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Hong Kong Listing Rules;

- (c) the Company must comply with the requirements set forth in the Scheme Rules.

The requirements under subparagraph (a) and (b) of the above paragraph do not apply if the refreshment is made immediately after an issue of securities by the Company to Shareholders on a pro rata basis as set forth in Rule 13.36(2)(a) of the Hong Kong Listing Rules such that the unused part of the Scheme Mandate Limit (as a percentage of the total number of issued Shares, excluding treasury Shares) 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.

The Company may seek separate approval from the Shareholders in general meeting for granting Awards beyond the Scheme Mandate Limit, provided that:

- (a) the Award will only be granted to Eligible Participants specifically identified by the Company before the relevant Shareholders' approval is sought;
- (b) a circular containing the details of the grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, including but not limited to the name of each Eligible Participant who may be granted such Awards, the number and terms of the Awards to be granted to each Eligible Participant, and the purpose of granting Awards to the Eligible Participants with an explanation as to how the terms of the Awards serve such purpose; and
- (c) the number and terms of the Awards to be granted to such Eligible Participants are fixed before the general meeting of the Company at which the same are approved.

Where an Award being satisfied by the issuance and allotment of New Shares or transfer of treasury Shares is to be granted to any Eligible Participant (the “**Relevant Eligible Participant**”), and the grant of Award will result in the number of New Shares (including treasury Shares) issued and to be issued (or transferred in the case of treasury Shares) in respect of Awards granted under the Scheme and Share Grants (including share options) under Other Schemes to the Relevant Eligible Participant (excluding any options and awards lapsed in accordance with the terms of the Scheme or any Other Schemes) in the twelve (12) month period up to and including the Grant Date would exceed 1% of the total number of Shares in issue (excluding treasury Shares) as at the Grant Date, such grant of Award shall not be valid unless:

- (a) such grant of Award has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, by the Shareholders in general meeting, at which the Relevant Eligible Participant and his close associates (as such term is defined under the Hong Kong Listing Rules) (or his associates if the Relevant Eligible Participant is a connected person (as such term is defined under the Hong Kong Listing Rules)) has abstained from voting;

- (b) a circular containing the details of the Grant has been despatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Hong Kong Listing Rules, including but not limited to the identity of the Relevant Eligible Participant, the number and terms of the Awards to be granted (and those previously granted to such Relevant Eligible Participant in the said twelve (12) month period), the purpose of granting the Awards to the Relevant Eligible Participant and an explanation as to how the terms of the Awards serve such purpose; and
- (c) the number and terms of such Award are fixed before the general meeting of the Company at which the same are approved.

For the avoidance of doubt, the foregoing shall not apply to any Awards funded by Existing Shares.

Lapse and cancellation of Award

An Award shall lapse automatically on the earliest of:

- (a) the date on which the Selected Participant commits a breach of the provisions regarding assignability or transferability in the Scheme Rules;
- (b) the date on which the Selected Participant is found to be an Excluded Participant or is deemed to cease to be an Eligible Participant pursuant to the Scheme Rules;
- (c) the date on which it is no longer possible to satisfy any outstanding conditions to vesting as set out in the Scheme Rules;
- (d) the date on which the Board decides the Awarded Interests have lapsed in accordance with the Scheme Rules; or
- (e) the date of his death or his retirement in accordance with the Scheme Rules.

The Board may at its discretion cancel any Award that has not vested or lapsed at any time at its absolute discretion.

Where the Company cancels Awards granted to an Eligible Participant, and makes a new grant to the same Eligible Participant, such new grant may only be made under available Scheme Mandate Limit from time to time. Any Award cancelled will be regarded as utilised in calculating the Scheme Mandate Limit.

Disputes

Any dispute arising in connection with the Scheme shall be referred to the decision of the Board whose decision shall be final and binding.

Alteration

The Scheme may be amended in any respect by a resolution of the Board provided that (i) unless with the prior written consent of the Trustee, any such amendment or modification shall not impose any additional or more onerous duties, responsibilities or liabilities on the Trustee; and (ii) any alteration to the terms and conditions of the Scheme that are of a material nature or any alteration to the authority of the Board or the Trustee to alter the terms of the Scheme or any alteration to the specific terms of the Scheme which relate to the matters set forth in Rule 17.03 of the Hong Kong Listing Rules to the advantage of Selected Participant or proposed Selected Participant must be approved by the Shareholders in general meeting (with the Selected Participant or proposed Selected Participant and their associates abstaining from voting). The Board's determination as to whether any proposed alteration to the terms and conditions of the Scheme is material shall be conclusive.

Any change to the terms of Awards granted to a Selected Participant must be approved by the Board, the remuneration committee of the Company, the independent non-executive Directors of the Company and/or the Shareholders (as the case may be) if the initial grant of such Awards under the Scheme was approved by the Board, the remuneration committee of the Company, the independent non-executive Directors of the Company and/or the Shareholders (as the case may be) except where the alterations take effect automatically under the existing terms of the Scheme.

The provisions in the Scheme shall be amended by the Board to reflect any amendments to the Hong Kong Listing Rules made by the Hong Kong Stock Exchange after the Adoption Date to comply with the relevant provisions of the Hong Kong Listing Rules which the Scheme has been drafted to reflect the position as at the Adoption Date.

Written notice of all details relating to change in the terms of the Scheme during the lifetime of the Scheme shall be given to all Selected Participants and the Trustee immediately upon the changes take effect.

Termination

The Scheme shall terminate on the earlier of: (a) the tenth (10) anniversary date of the Adoption Date; and (b) such date of early termination as determined by the Board by a resolution of the Board, provided that such termination shall not affect any subsisting rights of any Selected Participant hereunder.

Upon termination of the Scheme,

- (i) no further grant of Awards may be made under the Scheme but in all other respects the provisions of the Scheme shall remain in full force and effect;
- (ii) all the Awards of the Selected Participants granted under the Scheme shall continue to be held by the Trustee and become vested in the Selected Participants according to the conditions of the Award, subject to the receipt by the Trustee of the required documents prescribed by the Trustee;
- (iii) unless otherwise determined by the Board, all Shares (except for any Awarded Shares subject to vesting on the Selected Participants) remaining in the Trust Fund shall be sold or otherwise dealt with by the Trustee in the manner as determined by the Board within twenty-eight (28) Business Days (on which the trading of the Shares has not been suspended) (or such longer period as the Trustee and the Board may otherwise determine); and
- (iv) all net proceeds of sale referred to in the above paragraph and such other funds and properties remaining in the Trust Fund managed by the Trustee (after making appropriate deductions in respect of all disposal costs, liabilities and expenses) shall be remitted to the Company forthwith. For the avoidance of doubt, the Trustee may not transfer any Shares to the Company nor may the Company otherwise hold any Shares whatsoever (other than its interest in the proceeds of sale of such Shares pursuant to the above paragraph).

For the avoidance of doubt, the temporary suspension of the granting of any Award shall not be construed as a decision to terminate the operation of the Scheme.

NOTICE OF EXTRAORDINARY GENERAL MEETING



JST Group Corporation Limited

聚水潭集團股份有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Stock Code: 6687)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “**Meeting**”) of JST Group Corporation Limited (the “**Company**”) will be held at 6/F, Building T4, Hongqiaohui, Lane 990, Shenchang Road, Minhang District, Shanghai, PRC on Wednesday, 16 September 2026 at 10:00 a.m. for the purpose of considering and, if thought fit, approving the following resolutions as ordinary resolutions of the Company (with or without amendments):

To consider and, if thought fit, passing with or without modification, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the rules of the share award scheme of the Company (the “**Share Award Scheme**”) (a copy of which has been produced to the meeting marked “A” and signed by the chairman of the meeting for identification purpose) be and are hereby approved and adopted as the share award scheme of the Company, subject to the terms and conditions set out therein; AND THAT the directors of the Company (the “**Directors**”) be and are hereby authorised to do 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, notwithstanding that they or any of them may be interested in the same, including without limitation:
- (i) implement the Share Award Scheme (including but not limited to the appointment of trustee and establishment of a trust for administration of the Share Award Scheme) and to grant awards (whether satisfied by shares of the Company (“**Shares**”) or cash) to persons eligible under the Share Award Scheme in accordance with the terms of the Share Award Scheme;

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- (ii) 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 terms of the Share Award Scheme and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”);
 - (iii) allot, issue (or transfer, in the case of treasury Shares) and deal with from time to time such number of new Shares (including treasury Shares) as may be required to be allotted, issued or transferred pursuant to the Share Award Scheme, in accordance with the terms thereof and in compliance with the Listing Rules; and
 - (iv) make application at the appropriate time or times to The Stock Exchange of Hong Kong Limited and any other stock exchanges (if appropriate) for the listing of, and permission to deal in, any new Shares (including treasury Shares) or any part thereof that may hereafter from time to time be allotted and issued (or transferred in the case of treasury Shares) pursuant to the Share Award Scheme.”
2. “**THAT** subject to the passing of resolution no. 1 above, the total number of new Shares (including treasury Shares) that may be allotted and issued (or transferred, in the case of treasury Shares) by the Company in respect of the awards under the Share Award Scheme; and other share awards and/or options over new Shares (including treasury Shares) under other share option/award schemes of the Company or its subsidiaries governed by Chapter 17 of the Listing Rules, shall be 10% of the total number of Shares in issue (excluding treasury Shares) as at the date of passing of this resolution.”

By order of the Board
JST Group Corporation Limited
Mr. Luo Haidong
*Chairman of the Board, Executive Director
and Chief Executive Officer*

Hong Kong, 27 August 2026

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Notes:

1. A member of the Company entitled to attend and vote at the Meeting is entitled to appoint one or, if he is the holder of two or more shares, more proxies to attend and vote instead of him. A proxy needs not be a shareholder of the Company. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. In the case of joint holders of shares in the Company, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote(s) of the other joint holder(s), seniority being determined by the order in which names stand in the register of members.
3. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorised, and must be deposited with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the Meeting. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the Meeting (or any adjourned meeting thereof) if they so wish.
4. For the purpose of ascertaining the shareholders' rights of attending and voting at the Meeting, the register of members of the Company will be closed from Friday, 11 September to Wednesday, 16 September 2026, both days inclusive, during which period no transfer of shares shall be effected. In order to be entitled to attend and vote at the meeting, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than Thursday, 10 September 2026 by 4:30 p.m. The record date will be Wednesday, 16 September 2026.
5. Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in this notice will be decided by poll at the Meeting.
6. If a Black Rainstorm Warning Signal or a Typhoon Signal No. 8 or above or "extreme conditions" caused by super typhoons is hoisted at or after 8:30 a.m. on the date of the Meeting and/or the Hong Kong Observatory has announced at or before 8:30 a.m. on the date of the Meeting that any of the above mentioned warnings is to be issued within the next two hours, the Meeting will be postponed.